



Australian Government
Productivity Commission

PRODUCTIVITY COMMISSION

COMPENSATION AND REHABILITATION FOR VETERANS

MR R FITZGERALD Commissioner
MR R SPENCER, Commissioner

TRANSCRIPT OF PROCEEDINGS

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COMMISSIONER FITZGERALD: Good morning, everybody. Yesterday in Canberra we had a full house of participants by 9 o'clock. It must be Melbourne or something about the weather. Firstly I'd just like to welcome you to the hearing today and I've just got a formal statement that I need to read at the beginning of these hearings.

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So firstly, thank you for participating in the public hearings for the Productivity Commission's National Inquiry into Veterans' Compensation and Rehabilitation following the release of our draft report in December of last year. I'm Robert Fitzgerald, I'm the presiding Commissioner on this inquiry, and my colleague is Commissioner Richard Spencer.

The purpose of the round of hearings is to facilitate public scrutiny of the Commission's work and to get comment and feedback on our draft report to assist us in the preparation of the final report. So far we've held hearings yesterday in Canberra and previously in Adelaide, Perth, Darwin, Wagga Wagga, and following today we will be in Hobart, Sydney, Townsville and Brisbane.

We will then be working towards completing a final report to government which will be provided to government at the end of June this year, having considered all the evidence presented at the hearings and in submissions, as well as other informal discussions and consultations. Participants and those who have registered their interest in this inquiry will automatically be advised when the final report is released by government. The Productivity Commission produces and releases the draft report, but the final report is released by the government. Nevertheless, the government is required to release the report in its entirety within 25 Parliamentary sitting days after the completion of the report.

We'd like to conduct all hearings in a reasonably informal manner, but I remind participants that a full transcript is being taken and for this reason comments from the floor can't be taken, but at the end of the proceedings of today I will provide an opportunity for any persons wishing to make a very brief statement or presentation.

Participants are not required to take an oath, but they are required by the Productivity Commission Act to be truthful in their remarks. Participants are welcome to comment on issues raised in other people's submissions and more generally. The transcript will be made available to participants and will be available from the Commission's website following the hearings. Submissions are also available on the website. We publish all of the submissions with very rare exceptions to that.

Just in relation to occupational health & safety, should you need to evacuate the building there is a fire escape just in the corridor in which you entered this room. Otherwise we'll get under way, and if we could have the first participant today being the Naval Association. I've just got to open the right folder. Right, so the Naval Association of Australia. Thank you very much. If you want to grab the middle one might be best. Thanks. And if anybody is hard of hearing please come forward. As I said, this is not a Catholic organisation so you are allowed to sit in the front seats, and we'd be grateful for that. So Terry, if you could give us your full name for the record, and the name of the association that you represent.

MR MAKINGS: Terrence John Makings and I'm the Naval Association of Australia.

COMMISSIONER FITZGERALD: Good. Thank you very much. Terry, if you could just give us a 10 minute opening presentation and then we'll have a chat and questions and answers. Thanks.

MR MAKINGS: Thanks, Commissioner. First of all, we respect that the Productivity Commission role is to research and advise the government on a range of issues for Australians, and I guess our genesis is from the fact we're Victorian originally in the sense of one in 10 Victorians, 114,000, joined the Defence Force to participate in the First World War, and 89,000 went overseas, and one in five made the supreme sacrifice, and our organisation originated in 1920, some four years after the RSL was formed and we've been going ever since.

Now, we're concerned that the report is broadly responsive to corporate, and that being financial and economic, rather than veterans' specific wellbeing, and the principles under which we're providing commentary here is that we believe the unique nature of military service where every veteran is subject to the lethal application of force and the likelihood of injury or death should underpin all commentary that's related to this particular review.

COMMISSIONER FITZGERALD: So can I just see, can people hear at the back or not? Sorry, again, if you can come forward that might be helpful. We'll try and get a mic later on, and Terry, if you could just speak - that microphone doesn't, it's only for recording purposes, it's not for amplification. Sorry, go on.

MR MAKINGS: We also support the one injury, one compensation entitlement, and we feel that any changes that take place, there should be no detriment to current or future veterans from a legislative or (indistinct)

reform process, and change is to be based on objective evidence and rational argument which is no doubt is what the Commission's pursuing anyway.

5 Our concerns are that the Productivity's criticism so far of the Department of Veterans' Affairs, for us it doesn't really focus on the strategic focus that we can appreciate what the end result will be, so that we couldn't determine what that would be insofar as the support of the veteran community at the end of the day.

10 There's little recognition of DVA's improvement program in their focus on becoming a learning organisation, and we're disappointed that the report focusses on DVA's past weaknesses and what appears to be the complaints of a relatively vocal minority. It doesn't seem to give any credit to DVA's improvement program over recent years and their response to what was required by the Australian Public Service Commission Report of 2013, Capability Review. DVA's strategic plan that they produced as a consequence of that; DVA's towards 2020; also the key recommendations out of the 2017 Senate Foreign Affairs, Defence and Trade Reference Committee Report, "The Constant Battle"; and findings from the Australian National Audit Office 2018, Performance Audit.

25 And I think we're particularly driven as a member of ESORT with the fact that the transition objectives spelt out by Secretary Simon Lewis, and now Liz Cosson, their leadership group, we see those as being fairly critical to how DVA is seeking to transform itself, particularly taking note that DVA's initiative is a whole of government networking process. We feel that the changes proposed will have an adverse impact on their capability of networking across government, and the fact that they've employed case coordination to support clients with the complex needs that this - there's a large issue around the networking and maybe a smaller one seen by the case coordinator role which is super-critical, I think, to individual veterans.

35 There's a perception that around ESOs generally, and it states in the report, I think, about us being disorganised and fractious, I guess myself and my colleague, Carl, from the Air Force Association, we're two members of a 13 group in the ESO forum, the ex-service organisation round table that meets with DVA, so we're, you know, our organisation is one of the five inaugural members, and out of the 12 that sit at the table around ESORT, out of the 13 I should say, 12 are ADSO members, the Alliance of Defence Service Organisations.

45 So they're working very hard to distil all their thoughts into a single voice to assist the process of influencing DVA and how they might best serve

the veteran community, and again, I think we find that there are thousands of ESO virtual organisations which claim to support veterans and we feel we just need to work out what tier they operate at, and whilst they've got very good communication processes, the national organisations are
5 actually doing real work with veterans today, and we do grant that there is a very vocal small group of individuals who are very unhappy with DVA, and we don't think that will ever change, but there is a much larger group that is happy with DVA, particularly because of their propensity to, in recent years, to improve how they work with veterans, and in our view
10 DVA is a soft target for the unrestrained and those with hostile intentions.

We see retention of the ESORT is fundamental to the future success of DVA. It needs to be properly engaged, and DVA needs to work with ESORT as an outcome focussed forum where the agenda is jointly
15 developed and mindful of agreed strategic outcomes, and we think there needs to be greater visibility of the Minister for Veterans' Affairs at ESORT and the endorsement of whatever strategic activities they come up with, and it could be that DVA is viewed at the moment as a product of neglect. Obviously our recommendations are about - we're advocating for the retention of DVA. We think that the radical restructuring of veterans'
20 administration is far too daunting for the veteran community, particularly when the outcome is dubious at best, and we feel there should be a dedicated Minister for Veterans' Affairs. That should continue as it is at the moment.

25 It may well be it's the chemistry we see today with the current players, certainly under Simon Lewis, with the current Minister, Liz Cosson, we feel that there's great potential to improve the outcomes that the Productivity is searching for, and their continuous improvement through
30 the veteran-centric reform has been quite profound, and the criticisms, we feel that the report hasn't really adopted the changes that have taken place. To us it's not realised.

35 It's a massive report that's out, so it may be in there and as we've gone through it we haven't quite picked up on your meaning of it, but we do feel that the DVA are trying to adopt a life-long approach to wellbeing, and the actual report, as we've read it, develops an approach to wellbeing which is around economic perspectives, rather than the social side of
40 things, things like the retention of the Gold Card and existing entitlements for future veterans.

The cards are universally recognised and provide considerable comfort to veterans' families. They understand what they're for and at the end of the day, the issue with the Card is that it provides a small premium to some
45 medical practitioners, and most importantly, it probably recognises where

the Federal Government's primary role is the defence of Australia and the veterans are the instrument by which that happens, that they may in fact be elevated somewhat, moved up the queue a little bit because they've got a Gold Card and we think that that's more than app.

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We're a bit concerned about the harmonisation of entitlements, irrespective of the nature of the Veteran Service, and in our view it's critical that the balance be in favour of the veterans' wellbeing, not just be an economic process where we look at the lowest common denominator, and any review of entitlements for widows of veterans who die on duty need to be properly assessed so that they are cared for and the hard-won entitlements that exist today, if nothing else, are preserved, and this is irrespective of where the veteran may have died. If they're on operational duties, to us it's all the same. It's the poster that determines where they go, and it's the families, the veteran and the families that have got lived experience. They have been through this process.

We also feel there should be consideration given to the financial support that national ESOs receive to enable them to properly support veterans and families, and ensure they've got a suite of wellbeing services at their disposal. The point here is that the demand for professional advisers, advocates separate from DVA, has caused serious disruption to the traditional advocacy service network. The shift from the TIP system to the new Advocacy Training and Development Program has been fairly tedious, and our organisation has seen a massive drop in participants supporting veterans, something like a 90 per cent reduction, and we hope the final report will seek to address this in some form or another.

COMMISSIONER FITZGERALD: We won't be able to go through all the recommendations, so just, are there are any of those other recommendations that you want to highlight and then we'll open it put for some discussion?

MR MAKINGS: I suppose the main thing for us is to ensure that we don't miss the point that DVA has the propensity to change how they're delivering business. The focus is now on veterans and just to re-emphasise that point that we think they're, in the past they've been a product of neglect, whether it be through management or government. They're looking to address that. We have seen that in reality and we just feel that should be supported, so I'm happy to stop there.

COMMISSIONER FITZGERALD: No, no, thank you very much, and thank you for your submission. Can I just go back to a couple of things? You've indicated that you believe that DVA's attacks are by a small group. Nevertheless, the survey results show a very interesting picture. Older

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5 veterans who have largely had their claims dealt with are highly supportive of DVA, and younger veterans are not. In fact, they're completely inverse, and so as we've gone around and had workshops on the basis with existing serving personnel, and recently, you know, discharged personnel, their view of DVA and the system is entirely different to that of the older veterans.

10 One of the issues we've tried to struggle with is, in creating the system for the next 20 or 30 years is, how do we meet the needs of those that are becoming non-serving veterans? And it seems that even in the ESO community it's like two worlds. It's very stark, it's very different, and so we've been trying to create a system for the future, and many of the ESOs want to maintain the system as it is because of their own circumstances. So that's been our challenge, and so there does seem to be a disconnect in the ESO area. There's a disconnect with veterans, and so that's been our struggle or our challenge. I was wondering if you just have a view about that because it's very clear to us, and in the public hearings that's become clearer to us as we've gone on.

20 **MR MAKINGS:** I think that's a very good point. First of all I would say that current serving people or veterans, their focus is on their day job. Compensation around something that's happened that they may or may not tell the system about because it will impact on their career, I'd suggest to you that very few within the service know about the entitlements. They're there to be repaired and back on the job.

30 I had a conversation with one of the most senior people in the Defence Force about this very thing about Defence people understanding what DVA do. That person actually said to me, and I wouldn't like to reveal his name, that was in control of how one of the Defence Forces did their business around people, and said that, well, he was injured in Afghanistan, but he wouldn't - he was okay and just got on with the job, and I said, "Well, what about the compensation?". He said, "Oh, I'm okay". So he just disregarded that. So I think anyone that's in uniform today, unless they're working at that interface with DVA, they're not into looking at what their compensation is.

40 When they go out, the transition process, and I attended the first one-day transition seminar last October that was held in Melbourne, my view is that 50 per cent of it was nothing to do with transition. The way the program was set out made it difficult for an individual to understand where they should go. Out of the 24 sessions, and I went to eight of them. There were several hundred people there. Seventeen were Navy.

Now, we've got the largest training establishment in Australia in Victoria, and 17 Navy people turned up, so for me there's something missing in that process. That doesn't need a radical restructure. It's something about information, how the invitation's initiated. The program was held at Rod Laver Arena. Cerberus is 50 or 60 kilometres, or 80 it might be, in the other direction. Getting away from the workplace, Cairns for instance, people used to sign in and just go (indistinct) the form straight away.

So I think there is a small cohort, like 65 or 70 per cent of everyone that's paying off from the service out of the 5,500, 6,000 that leave each year, there's no problem. There's maybe 30 per cent that are struggling, so while they're in the service they're more than happy about what's going on. They make a domestic decision to leave. They then leave the system, I just mentioned 17 Navy people went to the transition seminar, so the rest think they're okay.

So once they're out of the system, it's then, "Well, what do we do?". Now, I'm disappointed that our organisation has virtually no profile within the service, the Navy today, and we're trying to correct that. So once they leave, and this happens with every organisation, when you step outside the door they've got their day job. They're not worried about the retiree.

COMMISSIONER FITZGERALD: Could I just deal with the other issue, about a couple of issues. It's not just a dissident group. Every single inquiry that's been held into DVA has been highly critical of it, its' administration, the legislative arrangements, the complexity of the system, every single inquiry that's been undertaken, including the recent Senate Committee one and the other internal government audits that have been done. So it's not actually a group of dissident DVA clients only. Every inquiry has had the same.

Now, in the last couple of years we fully acknowledge the veteran-centric reform, there's a whole chapter on it, and in fact to clear the point we've said that there should be no structural change until that reform completes in 2021, so contrary to your own submission, we've actually said that much of the veteran-centric reform is good, but we've also said it's inadequate, and the structures in the systems do actually matter a great deal. We know that. We know that from the human services.

So isn't it true that your own representation of it is, in fact, a bit gilded? That is, that all the inquiries have said there are fundamental problems in the systemic nature of the system itself, the three acts, the complexity of those acts the way it operates, the way it's administered, the culture in the organisation. So it's actually a deep systemic issue. VCR is making some improvements. We acknowledge that, we support those, but it seems to

me to be not completely setting the scene correctly that there are deep systemic issues in the system itself, and yet most of the organisations in ESORT don't acknowledge that at all. It's as if the VCR is in fact the answer, but in fact we know that it's only part of the answer because it
5 only deals with part of the problem.

MR MAKINGS: I think that's a good point, and in your document you've said there are 640,000 veterans out there today. It'd be interesting to know how many of those people actually responded to the Senate Inquiry. I
10 think very, very few would ever front up to something like that. It's not easy to sit here, for instance, today to think that I'm speaking on behalf of all ex-Navy veterans because we're the only Navy organisation, totally Navy organisation, in Australia. It's a bit daunting.

15 We feel that it's a bit like throwing the baby out with the bath water, this notion, get rid of DVA, we're going to have a statutory authority and whatever. Now, I guess from my perspective, having worked as a senior executive for a few decades, that I see a fantastic relationship with the Secretary, whether it be Simon Laws or whatever, so at a higher level they
20 understand, and you've got an ex-veteran in the chair today in Liz Cosson, first time ever. The empathy that she has with veterans, her own father and so forth - - -

COMMISSIONER FITZGERALD: Sure, but look, can I be - but
25 respectfully, they come and go. Leaders of organisations come and go and throughout the hundred years that there's been a rehabilitation system there's been excellent relationships between the Defence and DVA, and there's been terrible relationships between Defence and DVA. There's been good leaders of those institutions, and there's been poor leaders of
30 the institutions. So if you're trying to design a system for the next 20, 30 or 40 years, isn't there a danger that you place undue emphasis on the current personnel when in fact in reality all of those will be gone within a period of time?

35 So I'm not criticising personnel, I'm not dismissing what you're saying, but in systemic terms, to rely on the individual goodwill of two or three people has in fact been a problem within the Veterans' Affairs area, and not a great strength. Now, that's not to say again that what's happening today isn't good, but if you're looking at a 30, 40, 50 year program of
40 reform isn't that a very dangerous thing to do, to simply base it on the current personnel?

MR MAKINGS: I'm not simply basing it on the current personnel. I'm arguing - I would put to you that after a hundred years of federation that
45 the Federal Government administrative arm is set up with secretaries

managing it, and there was quite a significant change happened there I guess through the Hawke years or whatever it was where they put them on contracts to make sure you could change them out if they weren't doing the proper job. To say that we'll create a statutory authority, so a third party, I'm sort of a bit miffed as to why the - chemistry's so important, and at least within, if you do it within the government system, they can do something about it.

To have it as a statutory authority, and I think there's plenty of evidence, we might argue that the Commonwealth Superannuation Corporation is out there on its own and not looking after veterans. You know, DFRDB, we say the value of the pension system was being degraded for decades and you can't get anything done. They're not even included in the banking and insurance company and superannuation review that just occurred. We're saying, well, why weren't they in there.

COMMISSIONER FITZGERALD: So can we unpack this a little bit. Our understanding is that most of the organisations oppose policy going to the Defence Department, and that's what we've been hearing in the public areas, and many of the service organisations want to retain a DVA, and when we've questioned that, it's largely around policy, a relationship with the ESOs, those sorts of very important issues.

In relation to the administration of the scheme, that is just pure administration, not the policy. Every single government in Australia has moved to a commission structure or a statutory authority. No department runs compensation schemes any more, and there's good reasons for that. We've tried to articulate them, but not as well as we need to, with an independent board of commissioners made up of veterans and other people, responsible to the Minister for Veterans' Affairs, constituted only to deal with the veterans' compensation scheme, but that body doesn't deal with policy. That policy we've separated.

So is the concern that you've got is around the policy levers, the relationship with the ESOs and the role and the voice of veterans or as distinct from the actual administration of a compensation scheme, and they're quite different in character, but no government in Australia now runs any compensation schemes through a departmental structure. So isn't that a learning that we've got and we're trying to adopt the best practice, and if the best practice says this is the model that delivers best outcomes for the customers or the clients, or the veterans in this case, whilst leaving policy somewhere else, isn't that at least a concept worth looking at?

MR MAKINGS: I can't argue with your logic, but what I would say to you is, when it's distilled down, that's a very economic approach, and I -

well, it's not about the veteran any more. Now, it just seems to me, that's more about how we're managing the budget.

5 **COMMISSIONER FITZGERALD:** Isn't it about actually delivering the most efficient and effective system to serve the veteran? See, I don't understand this. The veterans' entitlements, for example, under VEA are not changing, so we've left VEA. We're talking about MRCA and DRCA and it is likely that the benefits for those under DRCA will increase. So the consequence of our reforms is in fact more money being spent for
10 veterans, not less. I know that there's in the ESO community they're talking about cost-cutting. Our proposals actually will deliver more money for veterans, not less, and we know that with the health care arrangements currently in place, that budget's going to increase. So veterans are going to get more money going forward.

15 What we have said is, there has to be greater efficiency in the way that is delivered so that the outcomes for veterans are improved, the ability to return to work, the ability to be supported throughout one's life, the ability to be able to actually access services, not simply receive funding for
20 services. So we actually see this delivers benefits for the veterans, and I can't understand why the veteran community doesn't want the most effective way of delivering that, whilst at the same time having very significant influence in relation to the policy area. It just seems illogical to me that you would want an inefficient system versus an efficient system
25 whilst you still have great leverage in relation to the policy area. It just doesn't make sense to me when the outcomes for veterans would be enhanced, not diminished. Now, that's our view. You have a different view.

30 **MR MAKINGS:** Yes. No, I think that was a very elegant way of putting it, Commissioner. What we're about is, we are purely focussed on the veteran. I think most of that conversation from my appreciation of it, and I sort of haven't had time to think about it so much as appreciate - that to
35 me is about the economics of it. Like, New Zealand I think was one of the first ones that sort of started to put barriers on compensation. The Kennett Government introduced another very effective from an economic perspective, and there was a huge uproar about what it did to the individuals.

40 I just think there's too much - it just strikes us that we're going to shift it from DVA to some other structure on the hope that, and you're saying veterans will be better off, I don't think we read that. We see that the cost of medical services is rising every week. Trying to contain that is an
45 issue. Now, I don't think you need a statutory authority to do that. DVA were quite effective in managing hospitalisation and getting the cost down

by I think something like 30 per cent. It was fairly - I could be wrong with that number, but it was quite a huge improvement that they got through how they contracted a large number of hospitals. I just, I guess I'm struggling.

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COMMISSIONER FITZGERALD: So we're going to disagree, I can see that, but I have to say, it's not based on economics. I have to say, if you can deliver a better service for veterans in terms of the way in which their compensation is dealt with, both in terms of incapacity impairment, a better funded and delivered health service, more targeted mental health services, better delivered community services, I can't see why that is detrimental to the veteran, and the experience of these other corporations is that, and I'll give you an example of that.

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15 At that time, the DVA cannot tell you what the outcomes are for veterans at all. It's a complete system that is based on what pensions and benefits people receive, but what are the outcomes? So this is, just in relation to rehabilitation and health there's almost no data available in relation to the actual outcomes for veterans.

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MR MAKINGS: Yes, but Commissioner, - - -

COMMISSIONER FITZGERALD: So we can measure the input, that is, how much we're spending. We can measure the benefits that are going to people and yet we can't measure the very thing you're concerned about and that's outcomes to veterans.

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MR MAKINGS: But Commissioner, just creating a statutory authority doesn't mean you have the data. At the end of the day, you would appreciate that DVA had a paper system. It was all kept in Brisbane. Somebody would claim in Perth. They had to get the file from - it was ridiculous.

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COMMISSIONER FITZGERALD: Sure.

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MR MAKINGS: And that's one thing that over the last several years they've tried to say we have to use computer technology more. We've got to get into the 21st Century. That's not about a statutory authority. That's about the government doing something with the back office. Our concern is the front office will change, but you've got us heading to Centrelink so that we'll just be in a queue with everybody else.

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COMMISSIONER FITZGERALD: No, no. So the other thing, can I just make the point, is you're aware right at the moment on veteran-centric reform a vast percentage of the activities of DVA are going to be

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outsourced to DHS, not us. Our proposal is in fact quite different to that. It's actually to give veterans an agency which is about them. Now, some of the back office will go to DHS, but the vast majority is actually about not that.

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We're actually proposing a different model so that less goes to DHS and Centrelink and more goes into a veteran-specific service so we have a completely different view about this, that the back office could go to parts of DHS, but we actually oppose that in going too far. We actually think veterans need a commission where a lot of the work is done by that commission. So that move is in fact current government policy, it's not our proposal at all.

MR MAKINGS: I don't see any issue with the back office personally. Whilst there's certainly a lot of apprehension amongst most of the veteran representatives about anything to do with distilling the veteran support system, I think from our perspective if the back office is done in an all of government type environment, go for it, so long as - it's got to improve how they've been doing business in the past, but the front office is the key issue from that sense.

COMMISSIONER FITZGERALD: We agree with you. We're more supportive of that than some others. Our proposals is in fact all about being veteran-specific front office, everything we've said. I mean, our report is completely geared to maintaining veteran-specific identification services and access to veterans, completely contrary to what we've seen in other parts of government and some of our own reports.

MR MAKINGS: Commissioner, I'd say the way you've spoken about it, it's very impressive, there's no doubt about that. It seems, when you read the report, the mechanics of it, though, have just got the markings of something that, at the end of the day, this equals so many dollars, and, "Hang on, we're better off doing it this way".

COMMISSIONER FITZGERALD: So let me repeat, just so that you'll be clear. Our report will put more dollars in the hands of veterans, not less. Our proposals will eventually cost more, not less. Over time, however, it will be a more efficient system, so I just want to make that clear. You don't accept it, I know, but frankly, people standing up and saying to us, "Well, this is all about cost cutting", where's the evidence for that? And there isn't any because in fact it's the reverse.

We actually are trying to create a better system and ultimately a more efficient system, absolutely, but in fact the notion that it's a cost cutting exercise, our report, there's no evidence in our report that that's the case,

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none at all. Now, I know that's what some of the ESOs have been saying, but you started off by saying one of your principles is evidence based. I'd have to say the evidence in our report is not that this is a cost cutting exercise and it's not intended to do that, so I just want to make that point.

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Can I go to a couple of others and then Richard might have a - your suggestions in relation to various forums, younger veterans forums, female veterans and family forums operating working parties and so on through the ESORT. Just give me a bit of your explanation for that and the role that you think ESORT should play into the future.

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MR MAKINGS: Well, I think we saw ESORT as being a forum where the national ESOs had an opportunity to talk about the impact of certain changes and current service experiences getting to the organisers, the chief managers and the Minister and so forth. The forums that are currently in play, the young veterans, female veterans and families, and there's also others like the pharmaceutical advisory out of the South Australian University and the (indistinct) assessment teams and things like that, but we feel all that should come to ESORT as part of the advice they get about how different parts of the system are thinking and how will that impact any future project.

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COMMISSIONER FITZGERALD: So what role do you think ESORT actually plays into the future? Now, as you'd be aware, we've not talked much about the ESOs because we were waiting for the Robert Cornall Report, and he didn't comment on ESORT, but in going forward, we would like to look more fully at the ESO arrangement. So various people have different views about what role ESORT should play. We've recommended a Ministerial advisory council which is different from ESORT, but in your own words what role do you think ESORT could/should play going forward? Is it the same as today or is it something different?

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MR MAKINGS: I think it's similar to today in the sense that what my - I've only been involved with ESORT for two years. My understanding is that over the last several years they've gone to where they were quite disparate organisations, thinking different things and so forth. They formed the Alliance of Defence Service Organisations which were basically the ESORT, the round table members having a meeting before they got to DVA to say, "There's no point in us presenting 13 different aspects here.

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We have to do something a little cleverer about this to make sure that we're providing solid advice", and I think we've seen this happen over probably a couple of decades, but in more recent times where there's been

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a clearer single voice which I think you would expect the government to be happy with that, and we've done a lot of work to try and bring that voice to be meaningful and helpful to veterans, and to the Department, but also gives the Department an opportunity to give early warning about projects that they're looking to pursue.

COMMISSIONER FITZGERALD: No, that's good. Thank you very much.

COMMISSIONER SPENCER: Terry, that was a good discussion about DVA, VSC, how does this all work. So look, just to clarify something that we observed which may be helpful to, you know, clarify our thinking on this. When we look at best practice elsewhere there was a disconnect for us between what we see happening in other areas where individuals are injured, and a company or a system has to respond to that.

So in looking at best practice, there's a whole range of things that just happen, have been happening for some time, early intervention, very proactive case management. Really, be very clear about the outcomes you're after, capturing the data, that informing right back to prevention. So a whole series of things which is contemporary best practice has been for a while. So then we looked at what was happening in DVA and a lot of that was not present and that's been commented on. So, look, I think the fundamental issue we're dealing with here, and you know, your position is, well, DVA's making efforts to correct that and to improve that, and your confidence would be that over time that will come into play and it will get to where it needs to be.

We have real problems with that because DVA has been in existence for so long and there have been so many efforts to bring their performance up to what is at that time contemporary best practice and it continually fails. Now, leadership is part of that, and currently, as you said, there's very good leadership and there are good efforts under way and that's terrific and we've commented on that and we think that's important.

We think there's a fundamental problem with the department structure. Departments have limitations. Department have restrictions. There's been a lot of commentary about contractors, about staff caps imposed by governments on to departments, and things that make it very difficult, very difficult over time for that structure to work which is, I would suggest, fundamentally why in other areas best practice has moved to the commission to the statutory corporation model. So look, we disagree on that obviously, but I mean, I just wanted to put that on the table because that's part of where our thinking is coming from. It's the structural issue that to us is really important for the next 20, 30 years.

5 So I just wanted to come back to one question about the role of the ESOs, so we have the ESORT issue and the representation issue, but there's a whole other area which we think has rich potential, and that is, what other roles could ESOs be playing to support and provide services to veterans, and of course there's a great deal of that that goes on at that time. In fact, we think that's a bit of a hidden asset. We're very interested in how government can leverage those networks around those services.

10 Now, there are some terrific things happening out there you'll be aware of. There's this notion of hubs. There's the Oasis trial that's under way in Townsville. This seems to us to have potential to bring a range of supports and services locally to veterans which is almost a softer entry point for the, so those people who get very isolated from all levels of support can find their way to these hubs and gradually over time be put on the right pathway to the sorts of services they need. We think there's potential there for that kind of service. We think government, and we'll probably be saying more about this in our final report, should think about that and be investing in that. Does that idea of really trying to be more focussed on what actually works for veterans in the way that I'm describing, is that appealing? Do you have any comments or thoughts about that?

25 **MR MAKINGS:** Well, taking the last thing first, the issue with hubs, we definitely support the Open Arms and having a gateway into the system in every regional area. There should be something where a veteran can go and, "It's obvious this is where I need to go to get some help", them or their family if they're away. So the notion of hub is fantastic and we're very strong supporters of that, but I wouldn't mind just touching on your point about the structure when you talked about injuries in the system and whatever.

35 Now, I mean, I only spent 24 years in the Navy, but during my time in the service, I think they work very hard. If you had a vacancy in your crew, you were in trouble, and you would do whatever you could to make sure that everything - you had the full complement, and one of the greatest things that's happened in the system is, when they introduced women at sea, the one thing it changed was the equipment, things like, instead of needing four people to carry a pump, they then realised that pump's too heavy, and this is a simple explanation, but the truism is, they then went to smaller pumps that people could carry and it made a massive difference. That sort of thing the Defence Department, I feel, that's what they that's their day job. That's what they're required to do. That's not a DVA job.

Now, I understand that in recent times the Secretary has spoken to Defence about the level of information they can provide them about injuries that occur. Now, these are not about serving people. These are about people that have left and then say, "We had a problem", so I just find it interesting how the overlay you're putting on this because the Defence people are constantly looking at getting their people back. It's not as if it's an alien, you know, "You're injured. Away you go".

COMMISSIONER SPENCER: No, and we understand that. I think the gap we see is in other schemes you see the long-term tracking of outcomes for what happened, and because it comes back to, you don't know what you don't know, and we wouldn't disagree at all that, you know, there's very important incentives in place for capability, but it comes back to this issue of other schemes show ways in which you capture data. There's virtually no data about outcomes that can help to inform the goodwill and the efforts to drive appropriate, you know, prevention. That's a missing piece, so that's just a small example of why we see other schemes working in more effective ways than what we observed at the moment.

MR MAKINGS: And I think that's the product of having a paper-based system, how that ever was allowed to occur is beyond me, but the thing, I mean, they've still got an enormous amount of paper in DVA. So to introduce IT systems that can do that for you, you would think that's fairly straightforward. That doesn't need a wholesale change of the structure. That's just, that's money, and they were given \$300m I think to try and pursue that.

COMMISSIONER FITZGERALD: So we're running out of time, and look, I just want to appreciate, we understand where you're coming from, and the reason for the rigorous discussion I wanted to have with you is that this is the time to test it, to test our way, your way, all ways, and this is the point, so the rigorous nature of our discussion just represents we're trying to actually test these things out, and our final report will have changes in it, absolutely, but I do just want - I would just put this to you and your colleagues within the ESO community.

Systems and structures matter and we've got a lot of experience in this, and yes, we come from an economics perspective, but Richard and I have lived in the community service world. Richard's headed up non-profit organisations. We are unusual in our nature that we come from areas of disadvantage in our work and in our private lives. So we don't just bring an economic face to it. We've been genuinely looking at the wellbeing of veterans, and all I would say to you is, we think structures and systems actually do matter to that, and clearly what we are proposing is not a set of recommendations that are going to be readily agreed to, but I just want

5 you to be assured of that fact, and if that's not reflected in the report that's our weakness, but it is absolutely about the wellbeing of veterans, but of course we have an obligation to the Australian community to deliver that in the most efficient and effective way possible, and I think the two can come together. So that's our perspective.

10 So look, thank you very much for that. We look forward to engaging you within the further processes of this and no doubt we'll come and say hello to ESORT at some stage, but thank you very much for that.

MR MAKINGS: Okay. Thank you.

COMMISSIONER FITZGERALD: Good. So that's good. Thanks for that.

15 **COMMISSIONER SPENCER:** Yes, thanks, Terry. That's good.

COMMISSIONER FITZGERALD: Good, and if we could have the next participants please which is Peter and Ian. So only one presenting?

20 **MR ALKEMADE:** Yes, we'll try and keep it simple.

COMMISSIONER FITZGERALD: No, that's fine. So if you can give your full name and the organisation that you represent, please.

25 **MR ALKEMADE:** Peter Donald Alkemade. My submission is actually a private submission because the organisation that I'm part of, the Defence Reserve Association, will be making a submission to one of the other sessions.

30 **COMMISSIONER FITZGERALD:** Okay, that's fine. So we'll note that, that this is in your private capacity.

MR ALKEMADE: Yes.

35 **COMMISSIONER FITZGERALD:** So again if you could just give us a 10 minute or so introduction.

40 **MR ALKEMADE:** Certainly. Firstly I'd like to thank you for the opportunity to make this presentation. I'd like to say that I found the draft report is a very comprehensive review and identifies potential proposals and substantial changes. Obviously with any major set of changes there are a large number of points of contention and we've probably heard some of them already today.

45

Our concerns about the change is firstly that the report as I read it, and given the volume of it I have not read the entire report, the focus appears to be made on the typical full-time member. It does address some special cases, but the concern our association and I personally have is that it tends to skip over issues that are important to members of the Reserve Forces, and particularly members of the Reserve Forces who have limited time in the service. This is also a problem for full-time members, that the shorter the period of service, it appears, the greater the difficulty the member has in getting support from DVA, particularly a long time after the end of their service.

It's probably worth understanding that when the system that DVA administers was first set up, the Government was dealing with a very large number of recently separated or separating veterans and the ADF as it existed at the time, was actually three separate services. Each one of which was quite small and clearly in the opinion of the Government of the day, incapable of dealing with the number of people who now needed support as a consequence of the large numbers of discharges at the end of the first world war.

That situation has changed dramatically over time. The Defence Department is now an integrated organisation with a large administrative capability and a large interest in the management of its personnel. All of its personnel. I am not against the thought that DVA may have reached the end of its useful life. And that it is certainly my experience from industry and from other areas of my service that Defence has had the opportunity to deal with people who it is getting good value from and then when those people separate from Defence, they can hand them all as a group over to another organisation which they have no direct control or influence over.

One of the big problems with this is that as a consequence, the ADF have very little visibility of the long term impacts of a lot of their practices. To give a particular example, some years ago, I, as a reservist, attended a largely regular force – joint force. Almost every other officer on that force was carrying substantial physical injuries, largely because of the levels of fitness that they were required to maintain. I was the only one, for example, who didn't have a problem with knees or ankles.

Perhaps that was my good luck, but I think perhaps it was also an indication that Defence was focusing to the exclusion of the long term injuries on things that made people available and deployable at very short notice. At the time of course, the strength of the Defence Force was much lower than it is now and as a consequence, there was a view they could not afford to carry people who were not able to be deployed at short notice.

Turning now to the issue of reserve members. Until recently, most reserve members would not have been classified as veterans. That change occurred and as a consequence reserve members are now both aware and starting to make some claims through DVA. The issue for reserve members is to ensure that all of their – their total situation is understood because unlike a full time member, members of the reserve tend to join the system later, largely after they have established a career and in some cases started on a civilian pathway.

As a consequence, their military salary and their military rank has comparatively little bearing on their social needs or the needs to which they've become accustomed at least. There is also an issue with reserve members who have dual entitlements. Many are employed or self-employed and therefore have arrangements in place to care for themselves when they are not serving with the military. When they do serve on continuous full time service, particularly on deployment, they in effect, temporarily become full time members. And are treated in exactly the same way as a full time member for the role that they are deployed for, they are called to serve in.

One of the issues, however, is – and it becomes a special – a special case. A substantial number of reservists are self-employed or are employed in very small organisations in which they are key members. And in some cases, the organisation has great difficulty in operating without that member present. In addition, a substantial proportion of reservists are students, either full time or part time students. And have obligations for continuing study.

I would also observe the significant number of reservists are actually in services which in some ways are analogous to the military, that is to say, they're in Emergency Services, or special organisations which provide a range of services to the General Public. And in some ways, their service in those organisations is quite equivalent to their service (indistinct words.)

A point that I'll note, but it's outside the bounds of your inquiry is that reserve members are basically treated as casual staff. They don't attract superannuation, their salaries are lower than the salaries that (indistinct) members have and indeed, they have no guarantee really of any employment in any given year. The amount of service that they are able to give is virtually completely outside their control.

Now, I'd like to turn to the impact of some of the potential changes that have been discussed. The first was the front of house service. It's true to

say that veterans considered themselves to be a special case. The conditions of service that they had when they were in the full time service is quite different to that in most civilian employment. And they are particularly these days, constantly being told that they are a special asset to the nation. So the front of house service, does need to recognise and acknowledge that the veteran believes they deserve special treatment. Not the treatment of a general member of the public. And I believe that that's been identified in your report quite well.

10 **COMMISSIONER FITZGERALD:** Sure, yes.

MR ALKEMADE: What I would however say is that in the front of house service there is a tendency to treat every call as the same. And I think it's extremely important that as information technology advances, we now see social networks where the social network is able to identify some characteristics of the current state of the person dealing with that network, what stress they might be under, what special interests they might have and it does this without asking questions. It does this by monitoring what they do when they're interacting with that network. One of the areas of great concern is that on first contact, a client who's under a great deal of stress, not necessarily directly due to the condition that they're suffering, but under their general situation, is not necessarily identified and dealt with and a client in crisis is equally not necessarily identified well by the front of house system.

25 There is technology available to identify this and I think it's extremely important as the front of house moves more and more into an information technology barrier, that consideration be given to (indistinct) insistence that can provide alternative pathways that suit the needs of the caller or the client and direct them automatically to those pathways rather than leaving them or if they are lucky, an advocate, to help them work their way through the system to find the help that they actually need.

30 **COMMISSIONER FITZGERALD:** You've only got a couple of moments.

MR ALKEMADE: Yes.

35 **COMMISSIONER FITZGERALD:** So if you can just highlight the other key issues and the other (indistinct words.)

40 **MR ALKEMADE:** The other issue that I wanted to talk about is the back of house. It's my view that the back of house is in fact well capable of being merged into larger organisations, providing the veteran's status is acknowledged through that system, I have no problem with improved

efficiencies in back of house, because I've had the experience of seeing how a holistic view of a system can lead to quite dramatic improvements and efficiencies.

5 Having small penny packets of organisations, each doing similar things can provide great inefficiencies. The final thing I would like to say is that in my opinion a system of managing employees and past employees that does not have as its policy settings the organisation that is actually doing – performing that function of employer, I see as generally dysfunctional.
10 What that would mean if Defence were responsible for setting the policy is that Defence would also be responsible for assessing the effectiveness of the systems that were in place and therefore get visibility of what the long-term impacts of employment in Defence are. Something that I think is sadly lacking at the moment.

15 I have – I personally have no problem with the idea of change, of policy settings and the chains of organisations that are highlighted in the report. I do however say that making those changes will require very high standards of communication and very high standards of consultation with
20 the veterans and the veterans' organisations that will be significantly affected by these changes.

I'd like to thank you for the opportunity to put these issues to you.

25 **COMMISSIONER FITZGERALD:** Thank you very much. And thank you. The submission we've got in the paper is your submission, not that of the organisation?

MR ALKEMADE: Correct.

30 **COMMISSIONER FITZGERALD:** Correct. Can I just highlight it. You're one of the very few participants that have supported the notion of Defence taking over veterans' policy and you articulate that on the basis that Defence is the employer and needs to accept the role of setting policy
35 for all veterans Defence needs to control and implement all communications, et cetera. Can I just understand, what do you think the role or the duty of care of Defence should be towards reservists? And I'm very pleased that your organisation's putting in a submission. Because I want to say up front, that we've underdone the reservists stuff. We were
40 aware of that in the draft. And we are very keen to improve our final report in relation to reservists. So I'll come back to specific issues. But generally, what do you believe is the duty of care that Defence owes to reservists, generally?

MR ALKEMADE: I would say that the duty of care to a reservist is – could be considered analogous to the duty of care that perhaps the State Government might have the members of the Country Fire Authority. They're quite different organisations. They exist for different reasons.
5 But a person who effectively becomes a day volunteer, which unfortunately reservists still are, in many cases, is that they should be able to return back to their civilian situation at short notice in the condition that they left it.

10 That's pretty much the same view that I have with the duty of care of any employer. A person should leave work in the same condition that they arrived at work. In the event that there has been a change, it's the employer's duty to do the most they can to return the person to the state they're in, when they first arrived. The difficulty for Defence with
15 reservists, is that they do not have day to day control of them. They do not have day to day visibility of their skills, their performance and injuries and other social impacts that have occurred to the reservists.

And therefore it makes the job of Defence, with respect to reservists, more
20 difficult than for a regular person. Defence also, obviously has a day to day requirement and it – largely uses full time people to perform that. So necessarily, it has a biased interest in the full time personnel that it manages. Defence has done quite a lot over recent years to integrate the reserve and it has now reached a point where many military operations
25 will not be conducted unless members of the reserve are taking part in them.

And I have no difficulty whatsoever with the way in which Defence looks
30 after reservists on full time service. I think they manage that well. What I don't think that they manage well is the transitions between them and particularly the impact of continual recalls on reservists where some reservists spend almost as much time on deployed operations as their full time component.

35 **COMMISSIONER FITZGERALD:** Could I ask a couple of specific questions, and Richard will have some as well. In relation to transition – so there's two types of reservists. I'm sure there's many types of reservists but two – two types. One is who's been a full time member of the military, the ADF. And then transitions out of full time into the
40 reserves, in some way shape or form, as a reservist.

MR ALKEMADE: Correct.

45 **COMMISSIONER FITZGERALD:** And then there are those that have always been reservists but have never been full time members of the ADF.

MR ALKEMADE: I'd characterise that increasingly, the people who join as reservists, generally do have some full time service under the (indistinct) service model.

5

COMMISSIONER FITZGERALD: In and out.

MR ALKEMADE: In and out, yes.

10 **COMMISSIONER FITZGERALD:** Can I just take the first group for a moment. For those that have been full time members of the – of the ADF, and transition into either a full time or part time involvement in the reserves or as a reservist, what is the sort of transition that that person may need and is it any different to the transition that should be provided to
15 those that are just going straight out into civilian life?

MR ALKEMADE: The experience I've had of that, and it is a situation which, now, most service – full time service contracts mandate transfer to the reserve, is that for many people who separate, they have exactly the
20 same experience as a person who moves straight into civilian environment. In other words, they find a job, they're satisfied or not satisfied with that job, they settle themselves in a location, and they perform reserve service in a sense, as yet another of their day to day activities that fit in to their new largely civilian life.

25

There are, however, some people who have had a difficult transition who in some senses find a great deal of support by being in a military environment, even on a part time basis. I feel that if the transition process from full time to non-full time service, whether it is in the reserve or in the
30 civilian environment, was handled better than it is at the moment, there would be fewer of those people who in effect use their time in the reserve as something of a psychological crutch.

35 Now, that's not to say that what they're doing is in any sense wrong. In fact, it's admirable in many ways that they do seek to continue their service even after they're no longer providing it full time. Nonetheless, to date, I don't believe they've been well-enough served by the transition system. I think the second thing about transition is, some people will leave having identified what it is that they wish to do, having made the
40 decision in advance that they will be leaving and have self-managed their transition. Significant numbers of the people who separate from the Defence Force do not leave voluntarily. They leave because Defence has decided that their level of impairment is too great to (indistinct) to Defence, but their performance in Defence, is unsatisfactory and they need
45 to separate or they've just not progressed to meet training requirement or

whatever role they were working in. Those are the people who have the greatest difficulty in transition, because they don't have both the psychological approach and the personal drive to make that transition work without assistance. And I see that as the area where the current transition system tries to provide one model for everybody when some people need a lot of support and some people don't care less. They've got it all worked out already.

COMMISSIONER FITZGERALD: And we've made several recommendations in relation to transition. But your fundamental point is that a person going from full-time military service to – into a reserve role requires the same level and quality of transition at that point.

MR ALKEMADE: Yes, I believe so, yes.

COMMISSIONER FITZGERALD: So can I ask the second question? When a person is leaving the reserve role, what we haven't been able to get is an understanding of whether there are unique needs at that particular point. So whether they're full time or they're part time. But once that reserve role comes to an end, are there particular transition issues at that point or is it the experience that people generally, you know, self-transition as you would say?

MR ALKEMADE: The issue for transition for a reservist is quite different because they do already have a fairly large proportion of their life in a civilian world. They are usually employed in a career stream or some description although increasingly, some people are working in a very casual and part time environment. The biggest issue they have is that when they leave, they are not in fact separated in the same way as a regular member would be unless they leave at the end of full time service.

So as an example, I separated from the Defence Force some five years ago because I reached retirement age, the acknowledgement the Defence made of that was I got a letter telling me I'd reached retirement age and I was separating. I had not had a – I did not have an end of service medical – I did not- - -

(Audio Malfunction.)

SHORT ADJOURNMENT

RESUMED

[10.16 am]

MONITOR: Okay. We're up.

5 **COMMISSIONER FITZGERALD:** Great, thanks.

COMMISSIONER SPENCER: Okay. Right.

10 **MR ALKEMADE:** So they said, "We'll maintain you at your current salary regardless of your military salary. We'll continue to cover you in superannuation and we'll continue to cover you for workers' compensation. All of your employment entitlements will transfer to your wife. So cars, phones, and all this sort of stuff. And when you come back we will find you (indistinct words.)

15
20 Very few other small employers would be able to approach any part of that offer. In effect, when they go on to East Timor, which I did, if only for a few weeks, I was materially better off than any of my regular counterparts. Equally, some of the soldiers that I sent to East Timor resigned from their full time employment so that they could go. And so as far as Defence was concerned, they were unemployed with no prospects when they returned and no entitlements whatsoever. Other than the ones the Army had given them. And that just illustrates the spectrum that you could be doing.

25
30 There were soldiers who served in the First World War, whose companies continued to pay them throughout the war. And there were other people who were sacked the minute they announced that they were enlisted.

30 **COMMISSIONER SPENCER:** So people, any thoughts you have on what may help to address an issue like that, would be really helpful. But -
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35 **MR ALKEMADE:** Again, I'm happy to provide a short document on that.

COMMISSIONER SPENCER: Yes, sure.

40 **MR ALKEMADE:** But I think the obligation comes on the member to lay out their situation, as I would if I was applying for (indistinct) Centrelink.

COMMISSIONER SPENCER: Sure. Okay.

MR ALKEMADE: And say this is what I have, this is what I need, what can you do?

COMMISSIONER SPENCER: Okay. All right. No, thanks, Peter.

5

COMMISSIONER FITZGERALD: Just one last question, in your submission, you've mentioned the two scheme approach, that is the VEA and the MRCA DRCA, and as you appreciate, one is largely for older veterans and one is for newer and younger veterans going forward. And you know, 20 or 30 years' time there'll only be one scheme.

10

I just want to clarify, in terms of reservists, you haven't raised any issues around the benefits or what have you. I presume that reservists fit in one of the current three Acts or some – unfortunately, in several – all of them.

15

MR ALKEMADE: In extreme cases, or all of them.

COMMISSIONER FITZGERALD: All of them.

20

MR ALKEMADE: Yes.

COMMISSIONER FITZGERALD: And I was just wanting to clarify in your submission, are you supportive of that two scheme approach?

25

MR ALKEMADE: I am, but the one thing that I have a concern about, and I did raise it very briefly in (indistinct) and that is the need for there to be some form of clear financial transition to support the long serving aging cohort and not necessarily that being financed by the levy the bench would pay through the insurance (indistinct).

30

COMMISSIONER FITZGERALD: This is the premium, yes.

MR ALKEMADE: Because whilst those veterans are aging and will eventually age out of the system of support, they are still a very large cohort of people and a substantial amount of money which needs to be found and would not be found by an equitable level.

35

COMMISSIONER FITZGERALD: No. So in relation to the premium, that's a matter of contention, some people think it's a good idea and we do, and some don't. But what we are looking at is the way in which that would be shaped and what it would cover and certainly past injuries and so on are unlikely to be covered by that and most of the VEA wouldn't be covered by that.

40

MR ALKEMADE: Yes.

45

5 **COMMISSIONER FITZGERALD:** So we're just looking at the levy, but trying to work out (indistinct) premium. I should just make the comment, there is a notional premium already raised by the government and it is publically available but nobody knows it exists. So the notion of actually raising a premium on Defence is not novel. What is novel is if you actually apply it to Defence and then the question is exactly what does it cover, and that's what we're looking at. So your comments are fine.

10 **MR ALKEMADE:** Okay.

COMMISSIONER FITZGERALD: Thank you very much for that. And we are very interested in trying to upgrade our coverage of reservists in the final report. At least in those areas which are of critical importance to reservists. So thank you very much.

MR ALKEMADE: Okay. Thank you.

20 **COMMISSIONER FITZGERALD:** Good.

MR ALKEMADE: (Indistinct words.)

COMMISSIONER SPENCER: Thank you very much

25 **COMMISSIONER FITZGERALD:** Thanks, Peter. Yes. Could I now have Jennifer Jacomb, please? That's good. Thank you, Jennifer. You're right?

30 **MS JACOMB:** My name is Jennifer Jacomb.

COMMISSIONER FITZGERALD: Just grab a seat.

35 **MS JACOMB:** I appear for the Victims of Abuse and the ADF. I seek leave to appear.

COMMISSIONER FITZGERALD: You don't need leave, you just have to sit and we're fine. Jennifer – and you've got that on the record? Can you just repeat your name and the organisation again, just for the tape? Just leave that. Don't touch that. Just speak.

40 **MS JACOMB:** Jennifer Jacomb. Secretary of the Victims of Abuse in the Australian Defence Force.

45 **COMMISSIONER FITZGERALD:** Good. Thanks, Jennifer. Jennifer, you've been able to provide us with a substantial report or submission and

we're very grateful for that. So if you can just provide a 10 minute summary and then we can have some questions, as you've seen previously.

5 **MS JACOMB:** Of course. I've also prepared a hand-up brief which I'll hand up at conclusion.

COMMISSIONER FITZGERALD: Sure.

10 **MS JACOMB:** First thing's first. I do apologise, the hand-up brief is not up to our usual standard, but there've been health and family issues which have delayed preparation. The intent is not to bushwhack you. If I could have, I would have filed and served earlier this week.

15 **COMMISSIONER FITZGERALD:** That's fine.

MS JACOMB: I also apologise. I'd prefer to praise Caesar not to bury Caesar. Today I bury Caesar.

20 **COMMISSIONER FITZGERALD:** I've noted.

MS JACOMB: The association was formed in 2013. It's open to victims of abuse, family members and their carers, and anyone opposed to torture and abuse in the ADF. We have over 170 members. Victim members
25 from every service. We go from the ranks of civilian all the way up to Air Commodore. We have appeared before numerous senate inquiries and we are well-respected on the Hill by the House and by the Senate.

30 As for myself, I served as midshipman in the RAN between 83 and 85. I was badly exposed to beryllium and asbestos as a part of that abuse as well as being given the good old fashioned PTSD. I got – hold a DVA Gold Card TPI. I've appeared on national radio and TV on abuse issues, worked as a superannuation fund administrator for Sydney Mutual and
35 National Mutual. I've been an IT specialist, and ultimately working for myself. I've been cited in the New York Times, the Los Angeles times for finding the Y2K bug. I was cited in the (indistinct) review for finding the bug in the ATO's GST software.

40 I've done litigation of my own and a number of my cases are regularly cited with approval by the High Court.

COMMISSIONER FITZGERALD: That's fine.

MS JACOMB: The first point I would make to you: “In times of trouble and of war, both God and soldier, all men adore. When war is over, and wrong is righted, God is forgotten and the soldier slighted.”

5 We are having difficulties in retaining people in the ADF and recruiting them the veterans’ compensation inquiry is a key if it’s done right to fixing that problem. We’ve got six subs, we can only crew four. In fact, the way we crewed the four was by reducing the manual requirements, to spread the men out over the four. Whereas in the past, we could only man
10 three.

First point. What is consultation and we’re not getting it. The best definition I’ve heard of consultation is from Commissioner Smith in CPSU v Vodafone. “Consultation is not perfunctory advice on what is
15 about to happen, this is a common misconception. Consultation is providing the individual or other relevant persons with a bona fide opportunity to influence the decision maker.”

I don’t believe the ESO community is forgetting that because of the time
20 where the release of the draft report, the short time frame, the response. Measure twice, cut once, I respectfully suggest you should go back to the treasurer and ask for more time to get this report done right.

If you want peace, prepare for war. Again, it’s the other reason why
25 we’ve got to get this right. And in effect, you’re discriminating against the smaller ESOs and individual veterans. We don’t have the large staff you do. We don’t have the large staff that the RSL has, and that effectively discriminates against us.

30 Fifth point. In the report, you can’t even get the basics right. And to quote scripture, “But anyone who hears my teaching and doesn’t obey it, it is foolish like a person who builds their house on sand.” Your house is on sand. For example, page 15 of the overview, you have a cartoon, Army, Navy and Air Force. First problem: you owe a personal letter of
35 apology to the Navy. The Navy is senior service, we appear on the right. You owe a personal letter of apology to Navy and Air Force, because by that cartoon, you presume only Army people are worthy of decorations. And finally, for goodness sake, the Air Force officer? That’s not an Air Force officer, that’s an American policewoman. Give me a break. Now,
40 if this was the only error, you’d be right. I’d be nit-picking.

But then you go on in another section to talk about the DVA benefits. Page 10, figure 4. You reckon I don’t get funeral benefits under VEA and that I don’t get home cleaning. I’ll put that down on the floor, it won’t fall

any lower. Put it in the report. There's my invoice for home care cleaning. And you can't get that right.

5 Next. You did have in your original report that was on the net – it's now gone – but you missed the issue. Highlighting the members of the ADF as servants of the Crown is the key. We've been lobbying Members of Parliament for legislation unique to our situation. Most of the time initially, they couldn't see why it needed to be done because they saw us as employees. Once they were made aware that we were servants of the
10 Crown, they knew what that meant, their attitude changed. And that's now missing from the report. It should be in there.

One other thing. On page 82 of the report, we actually filed an additional submission, service to the Crown. We actually modified a question
15 (indistinct) staff. If you look at page 82, points are taken straight from our report, but you give us no credit for it. Now, you give it to everyone else, but not the one who wrote the report and I take exception to that.

20 Next thing. With your plan, you've gone for radical bloody revolution rather than quiet evolution like the Australian Law Report Commission did. The DVAs are like the Jews in the ocean. IT doesn't (indistinct) if we go down your plan or just increment what we're doing at DVA at the moment.

25 (Indistinct) a hundred million dollars for computer sources, but need staffing caps lifted. Unless that's in the report and we do it, doesn't matter what you come up with, it ain't going to work. Transfer DVA to Defence. Defence doesn't give a toss about their people and they're lousy on compensation. We got questions and (indistinct) asked in the Senate.
30 The child abuse compensation with litigations, and when you work out the economic loss, it's about four million. What is Defence paying? If you issue writs they're paying 474 median, if you're not issuing a writ, they're paying 150.

35 And an even better example is one of our members. Served in the air cadets in the 70s, at the time in question, they formed part of the order of battle. He got child molested whilst in the cadets and DVA did the right thing. He's now getting SRCA payment. He puts in a claim to National Redress and what does our beloved ADF say? They say, because their
40 unit paraded at a Queensland Government school hall, the Queensland Government should pay. And then in addition, since as a child he attended the unit voluntarily, he's – as a child – he's responsible for his own rape.

The next thing is, if you transfer DVA to Defence, you actually downgrade the issue of veterans' compensation. At the moment, the DVA is a separate ministry with its own minister. And there are moves afoot to move that ministry into cabinet. That gives the DVA Minister a chance to have a voice to do a better deal. Chuck it in Defence, we'll be left behind. Why? Because their issues are more about missions and about (indistinct) capital equipment. In fact, it was taken away from Defence, because they couldn't get it right. And you know what they say. Those who failed to learn from history, are condemned to repeat history. And you guys get to move on. You've got your high pay packets. I'm the poor bunny on the DVA card. It's my life you're screwing up and I don't appreciate it.

And the other point that one of my colleagues would have me make. He had a civil litigation with Defence. It was settled, but he blew the whistle on the fact that Defence were not following the (indistinct) litigate laws. You know what their compensation was? They claimed that he was – file was locked up in a safe and the person who had the combination had gone on leave. So they delayed his settlement by three months, because they didn't have the combination to the safe.

The other point I'd make to you. And you quote the Tanzer report? Yeah, well, I got a copy of it. Your very idea which was in the Tanzer report was rejected then. It'll be rejected now. I've always been taught it's better to face facts in defeat. If you look at the statements coming out of Amanda Rishworth, (indistinct) statements coming out of Minister Chester. The idea of merging DVA with Defence: it ain't going to happen. That dog just don't hunt.

And what it's done is create a lot of the (indistinct) and concern in the veterans' community. And that's not your job, I respectfully submit. You talk about the DVA Gold Card not being a wellness card. Horse pucky. I have one of these cards. I use it to get physiotherapy to deal with pain in my back.

If I didn't have the Gold Card, I'd be living off morphine tablets. By now, I'd probably be a drug addict and most likely dead. Though, at this stage, in the presentation, you probably think that's not a bad idea.

Don't tell me that this card is not a wellness card. In fact, the term wellness, overuse (indistinct) people come up with new buzzwords. I remember a line about George Patton. Book had come out, Management by Objective. I remember George S. Patton's chief of staff saying, "If George was here, he'd go what the hell are you talking about?" Management had been managing by objective since days of Rome.

45

And in the case of DVA, be it the White Card, the Gold Card, they are genuinely committed to helping, and indeed with some of the benefits, if you don't do the rehab, you're screwed. Is that a (indistinct) of a Gold Card? Well, that's because of misinformation. I can speak to that.
5 Doesn't mean you have to destroy the DVA. Educate, don't eradicate.

Send off – this is my pet fave. “You want send offs for those who have been discharged.” Were you aware if you'd been a naughty boy like Captain Spanky who got busted for sexual offence charges, and sentenced
10 to dismissal from the service, you know he gets paid in jail for his ADF salary? Do you know he still accrues annual leave and long service leave and sick leave? They still pay employer contributions and SGC into his superannuation account with milsuper. I agree he deserves a send-off, but it's a different send-off I have in mind for him.

15 I could be wrong. And if I'm wrong I'll publically apologise. But it seems to me from the thrust of your report, you're focussing on doing lump sum, rather than pension. Now, as I know, milsuper's – what's the word – it's not properly fully funded. But from the punter's point of view,
20 and it'll be the very advice you'll be getting on your comsuper. You're better off taking the pension than a lump sum.

And there's one issue you didn't address, like, I actually have it, if you want to have the minister's second (indistinct) speech about TPI. The
25 purpose of TPI is to provide for the veterans whose service related injuries have words and such that they cannot – can no longer make provisions for their retirement.

And they have a restriction on (indistinct) and that's great. It's fair. It's
30 reasonable. But it effectively disenfranchises me as an Australian Citizen. I can't run for Council, can't run for Parliament. That needs to be looked at. Points not even considered. Milsuper. Quite rightly, you recently released a report on superannuation and quite rightly, you endorsed a Government policy. You should (indistinct) your super to eliminate
35 admin fees and you get rid of the badly performing funds.

One with milsuper, once you leave the ADF, you can't roll that over because it's unfunded. Yeah, it prevents the veteran from maximising
40 return. It should be looked at. You've also (indistinct) look at the poor performance of milsuper. I just checked this morning. They no longer publish five year figures on their website. When I last looked, the only thing they were reasonably competitive with was the cash rate. And they even disobey orders of the court, and I've got it here for you, which is invalidity pensions are not income, they're compensation and thus exempt
45 Family Law.

5 We haven't looked at – they can't even get their payments right. One of
my members recently did a retrospective change of mode of separation,
from, I think, services no longer required to medical discharge. He went
through the paperwork with milsuper and they said, yep, you can have
back-pay of pension. So they didn't just multiply the current pension rate
by the period of back pay, not these clowns. And I can call them clowns,
because I've worked in super. They just added up the historical pension
rates, not pay interest. Didn't even convert it to current dollars. Then
10 they calculated the tax wrongly and then just to add insult to injury, the
back-pay went back to 1970, they charged the budget deficit repair levy
against the whole amount.

15 (Indistinct) then he was able to get a lawyer to fix it. Should be done right
in the first place. That hasn't been looked at. Another thing that hasn't
been looked at is different states provide different benefits to veterans. So
(indistinct) from Victoria, that gets me free registration, half-price TAC
and it also gets me one of these. Free public transport. But it doesn't
apply equally amongst all states. States should have had an opportunity
20 and should have been invited to make submission, and not about
(indistinct) benefits for bringing them all up.

25 Because in World War 1, they had this weird idea that if you get fighter
pilots, parachutes, they wouldn't be more aggressive. You know what
they found, when they gave fighter pilots more parachutes? They became
more aggressive, because they knew they had a way out. And the same
with service in the ADF.

30 You want me to take a bullet for you, you better look after me and my
family or to quote Abraham Lincoln's second inaugural, "To care for he
who has borne the war, his widow and orphan." I've almost finished.
Two minutes, no more than that.

35 **COMMISSIONER FITZGERALD:** Two minutes, that's it?

MS JACOMB: I do my job right. We haven't looked at health insurance
and we should have. Most people, by the time they leave the Navy,
they're over the age of 30. I discovered that if they go to Defence Health,
Army, whatever, whatever health, they've got three years to take out a
40 policy and not pay the levy. But we're not even telling them that. They
only find out if they contact a Navy Health and Discharge. Finally, the
key issue is, I think, this. There's so many issues relevant to the issue of
veterans' compensation and the time frame that you laid out, things are
going to slip through the (indistinct).
45

COMMISSIONER FITZGERALD: Yes.

5 **MS JACOMB:** It's a good thing, but we need more time. And also to be fair, there are some things in your report, I think are actually pretty good. But I'm afraid the baby's going to get thrown out with the bath water.

COMMISSIONER FITZGERALD: Sure. Well, I'm pleased about the last part.

10 **MS JACOMB:** I'm a bastard. But I'm a fair bastard. Now, may I seek leave to hand up the hand - the brief?

15 **COMMISSIONER FITZGERALD:** No, just hold that for a moment. Because I just want to go through a few things if I can. Just a couple of things, I understand there is a – there is a quote that is attributed to an organisation and it should have been attributed to you. And we apologise about that. And we'll fix that.

20 **MS JACOMB:** (Indistinct words.)

COMMISSIONER FITZGERALD: No, that's fine. I want to deal with some of the substantial issues but you obviously don't – we were never intending that veterans be part of Defence, so that's heard. We've heard that many times and it's wrong. We were certainly saying that policy should go to Defence. And the reason why I just want to explore it is this. We believe that Defence should in fact have a greater responsibility and interest in the wellbeing of the people that served in their forces. The members. And we believed that that's a whole of life approach. And our view was that Defence should have greater responsibility for that, not the administration. We never said Veterans' Affairs should go into Defence, despite many submissions saying that, but we clearly hear from the veterans' community that they don't want Defence to have policy, but I'm just wondering why you don't think they should have it.

35 **MS JACOMB:** A number of reasons. (Indistinct) you can't be judging your own cause. Time and time again Defence beared abuse for OH&S in general. Time and time Defence is good - is good at showing that when all was said and done, more is said and done. Example, Private Challis in our initial response. Private Challis, 10 months out of boot camp. The policy said that the exercise, he should have been given a dry walk-through. They chose not to do it. It's in one of the annexes, sir, and may - Your Honour, Mr Fitzgerald - - -

45 **COMMISSIONER FITZGERALD:** No, just Robert please, that's fine.

5 **MS JACOMB:** That's very kind of you. (1), they didn't do it. Currently they tried - the Defence tried to blame on the private and got a private 10 months out of boot camp, that it was his fault that he got killed. You've had the case down in - about three years ago - this is not in the report but I can give it if required - commando exercise, pre-deployment training, a person who was not qualified as a range safety officer, who had not attended the range safety briefing, took it upon himself to change the exercise whereby they were put behind a brick wall and they got - people got killed because they weren't supposed to be there. In the case of abuse, 10 time and time again, we find they make policy, they don't implement it.

15 **COMMISSIONER FITZGERALD:** Can I ask this question? Therefore, is it the basis that because the abuse or the injuries occurred, and sometimes through the negligence of the Defence Force itself, you don't believe they can be trusted with policy that deals with the longer term interests of veterans? Is that fundamentally the issue, that you that's conflicted?

20 **MS JACOMB:** Yes. There are other examples I can indicate for you where - - -

COMMISSIONER FITZGERALD: No, I don't need another example. Is that the fundamental issue?

25 **MS JACOMB:** Yes.

30 **COMMISSIONER FITZGERALD:** So the second thing is, can I just deal specifically - your organisation covers victims of abuse. Can I just ask the range of abuse that you cover as an organisation? So yes, in your own words, what are the abuses you're talking about there specifically?

MS JACOMB: Rape, other forms of sexual assault.

35 **COMMISSIONER FITZGERALD:** Sexual, yes. Yes.

MS JACOMB: Physical abuse, mental abuse.

40 **COMMISSIONER FITZGERALD:** So, one of the issues that I am concerned about is, our report didn't adequately deal with that issue. We agree with that. The question is this: what are the special needs of people that have experienced abuse that we need to recognise in the actual design on the system itself? That is, those people that have been sexually abused, or physically abused, or emotionally abused, what in the system needs to change to better serve their needs? And I just background that. I was the 45 royal commissioner on the Royal Commission into Institutional

Responses to Child Sexual Abuse, and I had many people from the Defence Force who were abused as children before me in the private sessions and in the public hearings. So it's an issue into which I have personally a great deal of knowledge. So taking that - not as good as yours, but taking that - what in the system needs to change to better serve those that suffered abuse either as children or even as adults, in the Defence Force?

10 **MS JACOMB:** We actually have - sorry, sir.

COMMISSIONER FITZGERALD: No, you go on.

MS JACOMB: You were about to say something, sir.

15 **COMMISSIONER FITZGERALD:** Yes.

MS JACOMB: We actually have - believe it needs legislation - unique legislation. We've got a memorandum on it; I'm quite happy to forward that to you, sir, but in essence the problem with Defence abuse is the ADF's desire to protect reputation. When abuse occurs on a base it shows that the commanding officer has lost control. So, the abuse itself needs to be investigated and prosecuted by a civil authority with no involvement from Defence. I'll give you an example of how caring and sharing Defence is. One of our members, in the 70s, was a steward at HMAS Albatross. She was raped by an officer and made pregnant. When she reported the rape and the fact of the pregnancy the Navy decided that, because she was pregnant, "To hell with investigating the rape, dismiss her", because her pregnancy made her unfit for service.

30 The second thing is, is to give the victim what they are owed. When we all joined we were told "If you play by the rules we'll look after you. If you're badly injured in the service you'll get your DVA benefits, you'll get your military superannuation benefits." What they actually do is, by the mode of separation and the failure to properly investigate, you lose all those benefits, and our memorandum addresses that. Another reason why it should be taken out of Defence's hands is perhaps this: a member recently was transferred up to Amberley Air Force base. The sergeant there, who shall remain nameless, did all sorts of terrible sexual assaults to the women there. The base commander prosecuted, and then did a - and convicted him, and then did a notice to show cause why he should not be dismissed from the ADF. The guy did a redress of grievance. Guess what? He's in, the member's out.

45 I suppose it's the other issue, quite rightly, ipsos custodes - forgive my poor Latin, custody. You don't have the police investigating themselves.

COMMISSIONER FITZGERALD: That's true. Could I just take you to - however, if a man or a woman who has been abused, sexually or otherwise, and has suffered impact as a consequence of that, whether it's
5 mental health or physical issues, which can be both the case, what's your experience, through your organisation, of DVA's response to those sorts of claims? So I understand the issue that you're raising around the investigation and response of Defence as the agency in which the abuse occurred, but once they put in a claim are those being respected and dealt
10 with appropriately, or not?

MS JACOMB: Early on a bit of a mug's game, but we've been working with DVA, and I have to say, to their credit, they've done pretty good. For example, for a child abuse victim under the age of 18 they will, as a matter
15 of course, accept a stat dec as evidence of the abuse. For those above the age of 18 they will - they may accept a stat dec. Furthermore, we're currently working on with the DVA to change policy. One of the things from Defence is, you'd litigate against them, they make you sign a generic deed of settlement whereby, even though the basis of litigation was not
20 your DVA healthcare rights, they make you sign them away anyway.

COMMISSIONER FITZGERALD: So can I just take that? If I enter into a settlement with the government or the Department of Defence by way of compensation for the abuse that occurred, how does that affect my
25 right to claim under the DVA benefits?

MS JACOMB: Tear this up, and it doesn't matter that you weren't litigating on those issues, but again, I have to say, with both Secretary Lewis and Secretary Cosson they've really got their heads around it and
30 they're doing their best to fix it, but again, you get other problems. 2011, Royal Military College, the doctor there, the contractor, was actually abusing the cadets in Echo Company. Complaints were made. She was allowed to take leave back to Rhodesia. She took the records with her, so you're screwed - no records. Next problem you get, Air Force -
35 discharged from Air Force. What should happen if you were to discharge, sir, is that your records should go to the central archives. What Air Force does, they're kept at the case where you're discharged.

So what happens is, poor old DVA contacts Defence, you know, "Can we have the medical records for this person?" Central Records write back, "No, don't exist", claim rejected. It's only if you've got a good advocate who knows that (1), the Air Force files are at the base of discharge, finds out what your base of discharge was, gets it from the base of discharge, that you can get your claim through. Perhaps this might give you a little

bit of better understanding why I think most of us in the ESO community - no policy, keep us away from Defence as far as you can.

5 **COMMISSIONER FITZGERALD:** I hear you. Thank you for those explanations.

10 **COMMISSIONER SPENCER:** Jennifer, I just want to acknowledge a couple of things you've mentioned, and you've given us extensive notes, and we'll certainly take that on board. Some of the issues around
15 superannuation and rollovers, performance, and as you've rightly highlighted, we've put out another substantial report on this, and so some of the issues that are covered there need to be addressed in the military space as well, so we take that on board, and you raised an interesting point which we will perhaps comment further on, and that is, we noticed that
20 state governments are now starting to respond and setting up, sometimes, advisory councils providing services. It's a little bit beyond our remit, but some idea of what that might look like over time, and more uniformity and consistency, so we hear you on that one and we'll take a look at that.

25 I just want to come back to an issue we're wrestling with, and we've talked about it a couple of times this morning, and that is the role of DVA, and should it have a role into the future. So obviously many people defend DVA and say it's on a pathway to improvement and that's good and should be supported. We certainly think the current reform program should run
30 its course before there are structural changes, but one of the things you've highlighted, to me anyway, and so I'm interested in your comment, is the limitations of when you've got a department structure to deliver the services to veterans.

35 So you've highlighted the staff caps and the fact that that's led to a number of independent contractors who come and go. We've heard other examples of the delegates - many of them don't have great experience. As you've highlighted they're dealing with an extremely complex system, so mistakes get made, and then perhaps that's overlain with some of the cultural issues about being defensive around some of this.

40 So in our recommendation to go to a statutory corporation, which is, you know, the Veteran Services Commission - and Veteran is the first name in that - we think there's an opportunity there to actually bring to light contemporary best practice to have that statutory corporation be able to operate in the way that you've probably experienced in some of your other roles, to be - because when we look at the veteran system, when we look at what's happening elsewhere, there's a real disconnect in terms of the sharp focus on getting the best possible outcomes, having the best

information, having the best data about impacts long-term and what that means to prevention. Those sort of fundamental issues are missing.

5 We believe the VSC can be the home for that, really for structural reasons. It's not a comment about DVA's performance, it's more about that's a more appropriate structure. So I'd be interested in your thoughts and comments on that.

10 **MS JACOMB:** With all due respect, sir, it's a step back, not a step forward. I know some of your staff hate politicians. You know, they've made that clear, but at the end of the day it's the politicians who pass the legislation, and most of them, in my experience, are pretty decent. First rule of politics, if you don't have a vote you don't count. Second rule of politics, learn how to count. By keeping DVA as a separate department it makes it more clearly under the political control. If I have a problem with DVA I've always got the chance to go to the Minister or the shadow spokesman. I've got the benefits of the Public Sector Act. There are controls there. Furthermore, being under the control of the Minister there's greater chance to get the money we need to fix the structural problems within DVA.

20 Now, I will agree, it's a junior ministry at the moment, though there are moves afoot to get it into cabinet itself, but at least by having a minister you have a vote, therefore you count. Make it a statutory corporation that allows the government to keep it at arms' length and screw you even more by starving the funds - no. And the other thing is, why shouldn't veterans' issues have a ministry of its own? Is it not that important? No. I know it's a radical plan you've proposed, sir, and I think the problem with your radical plan is there's insufficient time to genuinely consult. I think if there were more time available, and I really encourage you to go for that - and you know the great thing if you go for the extension from the treasurer? If he says no you can blame him, and we will too, and you never know, he might say yes. Either way you win. No.

35 **COMMISSIONER SPENCER:** Just to clarify, there's a couple of comments you've made there. We are recommending that there still be a joint ministry for serving personnel and veterans. Secondly the policy would be in a department. It would be in Defence, but another option is that DVA continues and does hold the policy, and there would be a ministerial advisory council. So that kind of direct contact, and ultimately, as you rightly say, government makes the decisions about this.

MS JACOMB: First principle.

45 **COMMISSIONER SPENCER:** Yes.

5 **MS JACOMB:** Military: divide and command is a recipe for disaster. Second principle: what is the definition of committee? A committee is a body with many legs and no responsibility. Look, it's not perfect. I think it'd be - personally I think many people do, but they'll have to speak for themselves. The issues can be addressed by a bit of funding and working with the DVA and government, and the opposition, to improve things. The ultimate - the - it's a historical problem. They've been starved of money because they're a small ministry. The moment you start having joint command you're just asking for trouble, and I could probably work out far better arguments, but I am conscious of tempus fugit, and there are other people here who quite rightly want to be heard, and I should not gazump them, and I won't.

15 **COMMISSIONER SPENCER:** That is fine.

MS JACOMB: But what I can do, if you so wish, (1) I will send you a copy of a memorandum.

20 **COMMISSIONER SPENCER:** Yes.

MS JACOMB: If you want to have further discussions, because I know you didn't want to talk to me at the royal commission because I'm not a lawyer, but I'm happy to make the time.

25 **COMMISSIONER FITZGERALD:** Well, I'm not aware of that, but I - the fact that you weren't a lawyer is probably a very good reason why we would want to talk you, let me assure you. In fact, we spoke to 8000 victims of sexual abuse.

30 **MS JACOMB:** Just for the record, sir, we made application to appear as a witness and we were told to bugger off.

35 **COMMISSIONER FITZGERALD:** Well, that's another issue, but I just want to make the point that we did - the royal commission spoke, as you know, to 8000 individuals that had been directly affected by sexual abuse.

40 **MS JACOMB:** I know.

COMMISSIONER FITZGERALD: And I personally spoke across the table to 1800, so I just want to put on the record we've actually heard from those that were directly affected, as your organisation represent, so - and that knowledge has been helpful in thinking about these issues too.

45

MS JACOMB: The other thing, with your permission, sir.

COMMISSIONER FITZGERALD: Yes.

5 **MS JACOMB:** I will give the question you've asked greater thought, and I seek leave to provide a response to you, sir. Would that be acceptable?

10 **COMMISSIONER FITZGERALD:** Yes, absolutely. Look, can I just make the point to you, that this is an iterative process, so in the next couple of weeks, if you have further thoughts, or anyone has further thoughts, this is the time to put them in, and as I said to an earlier participant, this is a robust discussion. We don't expect people to agree with us, but we do want to test our ideas and we want to test other people's ideas. So if you've got further thoughts please provide those to us, but we have to include that point, so thank you for doing that, and I'll come and collect that paper from you.

MS JACOMB: I'll hand it up to you, sir.

20 **COMMISSIONER FITZGERALD:** Yes, thank you very much.

MS JACOMB: And may I say one thing for the record?

25 **COMMISSIONER FITZGERALD:** Yes.

MS JACOMB: I may have given you shtick, but thank you for your graciousness in taking it.

30 **COMMISSIONER FITZGERALD:** Shtick. You were very modest compared to what I've put up with in past inquiries.

MS JACOMB: Also, what I've prepared for you, to make your life easier, that's a copy - electronic copy of the brief.

35 **COMMISSIONER FITZGERALD:** That's good.

MS JACOMB: Plus some educational videos on (indistinct).

40 **COMMISSIONER FITZGERALD:** Well don't (indistinct) being robust.

MS JACOMB: Thank you.

45 **COMMISSIONER FITZGERALD:** We don't mind that at all.

MS JACOMB: Thank you, sir.

COMMISSIONER FITZGERALD: Thanks Jennifer.

5 **MS JACOMB:** Thank you, sir. That's very gracious of you, sir. Who do I owe the courtesy to?

COMMISSIONER FITZGERALD: Thank you very much. So we will take a five minute - just break, just a watering break, and we'll resume
10 at 11 o'clock precisely with Julie Anderson.

SHORT ADJOURNMENT [10.56 am]

15

RESUMED [11.05 am]

COMMISSIONER FITZGERALD: We'll resume. Do we have Julie
20 Anderson?

MS ANDERSON: Yes.

COMMISSIONER FITZGERALD: Julie. Thanks.
25

MS ANDERSON: I'm happy to start with everyone out there.

COMMISSIONER FITZGERALD: No, they'll come in, don't worry.

30 **MS ANDERSON:** I feel inadequately prepared after that last effort.

COMMISSIONER FITZGERALD: Not at all. Not at all.

MS ANDERSON: Yes.
35

COMMISSIONER FITZGERALD: Julie, if you can give your full name and the organisation you represent, if any.

40 **MS ANDERSON:** I'm Julie Michelle Anderson and I'm representing the Gulf War Veterans' Association.

COMMISSIONER FITZGERALD: So thank you very much, Julie. If you can give us a short presentation, that would be terrific.

45 **MS ANDERSON:** Yes. I've just kind of written notes, if that's okay.

COMMISSIONER FITZGERALD: Sure.

5 **MS ANDERSON:** Okay, so I am only really focusing on the RMA,
because that's - was part of the inquiry and that's probably the area that I
have the most issues with, because they are creating the legislation. My
experience with the RMA has been quite rocky, and our association,
trying to get legislation up for Gulf War veterans. It's been an eye opener
10 as to the way the RMA works, and the way that DVA thinks it works, and
the way the general community also thinks it works, and quite often you
hear veterans saying that the SOPs are, you know, redundant before they
come out, and I think a lot of that is the way they actually research the
evidence.

15 And how it works is, we have five eminent professors, and I've actually
been and spoken to them, like, at something similar to this, actually, when
we were trying to get Gulf War illness up, and they have this book that is
compiled by DVA staff. They are DVA researchers who put the research
together, but they are cherry picking what they add. So the five eminent
20 professors actually are not looking at all the evidence as they are supposed
to. The DVA employed researchers, you know - I mean, a classic
example, and I wrote in my first submission, which I don't think has ever
been published, we - when we went for the third to get the legislation up
we submitted 1400 plus peer reviewed journal articles. They looked at 5
25 per cent of those.

Now, they were actually supposed to look at every single one of them, and
of that 5 per cent, at the time that they were meant to be looking at that
research, there was 17 Gulf War - Australian Gulf War research sound
30 scientific medical evidence available, and they found one. The RMA
looked at one of the 15. So, I guess my issue is, if we go to your draft
recommendations at 8.2, is that I have an issue with giving the RMA more
powers of research, like actually doing research, when they can't even do
literature reviews. I find it really difficult to comprehend how they would
35 be able to conduct good research when they fail fundamentally on just a
literature review, so - however, in recommendation 8.2 I also agree with,
following any investigation, you've listed that the RMA should be
required to publish the list of peer reviewed literature (indistinct) medical
evidence used, as well outline different pieces of evidence of, you know,
40 how they were assessed, and I think that is a terrific recommendation.

So although I'm critical of them doing the research - and I've also been on
advisory committees for Gulf War research as well, and that's not been a
great experience in the way that's been conducted either, so I do believe
45 that the RMA should be more accountable when they are making

decisions. You can actually get that information, but you have to FOI it.
So that's - - -

5 **COMMISSIONER FITZGERALD:** Thanks. Julie, thank you very
much for that. You've given us a short and a longer submission in relation
to this matter. Can I just ask this question, and I know it's in your longer
submission? The particular issue that you have objections with RMA was
around the issue of, correct me if I'm wrong, Gulf War Syndrome and
illness; is that correct?

10 **MS ANDERSON:** Yes, but I have - - -

COMMISSIONER FITZGERALD: So it's a broad set of comments
you've made, obviously.

15 **MS ANDERSON:** Yes, that's because that's my immediate - you know,
I've had a lot of experience with dealing with the RMA over that issue,
for, you know, 10 years now, so - however, I have actually helped other
organisations and other people make submissions to try and get conditions
20 that they've been knocked back because the factors are not up to date and
that sort of thing, so I do have experience on that as well, and overall it's
consistent behaviour from the RMA, and I - I'm not - it's actually not the
five eminent professors I have an issue with, it's the Secretariat.

25 **COMMISSIONER FITZGERALD:** There is a body that sits above
that, and it's an acronym, S - - -

MS ANDERSON: Specialist Medical Review Council.

30 **COMMISSIONER FITZGERALD:** You are right on top of it.

MS ANDERSON: Which I've also had a lot of experience with.

35 **COMMISSIONER FITZGERALD:** So as I understand it, it - let's just
take the Gulf War Syndrome issue that you've raised. If RMA comes up
with a decision that you or your members are concerned about or in fact
disagree with, are you able to have that matter elevated to the SMRC,
whatever it is?

40 **MS ANDERSON:** Yes.

COMMISSIONER FITZGERALD: Yes.

45 **MS ANDERSON:** So, I'll just go through our experience with that.

COMMISSIONER FITZGERALD: Sure.

5 **MS ANDERSON:** Because the decision of the investigation of 2011 came out, I think, in 2013, to - we actually got - we actually did get an SoP up called Chronic Multisystem Illness, so we weren't completely unsuccessful. However, we wanted it to be called Multiple Illness, and we felt that it was lacking a few of the factors. So we appealed to the Specialist Medical Review Council and they took submissions - they were taking submissions, so we appealed that immediately, that day, and I feel like it was like November 2013 when the decision came out.

15 They ended up taking submissions until March 2015, so, you know, it was 15 months later before they even started looking at it. You know, they'd gazette it. You - everyone does a comprehensive submission. They got quite a few, and we got all the information that they - like, on FILEforce that they looked at, and then the decision came out at the end of last year. So, I'm going to say November again.

20 **COMMISSIONER FITZGERALD:** And the decision in that case was by the - which body?

MS ANDERSON: Specialist Medical Review Council.

25 **COMMISSIONER FITZGERALD:** The SMRC. So how long had it been with the SMRC?

MS ANDERSON: Four years.

30 **COMMISSIONER FITZGERALD:** Four years, and the ultimate decision was what?

MS ANDERSON: They weren't - - -

35 **COMMISSIONER FITZGERALD:** It was unfavourable?

MS ANDERSON: Yes, it was unfavourable, so then we appealed to the Federal Court.

40 **COMMISSIONER FITZGERALD:** Right.

MS ANDERSON: We got - look, we used the wrong person to appeal it. He was already a TPI veteran, and they were actually going to - we got Legal Aid, and - because our organisation doesn't raise any money, you know, it's like - and the president appealed. He was already a TPI veteran

and Legal Aid were going to go - they thought that we had a good chance of, you know, having it overturned.

COMMISSIONER FITZGERALD: Yes.

5

MS ANDERSON: They were going to go for a no cost kind of - you know, if we lost there would be no costs, and it's a test case, but because he had nothing to gain from it the courts weren't going to do that.

10 **COMMISSIONER FITZGERALD:** So, if I can just be a little bit robust here.

MS ANDERSON: Yes.

15 **COMMISSIONER FITZGERALD:** If there are two bodies, if we've got the RMA and we've got an appeal mechanism which is the Specialist Medical Review Council, and there, as you say, you can appeal to the judicial system, the court, people might say that's more than enough checks and balances in place. Now, it may not always come up with a
20 favourable decision, and over time new research and new evidence might come to light - it often does.

MS ANDERSON: Yes.

25 **COMMISSIONER FITZGERALD:** And so decisions that were made previously may need to be adjusted having regard to that. So, from our point of view we thought that the RMA needed to be able to upgrade, uplift, their sort of resources in order to do more research or to - you know, to do more literature searches, but you fundamentally think that
30 even with more resources you don't trust that body, but one of the issues that you've raised for me, which is curious, is you question their independence from DVA. So you might explore that with me. So, one issue is about their competency. Are they capable? That's an issue.

35 **MS ANDERSON:** Yes.

COMMISSIONER FITZGERALD: The second is, you've raised this issue of potentially not being independent enough, and if you could just explain what you mean by that.

40

MS ANDERSON: Okay. So, again, we'll go back to the Gulf War stuff. We know that the RMA was meeting with DVA, and the RMA had actually given DVA the decision of what the SoP was going to be before it was gazetted and before it was public knowledge, and in that case the
45 deputy secretary of the DVA actually wrote quite a robust letter to the

5 RMA saying how, you know, displeased they were - I've attached it -
displeased they were with their decision, and fundamentally tried to get
them to stop issuing the SOP, because they didn't like it, before it was
announced. And so I feel like, you know, they're supposed to be
independent we all get the decision at the same time, but it just seems that
DVA - get the upper hand. They get to know about it first.

10 **COMMISSIONER FITZGERALD:** In that particular case, without
necessarily going into detail, what was the end result of that? The SOP,
however, was released in the manner determined by the RMA?

MS ANDERSON: Yes. Yes, it was.

15 **COMMISSIONER FITZGERALD:** So in that case the - if there was in
fact intervention by the DVA, from what you've said it was unsuccessful.

MS ANDERSON: Yes it was, in that case.

20 **COMMISSIONER FITZGERALD:** So just putting that aside, the fact
that there was a conversation between RMA and DVA, you would say that
goes to transparency about the process itself, that they're - - -

25 **MS ANDERSON:** Yes, because I mean, I would have liked the heads up
as well, and be able to have a second bite of the cherry, you know, before
they actually - before we actually got to the next stage of appealing, you
know? I mean, if DVA got to have a say then why can't those people who
put in submissions also get to have a say?

30 **COMMISSIONER FITZGERALD:** Is it the practice of the RMA to
produce a draft SoP for consideration of further consultation? It just
moves to a decision?

MS ANDERSON: Yes.

35 **COMMISSIONER FITZGERALD:** All right. What would you like to
see change? We've raised an information request as to whether or not the
SMRC should continue to stay.

40 **MS ANDERSON:** Yes. No, I think they need to go. I think we just go
straight to the Federal Court. I think that - - -

COMMISSIONER FITZGERALD: From the RMA?

45 **MS ANDERSON:** One hundred per cent. That was a complete waste of
time, and even when you go to the Federal Court you're actually appealing

the original RMA decision anyway, from what we discovered. So there seems to be, like - that was four wasted years, and it's not like - if you have a look on the Specialist Medical Review Council's website they hardly investigate anything, and it took them four years to do that one.

5

COMMISSIONER FITZGERALD: So your view is the SMRC could go.

MS ANDERSON: Yes, and they actually did the (indistinct) one as well, and if you read them side by side - that came out maybe a week or two after the Gulf War one - they're exactly the same, say the same thing.

COMMISSIONER FITZGERALD: Sure. So what would you change in the RMA to deal with the issues you've just put to us?

15

MS ANDERSON: Yes, okay. What I would change is who's doing the research, I mean, whether that's - goes to a university, and it's complete - like, completely independent. I don't think DVA staff - and a lot of those people work in DVA as contractors. Like, I know - you know, you see the names of the people who are doing the research also involved with stuff - with claims for other people. I've seen that in the past. I won't say which names, but I just think that we need to have the research brief done completely independent. I mean, you can't expect these five professors to be doing their own research, and I'm not suggesting that.

20

COMMISSIONER FITZGERALD: They don't.

MS ANDERSON: Because that's just crazy, but I think that the RMA, as it is, doing the research there, I don't think it feels transparent. I think if we went to a university, you know, and got them to put the briefing papers together, it would just feel a little bit more at arm's length from the DVA.

30

COMMISSIONER FITZGERALD: Just a clarifying question. I'm assuming you think the whole - the statement of principles approach is a good approach. It's how we get there.

35

MS ANDERSON: Yes. I don't have a problem with that.

COMMISSIONER FITZGERALD: Yes. Sure, okay.

40

MS ANDERSON: I mean, obviously they're quite outdated at times.

COMMISSIONER FITZGERALD: Yes.

MS ANDERSON: And, you know, I mean, some - there's just evidence there and it could all happen a lot quicker.

COMMISSIONER FITZGERALD: Right.

5

MS ANDERSON: And I don't have a problem with you giving them more funding to get these SoPs out quicker.

COMMISSIONER FITZGERALD: Right.

10

MS ANDERSON: I think they're really good guides.

COMMISSIONER FITZGERALD: Okay.

15

MS ANDERSON: But a lot of them are outdated, and when we have people putting all the submissions to get them reviewed it's - that process is just taking far too long.

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COMMISSIONER SPENCER: I just wanted to probe a bit further on the issue of research, because you - there are two roles, as you know. They can either do research, or somebody in the veteran space can do research, or you can commission or fund research.

25

MS ANDERSON: Yes.

30

COMMISSIONER SPENCER: So, if there's going to be the capability to do research - and both models, of course, can be used in different circumstances, but if there is some capability to do research within the RMA, does that - are you drawn to that, or do you think it should be external and they're in a sense commissioning research and going to find the best, both local or international research and commissioning if necessary?

35

MS ANDERSON: Yes. Look, I mean, again I'm focusing on the Gulf War research, because that's my experience of being on advisory committees. I actually don't think that we have enough resources here in Australia and enough independent people who don't already have jobs within Defence as contractors, to be doing research here, if you understand what I mean.

40

COMMISSIONER SPENCER: Yes.

45

MS ANDERSON: Like, I mean, one of the professors who wrote a submission in - I mean, he was involved in the Gulf War health study, is also a contractor to Defence and to DVA, you know, and a lot of, like - in

the Gulf War veteran research a lot of - well, not a lot, but some of the people that were involved in that research were actually the people who were administrative, like, making the decisions on what drugs to use. They were on the advisory committee or the scientific - where, like, they have the - it's called the SAC. I can't remember what - the Scientific Advisory Committee, and a lot of those were ex-Defence who actually were involved in giving the drugs that are, you know, what we believe are the issue to the health outcomes of Gulf War veterans.

So, I just feel like it's just too small here in Australia to do a lot of research, and we've actually met with some of the researchers over in America. Dave Watts actually went over to America and met with some of the researchers, and he's the president of the Australia Gulf War Veterans' Association, and we managed to get some of those researchers to also include Australian Gulf War veterans, and so they've been doing the research online.

COMMISSIONER SPENCER: I'm wondering if some of this is happening, in a sense, a little bit below the radar, because having been to a few events where researchers have been commenting on their work it did strike me that they know their counterparts in other countries, they do link up. So I'm just wondering if that's happening - a lot of that's happening informally, but you'd like to see it as a more formal explicit part of the process.

MS ANDERSON: Yes. Yes, well I think that we would be better off collaborating with the researchers overseas. I mean, they're just streets ahead of us in everything. I mean, the research on Australian Gulf War veterans - sorry, on veterans over in America is actually looking at the treatments. We haven't even given these treatments to our veterans here, and yet now, over there, they're actually looking at the benefits of the treatments that they've put them on in - you know, in the VA hospitals, you know, 10 years down the track. A lot of our veterans have been following the researcher's work over there and have been taking those treatments independently, and paying for them. So, you know, and there's quite a few different, like, supplements that they've been on, and so they were able to then go and do - be participants, because they had been taking those treatments that were recommended 10 years ago to American Gulf War veterans.

COMMISSIONER FITZGERALD: Is there anything intrinsically that stops the RMA from actually utilising or collaborating in relation to overseas research? So, you paint the picture that we've got too small a pool.

45

MS ANDERSON: Yes.

5 **COMMISSIONER FITZGERALD:** And you're probably right. Many of the researchers would have multiple roles in and around the defence community. That's probably just a circumstance that we can't change, but is there intrinsically anything that stops RMA going to that wider, worldwide community of research or knowledge?

10 **MS ANDERSON:** That would be a good question to put to the RMA too. We actually got the two leading Gulf War veteran - Gulf War researchers, Robert Haley and Beatrice Golomb. I mean, they have got so many, you know, sound medical scientific, you know, papers on it that were actually, you know, looked at. They actually wrote submissions to the RMA. They were both very comprehensive submissions and both were dismissed.
15 They don't - they didn't actually even - I don't think they even acknowledged Robert Haley's work at all, and ironically his is probably better than Beatrice's in a lot of ways, because his research was on the Navy cohort over in - like, the US Navy cohort which, for Australian Gulf War veterans, you know, of the 1847 Gulf War veterans - somewhere
20 around there - 1500 were Navy.

COMMISSIONER SPENCER: Can I just ask, when it was rejected were reasons given? Was there quite a transparent process around that as to why - - -
25

MS ANDERSON: No. No. There is a briefing paper, but no, they just - no, they don't. They didn't. They acknowledged that they got it but they didn't say why they didn't like it.

30 **COMMISSIONER SPENCER:** Okay, thanks.

COMMISSIONER FITZGERALD: Any final comments, Julie?

35 **MS ANDERSON:** No, that's it.

COMMISSIONER FITZGERALD: Good, thank you very much for that.

40 **MS ANDERSON:** Thank you.

COMMISSIONER FITZGERALD: That's terrific. Thank you for that. Alan Ashmore. Thanks Alan. So Alan, if you could give your full name and any organisation that you're representing.

MR ASHMORE: Alan Leonard Ashmore, and I'm not here representing any ESO organisation at all.

5 **COMMISSIONER FITZGERALD:** Good. Thanks Alan. If you could give us an opening statement, and thank you for your previous submission.

10 **MR ASHMORE:** Thank you, gentlemen. I guess our political leaders love to talk about veterans, particularly on Remembrance Day and Anzac Day, about how we honour our veterans, and I clearly remember former
15 prime ministers and Howard, Gillard, and Abbott, when farewelling troops at the dockside with promises to "We'll look after you on your return". So how do we get to the stage where we've had numerous reviews in the last five years that have all determined that DVA have
20 clearly failed our veterans? I believe there's been a deliberate and systematic attempt by successive governments and DVA for about a decade-and-a-half to reduce the assistance to veterans, and I think this is evidenced by a far more adversarial claims process, and that is what has eroded confidence in DVA, as is evidenced by, in 2004 Minister Danna
25 Vale, when introducing MRCA, said "No veteran will be worse off". Can I thank you for exposing that lie as on page 18 of your overview you highlighted an example of a veteran who would be 25 per cent worse off, or approximately 25 per cent worse off, under MRCA as compared to VEA.

30 We've also had a revolving door of Ministers, five in three years, allowing DVA's management to go virtually unchecked. Veterans and many Australians were shocked when they heard stories when they broke about DVA's leadership deliberately ignoring legislation in the cases of Martin Rollins and WFLT. Are you familiar with those cases?

COMMISSIONER FITZGERALD: Yes.

35 **MR ASHMORE:** Thank you. Where DVA were found to have acted unlawfully. And it also calls into question what I call the claims exhaustion process that makes DVA's motto of saluting our service a lie. In 2015 when the high impact error rate was escalating dramatically DVA devised a sneaky way to hide this. Their decision to fudge the figures was made by DVA's executive management board and the reason for making
40 this decision and released under FOI, and I quote:

Quality assurance targets will be set at a correctness rate rather than error rate that will be more focused on outcomes for clients.

5 Outcomes for clients? Thankfully the national audit office shone a light on this noting that DVAs overall high impact error rate was 2.4 times higher in '16/'17 than reported in their annual report. Their deception knows no bounds. And this came from the top echelon of DVA management.

10 Now, if it can't be listed on the stock exchange, manipulating their performance like this, ASIC would or should be all over its directors who could face large fines and/or custodial sentences. But what happened to DVA's management for this deception?

15 I now want to drill down on DVA's performance over the last five years that covers the tenure of the previous secretary, Simon Lewis. Remembering his response in 2014 to a capability review by the Australian Public Service Commission was:

20 *The findings of the report identify that DVA must take a fresh look at its foundation of its business, its operating model and by extensions to deliver model.*

25 So despite a reduction in time to assess claims under MRCA and DRCA, which is most welcomed, all other KPIs had deteriorated. There's been a 33 per cent increase in complaints, external legal costs have gone up 69 per cent despite less clients. They've become more adversarial. There's been a significant increase in appeals lodged at the AAT. There's been an increase in percentages of appeals being overturned at the VRB. It was 47 per cent five years ago, now, it's 59.8 per cent. It was less than 30 per cent in 2000/2001. The client satisfaction survey was 89 per cent. It's now 81 per cent. Complaints to the Ombudsman are up 31 per cent after adjusting for less clients. A reduction in the percentage terms of CDDA claims being approved down from 79 per cent to 42 despite an increase in their high impact error rate. That high impact error rate under DRCA and MRCA has increased dramatically. Five years ago under DRCA it was 5.4 per cent and MRCA 2.4 per cent. So using the audit officers 2.4 work elements per claim under both DRCA and MRCA the high impact error rate has gone up dramatically. DRCA has gone up threefold to 15.4 per cent, and MRCA is much worse. It's gone up eightfold in five years to 19.4 per cent.

40 The most tragic statistic of the lot is our suicides. It was 17 in 2012, it was 86 in 2017. Now, those figures are supplied by the Warrior's Return who noted in 2017 that the majority of veterans who took their life in 2017 were already clients of DVA. So effectively that is the report card covering the five year tenure of the previous secretary, Simon Lewis.

45

5 So you now want to cease DVA as a standalone department and establish a Veteran Service Commission under Defence. Last year I was one of a group demonstrating weekly in the city calling for a Royal Commission into Defence. We felt it was that bad. We wanted those that have been responsible for the demise of DVA to be held accountable, be examined and shamed. I believe another course of action is now required.

10 A new secretary was appointed less than a year ago, and already we have seen changes. DVA are now actually engaging us, surprise, surprise. Evidence of this is the secretary's round table of which I am one of 12. We do not represent an ESO but have specific knowledge on key issues. We had our first meeting last October and one suggestion has already been implemented at a saving to the tax payer and also saving veterans from being forced to appeal to the VRB and/or the AAT.

15 This issue raised was hidden away in section 137 and was an instrument that DVA could have used to resolve a claim but never used. Veterans' advocates have seen the turnaround in assessing veterans' claims. One advocate asked the new head of legal services to review four cases that were currently before the AAT that DVA had spent a lot of money on external legal services, and they've been going for three years. After reviewing all four cases the new head of legal services has withdrawn all four. Changes are happening. The new head of legal services is now running training workshops for DVA delegates that include going and visiting volunteer advocates' officers. DVA's external legal costs declined 9 per cent in the first half of this financial year as compared to the same period the previous year. So I urge you please let the new secretary do her job. She has already cleaned out a number of the management team that have damaged DVA's reputation and she's brought in a new team who want to engage us and are now making - kicking goals. I note the previous secretary disbanded the secretary's round table, so the October meeting we had last year was the first secretary's round table for over five years.

35 Perhaps if I can now turn to the draft report. I was phoned by Martin Rollins the day after the release of your draft report and asked for my initial review. I used two words, razor gang. After reading the report in full I haven't changed my mind or opinion. Martin called it, and I have his permission to quote him, as a "bipolar trojan horse". I believe it's outrageous that future veterans will have to pay the price for the sins of past management that have bought DVA to its knees. I believe it's offensive if the way forward to reduce benefits, benefits to that of an APS employee.

5 The proposed new compensation package will also mean that veterans cannot rely on established case law and where's the concept of beneficial legislation? They lose and lose again. I agree with the draft recommendation for Defence to pay an insurance premium. I think that's a great idea, but only to a standalone DVA.

10 Should the proposed new Veteran Service Commission be established under Defence, and Defence pay the new Commission's workers' compensation premium it's not hard to imagine how Defence heads will put pressure on the new Commission to make it even harder for veterans to have claims accepted. They only have to look at the playbook DVA used in the cases of Rollins and WFLT where DVA's management broke the law to deny veterans their legislated entitlement and it took Rollins over 11 years to get his entitlement.

15 **COMMISSIONER FITZGERALD:** So you've only got two minutes to go. If you can just give us - - -

20 **MR ASHMORE:** No problem. On page 389 you noted my comments, and I quote:

25 *It is unfair that veterans are currently paying the price for the mistakes of DVA's staff and all their highly paid contractor doctors plus their internal and external lawyers.*

So, thank you, you've actually noted that, but there's no proposed solution and I provided that in my initial submission.

30 A common word in the draft report is "generous". With respect, gentlemen, I found that word offensive and I'll tell you why: for nine years I was an intermediate rate veteran with a permanent part-time job of between 12 and 15 hours a week. I had professional qualifications and my total income in that nine year period was equal to the minimum wage. The financial strain on our family was such that I had to sell property assets that were at the cash flow neutral and raid my super. I couldn't afford to send my son to the World Transplant Games in Europe where two years earlier he'd won four gold medals at the Sydney games. So how can you repeatedly use the word "generous" when in that nine year period I had to sell assets to realise around \$200,000 not to mention significant war accepted medical conditions, the adverse effect on our family members and the loss of my professional career.

40 Now, I would also perhaps like to make a 30 second closing statement when - - -

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COMMISSIONER FITZGERALD: Sure.

MR ASHMORE: - - -I'm sure you've got some questions for me, gentlemen.

5

COMMISSIONER FITZGERALD: No, no, that's fine. Alan, thank you for your submission and your detailed analysis, which we have looked at and reflected upon. Just a couple of things in your statement but I find it curious. The first thing is we didn't say that DVA would be under the Defence Department, we said policy would go to the Defence not the administration. And I'm curious as to why people keep saying that other than to misunderstand what the Defence portfolio means. DVA is in the Defence portfolio, and we said that DVA, VSC is in the Defence portfolio but only planning or policy would go to Defence.

15

But putting that aside for a moment the other comment is this trojan horse. You indicated that we would reduce benefits to that of an APS. Now, that's impossible to get any interpretation of that from our report because DRCA and MRCA, we're suggesting, actually be merged, and the question we've asked is the level of payments, and it is more likely than not that the payments would be increased. We are retaining all of the benefits in relation to impairment and incapacity payments under VEA, so there's absolutely no evidence of that statement. It simply isn't true. So I just don't understand why you would make that assertion.

25

MR ASHMORE: Okay. The reason I'm making that assertion is at the last secretary's round table there were two lawyers there, and that was the statement from the lawyer.

30

COMMISSIONER FITZGERALD: But what is the basis - - -

MR ASHMORE: Well, I can give you his name and you can follow up with him if you like.

35

COMMISSIONER FITZGERALD: No, no.

MR ASHMORE: But that was the statement that he made.

40

COMMISSIONER FITZGERALD: But excepting the fact is the report does not in fact support that position at all.

MR ASHMORE: Okay. Thank you.

45

COMMISSIONER FITZGERALD: Well, of course, I just want to be clear the benefits are not going down. The VEA benefits in relation to

incapacity and impairment payments which are lumped together remain. MRCA and DRCA come together and we've asked the questions, what is the right level of payment. Now, it is not going to be - one thing I can tell you, it's not going to go to the lowest level, which would be DRCA, so
5 what is it going to go to?

So I just want to make it very clear for the public, the assertion that we're reducing the benefits is not supported at all by our report in relation to impairment and incapacity payments. So just take that as what I'm saying.
10

MR ASHMORE: Okay. Well, thank you. Look, it may be worthwhile putting out a press release on that, but if you've got a lawyer dealing in veterans' issues making this statement at a secretary's round table someone is not getting the message or, you know - anyhow, it's up to you, but
15 maybe it might be worthwhile putting out a statement to clarify that with respect.

COMMISSIONER FITZGERALD: Well, the report is pretty clear, but can I go to the other notion, the trojan horse? What is it a trojan horse for?
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MR ASHMORE: Well, you need to talk to Martin Rollins about that. I'm not going to answer for him.

COMMISSIONER FITZGERALD: So, again, can I make the comment, what we've tried to do is to design a system fit for purpose for the next 20 or 30 years to meet the needs of contemporary and younger veterans and maintain the supports for older veterans. We are trying to establish an agency which we think would be more efficient which is veteran specific, a board of Commissioners would have veterans
25 experience on it. We are retaining veterans' policy, we're retaining a Minister for veterans, but coordinating that with Defence policies so that you take a whole of life approach. We're trying to increase - we're going to target the mental health services, better fund the health arrangements, improve community services, and better leverage ESOs.
30

35 At the end of the day I do not understand why people think this is a movement away from supporting veterans when in fact at the end of the day the outcomes, as you rightly say, which are not well-measured, will be able to be measured. I would've thought this is exactly the sorts of things that those inquiries that you've referred to would've been heading to but it
40 never achieved.

MR ASHMORE: Yes. I think a lot of us are focused on the fact that DVA has not performed well, let's face it, and that we - that all these changes are going to happen and we felt that there's a new secretary with a
45

new team in there, and if you want to clean up the mess let her and her team do it because they've started well.

COMMISSIONER FITZGERALD: Yes.

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MR ASHMORE: You can bet that we'll be keeping a hawk eye on how they continue to go. As I said, it's been an excellent start, and we hope it'll be an ongoing start.

10

COMMISSIONER FITZGERALD: So, look, we support that, and as you would've read in our report we have said that the Veteran Centric Reform should continue. We've indicated the substantial structural change should not be imposed until such time as they're completed in mid-2021. So we're absolutely one with you on that. Nevertheless we've also indicated we don't believe that it is either sufficient or in fact necessary for a new system going forward.

15

But can I come back to a couple of other issues just dealing with your analysis. You've indicated that there's been a five year period that you examined where you believe the performance of DVA went backwards.

20

MR ASHMORE: Absolutely. As is evidenced by DVA's - all these figures are sourced from DVA's annual report or the VRB, and at the first secretary's round table where I produced figures for four financial years, Liz Cosson said to me, "Alan, your figures are correct".

25

COMMISSIONER FITZGERALD: So why do you think - without naming individuals, what do you think was happening in that five year period that led to this poorer performance? Can you put your finger on - your analysis is very helpful and we're very grateful for that, but why do you think that occurred?

30

MR ASHMORE: My opinion is that DVA have become far more adversarial being driven by the top and their external legal costs as I said have gone through the roof. More appeals are getting overturned particularly at the VRB. I mean, last financial year 73 per cent of appeals, the hearings that the VRB heard in New South Wales, were overturned. So when more appeals are getting overturned more is being spent on legal services. There's more examples of, you know, with WFLT, and by the time that case was finalised at the AAT I'm told there were 100 other veterans' cases have been held up.

40

I think you wouldn't have to be rocket scientists to realise that things have gone backwards fairly big time, and so I think it's their own figures is

evidence that DVA has gone backwards. It's been more adversarial and has failed many, many veterans and their families.

5 **COMMISSIONER FITZGERALD:** And why do you think the system would've become more adversarial? Who would've benefited by that approach? And we have heard that from many people. So the question for me who benefits from a more adversarial approach?

10 **MR ASHMORE:** Okay, I'll be frank, I believe it was driven by their top management. I mean, when you go and hide a dramatic increase in high impact error rate, what does that tell you? They're trying to hide something, and I think, as I said, that came from the top team. What happened with the Martin Rollins case? Senior management were involved in that, and that was a deliberate unlawful action. If we delete
15 this section of the handbook we can deny Rollins payments and all other veterans who are self-employed, and why in the legislation with WFLT did they then cease paying or refuse to pay the allowances, Australian based allowance? It was purely a cost cutting measure and a more adversarial approach. Now, tell me that's not adversarial. And the AAT
20 caught them out on it. Who drove those decisions? It would have to come from the top of their legal people and the top of DVA.

COMMISSIONER FITZGERALD: So for what benefit?

25 **MR ASHMORE:** I don't know what the hidden agenda was. You'd have to ask them that, and I would encourage you to invite them for an explanation.

30 **COMMISSIONER FITZGERALD:** Sure. Richard?

COMMISSIONER SPENCER: Yes. Just to explore a bit further, this is your performance and structure, because, you know, I think as Robert's been saying, we absolutely understand the performance issues that you've really documented in great detail here. And as Robert has said the
35 leadership and the efforts underway through VCR, and we've commented on that, we think they're good.

MR ASHMORE: Yes.

40 **COMMISSIONER SPENCER:** It's going to be a question of time as to whether they produce results. I guess the issue we're struggling with is, okay, if that happens is that enough? If we're looking 20 to 30 years into the future, is a better performing DVA going to be the best structure to deliver the outcomes for veterans. I think one of the other issues that
45 comes in here, and I think you've highlighted in your analysis, leadership

at any particular time in DVA is quite critical. You suggested to us that with the change of leadership it's a new dawn, it's a new day and it's a completely different approach. But I think for a department that's been in existence for a long time, if you go back and look at the history, that performance has been - has oscillated and probably very much dependant on a number of things at the time but leadership would have been some of the critical issues. So that may occur again in the future.

MR ASHMORE: Agreed.

COMMISSIONER SPENCER: So there's a performance issue. We go beyond that and we say when we look at other systems that operate to respond to injuries, to respond to illnesses, we see a much more focused, a fit for purpose system to respond to that, with flexibility, with data sets that you're obviously very interested in, collected over time, going back to prevention issues, that kind of thing. And so there's an appetite for that, there's a flexibility about it and there's a capability, most importantly, around it, which we've heard has been missing in DVA quite often.

And we've heard earlier today about some of the limitations of a department structure. There can be lack of flexibility. We're hearing a lot about independent contractors. They come and go, there's a lack of experience. It's a daunting prospect I imagine for leadership when you've got a very unstable workforce in a very complex system. And part of that's been suggested to us that things like staff caps on government departments can drive that. And so one of the things we're wrestling with is that when we look elsewhere we see better performing structures and systems. When we look at the department structure we're saying we don't think that's the best way to do it.

Now to clarify, as Robert did, policy still sits within the government department structure but the delivery of services and what best informs what needs to be done from day one of service right through to the lifetime of the individual can be better managed and much more proactively through, we believe, that structure. So it's a question of just clarifying that but I think, you know, your confidence about the future of DVA, when you look at changing leadership, what happens in 20 or 30 years' time if that leadership is not there.

MR ASHMORE: And that's where I think the veteran community will be vigilant, to make sure it doesn't have - we don't have a retrograde step. And perhaps I think it's probably appropriate in my final comment I wanted to make, - - -

COMMISSIONER FITZGERALD: Well not yet, you can put that at the end.

5 **MR ASHMORE:** No, I think it fits in with this. We really want to get on with our life. We don't want to be having to keep holding DVA and the government to account. But we cannot and we will not sit by and accept the mistreatments that have happened and the bad experiences many of us have had with DVA or the government that will cause damage to veterans. And I want to quote a recently - there was a post on a veteran
10 Facebook that explains why we won't go away and why we'll be vigilant. The post was from a wife and it said, "I don't know where to post this. My husband tried to take his life today with a gun. I talked him down. I have nothing left in me to help him and I don't feel safe. He was taken to hospital by the police. He needs support. Someone please help me
15 because I can't anymore".

So I can assure you, gentlemen, if there are any issues or a culmination of issues that we've had, I mean the Jessie Bird case is one, you can be assured that the veteran community will be - we will be speaking up. So
20 if after the five year tenure of the current secretary concludes and we go back to the past ways, we'll be jumping and screaming, we'll be out there on the streets, I can tell you.

COMMISSIONER FITZGERALD: But the truth of the matter is we
25 have the most complicated system that is imaginable and that's always been with the involvement of the veterans. We have, by every inquiry that's been done, every inquiry, the most complex, inefficient system because of history, but the one thing that has never been absent is the influence of veterans. So I understand your optimism about that but
30 history is not on your side at the moment.

But can I just ask this point. The whole purpose of having the military - the Repatriation Commission and the Military Rehabilitation and Compensation Commission, which sits on the top of DVA, was in fact to
35 ensure that people with veteran and military experience guided the DVA. So can I just ask you a question about this. The secretary is important. You have now got a secretary's group and I'm sure that's beneficial, you've got ESORT, but at the top of the government's tree are two commissions with very, very highly respected individuals sitting there,
40 and yet during all the time that you've just referred to the performance, that was the government's arrangement which was actually meant to keep DVA on the true path. So what's your view about those two Commissions? Clearly the government and the legislation says these are the two bodies; eminent, prominent, capable people sit at the top and they
45 will ensure the integrity of DVA. And on your analysis that hasn't

happened. So don't we at some stage have to deal with some structural and systemic issues, not just administrative and procedural issues.

5 **MR ASHMORE:** I agree, and can I encourage you gentlemen to interview those gentlemen and quiz them, why has the performance of DVA, whilst they've been in the senior management team, gone backwards big time to the detriment of veterans. Increased suicides. I mean I'm sure the minister wants to get veterans' issues and DVA off the front page. We've been on the front page for all the wrong reasons for too long. Please, please interview those two men, and interrogate them if necessary, and ask them why has DVA gone backwards when they're part of the management team that has been the keeper.

15 **COMMISSIONER FITZGERALD:** Richard.

COMMISSIONER SPENCER: No, that's fine thanks Robert.

COMMISSIONER FITZGERALD: Any other final comments?

20 **MR ASHMORE:** No, I've given my final comment.

COMMISSIONER FITZGERALD: Thank you, and thanks for the robust discussion. That's what this is all about. This is the stage where no pulling punches is a very good thing and we welcome your comments.

25 **MR ASHMORE:** Okay, look thank you gentlemen, and I wish you well.

COMMISSIONER FITZGERALD: Thank you. That's good, thanks very much for that. Robert Manning. Robert, if you can give your full name and any organisation that you represent.

30 **MR MANNING:** Robert Kenneth Manning.

COMMISSIONER FITZGERALD: And if you could make an opening.

MR MANNING: Reinforcements 4 RAR, Malaysia 1966 to 67.

40 **COMMISSIONER FITZGERALD:** Do you represent an organisation or just yourself?

MR MANNING: It's myself but it affects about 120. Much less than that now because some stayed on and went to Vietnam, and some have died.

COMMISSIONER FITZGERALD: Okay. So Robert, you know the process. If you can give us a ten minute precis of your key points and then we'll have a discussion.

5 **MR MANNING:** We were all national service reinforcements. All
volunteered for operational service through military training but Battalion
Singleton for operational service overseas and picked out and sent to
Reinforcement Wing, Ingleburn Sydney. At that time, between 66 and 67,
10 the Australian Government did not send troops from Reinforcement Wing
Ingleburn to non-operational areas. Two special areas at the time were
Vietnam of course and Malaysia. A special area Borneo and Thai border.
Thai border ceased, Borneo ceased 66, however the Malay Peninsula
15 stayed a special area by the Australian Government and was not
downgraded to any other service. The reason Borneo - East Malaysia and
the Malay Peninsula were separate areas was because East Malaysia is
separated by sea.

What has been shown in that particular time, we've asked the questions,
the operational date of 30 September 67 was in the fact sheets for DVA.
20 The Special Overseas Act was still in place at the time and the Defence
cannot put the routine order standing that time down. All soldiers were
told they would be deployed on active service. I want to point out, at the
time "warlike, peacetime, peacekeepers, peacemakers, hazardous service"
25 was not in force at that time, and I'm just saying I don't think those terms
should be used at the time because if, say, for hazardous service it can't be
implemented until I think later than 73 or 75. So I think that should affect
the whole Acts from that time. I think active service, when those troops
went, is what was the term. I was bought up in the Menzies' era and I
30 certainly tell you Menzies did not send troops, especially national
servicemen, at peacetime deployments, as stated by Defence now, to
operational areas.

Now these men fit every category of the Act, and any advocate that looked
at the Act will see 30 September et cetera and put it there. However,
35 DVA - which DVA and Defence play off each other, by the way. The
minister can't make a determination about Defence putting in this term
which is the term of "allotment for duty". Now I can assure you, in 1966,
67, and all officers, including two commanding officers at 4 RAR did not
hear of the term "allotted for duty". It was posted, sent on the posted
40 strength of the unit, active service. Everything else bar "allotted for duty".
Now over this period of time we've had members are sick with no help
from DVA due to this allotted for duty.

45 So I go back further - by the way this has been going on for 20 years. We
went through the Mohr/Kennedy South-East Asian review, not the Clarke

review, the Mohr/Kennedy. Defence love using the word, and including DVA, "the Clarke review". The Mohr Review South-East Asia and the 55 to 75 is a much more comprehensive inquiry that's made on - Defence simply fail to allot any soldiers or any service from late 1964 to 30
5 September 67. There's no one to blame but the service chiefs. It's flat bang at the feet of the service chiefs. They are a bloody disgrace, to tell you quite truthfully. It wasn't just 80 men they missed out on, it was hundreds, could be thousands. So in their wisdom Bruce Scott had set up that review. However, Defence did not accept Mohr's recommendation
10 fully but considering no allotments were done, that the 30 September, the end of the operational date be taken as the date chosen for Australia's commitment to the Malay Peninsula, up to 30 September 1967. For these continual years since we have asked for defence to show the routine order stood down on Malay Peninsula. They cannot produce it. We went to a
15 hearing at Canberra at our own cost, the Honours and Awards Hearing. Their reply was they did not know why 30 September 67 was there. This is from brigadiers mind you. they did not know why it was there. There was no record to say how it got there. Well I think it would've been put there by the Australian Government. It couldn't have got there by itself.
20 They couldn't answer the Special Overseas Act. They couldn't find the routine order to stand the Malay Peninsula down, so it wasn't stood down.

It becomes a backdrop between - allotment is the main instrument that stops this. And I just want to read out what Mohr stated at his review:
25 "There has not been a single topic which has affected so many people as the matter of allotted or not allotted. I am fully conscious of the provisions governing the award of medals and qualifying service et cetera in the Warrants Act and guidelines. The point is, however, that so many members of the ADF served in South-East Asia during the period of the
30 review had no idea of the necessity for themselves or their unit to have been allotted before they received qualification for a medal or repatriation entitlements and now find themselves disadvantaged years later because those who ordered them to do their duty, which they did, took no steps to ensure the required allotment procedures were attended to, when quite
35 clearly they should have been".

It's straight at the feet of the service chiefs, who should have all been sacked, by the way, but you don't sack people like this. "This is the point
40 that is used against these men who took the Australian Government at its word. The question has to be asked why some politicians who for many years are being led up the garden path by Defence on past issues, shown this quote by
Justice Mohr and do something about it. Men's qualifying service should not suffer the indignity of having to try to prove what they were told years
45 ago".

5 Now the other outcome that Mohr - and might I say Mohr was quite a brilliant man. He started off as a stoker in the Navy. Moved to the Army, rose to a Major General. He was a justice of the court of South Australia - he went through and made these determinations. Defence came back and said Justice Mohr made a mistake. He failed to pick up, I think it was section 104204 or 1048, that soldiers had to be allotted before they could become - they could qualify. Well he was the one that picked up there were no allotments done. So how could he miss the fact that he missed the most important point? This only became important for these national servicemen from 66 to 67. They were all national service reinforcements. They took the government at their word, that reinforcement wing. They were told they would qualify for their war service benefits, that's why they volunteered for active service. They all had their pre-embarkation leave, they all did Konundra, and then to be told some years later when they got sick that there was a mistake done, that defence failed to allot their soldiers.

20 Now we get into the most - the difficult part is the letters start. We write to the DVA Minister. The DVA Minister can't help because Defence have to allot. We write to the defence. "No, the DVA Minister can make that determination to grant you your qualifying service." He comes back and - this goes on, backwards and forwards for years. We had a meeting at the RSL at Geelong, would've been 12 months, 15 months ago with Minister Ronaldson. Minister Ronaldson went on and on and we get up and I ask to put my case to him. I said, "Robert Manning", et cetera, et cetera. "Sorry, Mr Manning, can't help you, that's a Defence issue". Wouldn't even let me get it out because he was familiar with the 4 RAR issue and went straight to a young lady from Timor. I tried to pursue it. He just said, "Sorry, Defence issue, can't help you". Now that was the Minister. And we just get completely stopped by Defence and DVA going backwards and forwards to each other.

35 I would just like to table the DVA summary requirement for its pensions. The operational sheets. Can I give them to you, sir?

40 **COMMISSIONER FITZGERALD:** Yes, later. Just at the end we'll collect those from you. So you just need to conclude with any final points and then we'll have a discussion.

45 **MR MANNING:** Right. I just want to read out what Justice Mohr said. Now firstly I want to point out, the confrontation and our area were not the same. Confrontation had finished on 19 August - they even got that wrong, they had to go to 20 September anyway, but that's neither here. That routine order was handed over by Roger Wickham, who by the way

written in submissions; we couldn't have written submissions like that. He was the assistant adjutant at the time at the battalion, the records man, and knew what it was. He handed over the routine order for Borneo to be stood down on 19 August or - I think August it was.

5 However, he said when the battalion completely deployed back to - and it came back as companies, they were rotating companies from the Peninsula - came back to the Malay Peninsula it reverted to its secondary role. The deployment at that era consisted of FESA and SEATO. When it went back to the Malay Peninsula it's secondary role was as SEATO. A
10 ready reaction battalion to be deployed anywhere in South-East Asia. Defence stated you still weren't allotted.

Then we used the Ubon analogy. Ubon got active service for the defence of the wider South-East Asian region up to 1968. It later got the Vietnam
15 medal for - I can't think of that one, but its name "Active Service Medal" was for the region of South-East Asia. We came in on the tack that we were the infantry battalion that would've been the main body, that would have gone to Ubon if it came under attack. Defence accepted that. They said, "Yes, it could come under the same umbrella", however, they didn't
20 go with it. But our main points out of all this is, Defence cannot answer or give you any reason why the area - they just say we weren't allotted. They cling on to it for grim death.

Now as late as when I had the meeting with Ronaldson we did find out
25 that because 30 September 67 was causing confusion, they couldn't answer it, in 2014, unbeknown to us, there was an amendment put in that turned the operational date back to 1966. Now this stood for 50 years. Something stinks in Denmark here. This is all wrong. And this is
30 basically against 80 national servicemen.

COMMISSIONER FITZGERALD: So if I can just conclude there because we have a detailed submission, and we had another member, a former member of the 4 RAR present at one of the other hearings earlier, so that's - can I just ask this question. The consequence of this missing
35 allotment, if it ever took place, is that you no longer are regarded as having qualifying service. Is that correct, that's the bottom line?

MR MANNING: We don't have anything, sir.

40 **COMMISSIONER FITZGERALD:** So, you are entitled to DVA benefits because you served in the military. Therefore, if you were injured or ill-health arose as a consequence of your service am I correct, Robert, that you would be entitled to some benefits?

45 **MR MANNING:** No, no.

5 **COMMISSIONER FITZGERALD:** You were actually in the service. You were deployed overseas. That's not in doubt. But this allotment issue is stopping you from receiving a particular type of benefit. Or is it more than that?

10 **MR MANNING:** Yeah, there's more. When you come under the Veterans' Entitlement Act, there's more - I'll give you an example. I'm 40 per cent deaf. I claim for a hearing aid. They put it through, DVA accepted it. Sent me for the hearing, did this and that. I received a letter later that I was refused through DVA. I could then go through SRCA. Well SRCA opens a new can of worms again. "Yes", bang, paperwork and advocate, we go through SRCA. SRCA refuses on the grounds that I was only going part-deaf when I got out of my service. So I'm covered while I'm in for those two years but I'm not covered if I continually go deaf after it. Now I was in mortar platoon, I was a rifleman in mortar platoon and I can assure you we got plenty of noise. However, that's no issue. I have no claim against DVA. I'm not going for really anything.

20 **COMMISSIONER FITZGERALD:** No, that's fine.

MR MANNING: I am going for what we were actually told before we went.

25 **COMMISSIONER FITZGERALD:** Sure.

30 **MR MANNING:** That's the issue. The boys are crook now. One example which is a glaring one is, and I can use this chap's name in Queensland, Barry Jamieson. Had cancer. They gave him a White Card for 11 years. Now the man's sick, there's no two ways about it, he probably should be a - have a Gold Card. Anyway, after 11 years he got a call - I won't use the advocate's name, I won't use the names unless you actually require them - rang him and said, "Mr Jamieson, your card is going to be cancelled. You're not entitled to DVA". So in one foul swoop overnight his card was cancelled. He had this for 11 years. The family went into chaos - I can understand people killing themselves over issues like this - the family was in chaos, he was in chaos. He went to his doctor the next day and the doctors can't treat him because they can't get paid and he was going into the system. So it was through the Geelong Veterans - I went and saw a chap at the Geelong Veterans and they were quite shocked. No advocate in Queensland could handle it. Geelong took it on. They fought it. DVA finally accepted him but not with a card. DVA accept. I don't know what the system is they use but he goes to his doctors now and they will accept the account. We wanted to go to court and sue for 300,000; we put a figure on for 300,000. That's when things

started to roll a bit and it was - we couldn't really use that because it was the man's life we were going with, but we wanted to take it to court.

5 **COMMISSIONER FITZGERALD:** But the end result of that is that you are, through SRCA, now DRCA - - -

MR MANNING: Or whatever.

10 **COMMISSIONER FITZGERALD:** Or whatever, rather than you would've been, as I understand from you, through VEA.

MR MANNING: DVA.

15 **COMMISSIONER FITZGERALD:** VEA, Veterans' Entitlement Act.

MR MANNING: Veterans' Entitlement Act.

20 **COMMISSIONER FITZGERALD:** I don't understand this because it seems to me - the way it was put by the participant last week and what you've put is that an allotment did occur, and there's no paperwork to identify that or it was never raised in the formal process. But the fact that you served over there is not in doubt.

25 **MR MANNING:** No.

COMMISSIONER FITZGERALD: So why do you think Defence has been so resistant to acknowledge your claims; that is, that you were in an operational rather than peacetime zone, and why do you think it was backdated to August 1966? I don't understand what the motivation of Defence would be.

30 **MR MANNING:** We don't know either. We don't know. We were recommended by Justice Mohr. Justice Mohr recommended it. Why Defence refused it we don't know. There was about three out of the
35 whole review that refused. I think one was Ubon. Ourselves. Another thing about it though, when you went to a battalion that was on active service you were sent on the posted strength of the unit. So as soon as the soldier landed with that battalion he was on active service. Now if the
40 battalion hasn't got a routine order to stand it down, you can't be on peacetime service. Now this is accepted. They cannot produce the routine order to stand the battalion down. The commanding officer stated that the battalion was not stood down.

45 **COMMISSIONER FITZGERALD:** Do you believe it had anything to do with the fact that you were, or others were, national service personnel?

5 **MR MANNING:** I wouldn't like to say that, sir. I do not think they could - even my disrespect for some of the system, I do not think that they would specifically pick on national servicemen, no. They did make the Australian Army stronger; it gave them more battalions though, that's all I say, sir.

COMMISSIONER FITZGERALD: No that's fine, thank you.

10 **MR MANNING:** Yeah.

15 **COMMISSIONER SPENCER:** It's a long tortuous journey that you've been on and you've tried every avenue. So where do things stand at the moment, Robert? Are there any other initiatives underway to address this? We've heard earlier today that DVA is in a transformation process. If part of that can be a sense of "Yes, the world matters, but a sense of justice matters", so are you contemplating or are your colleagues contemplating further action on this, or where do you stand at the moment?

20 **MR MANNING:** Well it's a fact of cost. We can't go to the High Court like the pollies do. We can't flick the finger and spend a hundred thousand on QCs and that to go to the thing. Every veteran I'd say is affected by this. It's a minefield. And I'll say to the people out here, do not let
25 Defence get hold of you. But DVA, believe me, it's a dictatorship and it has to be, and I'm not saying that in a nasty way, it has to be that way. You can't have a junior officer going up telling a senior officer that he's wrong. Straight out of the room. So, you have far bigger problems than our one. I've been at this for a long, long time. We ask questions when
30 we're called up. We didn't go willing, I can assure you. It took them 12 months to get me in and two years threat of gaol, but I finally went in and I did it. We asked questions, and when we specifically asked, to a 20 year old, "Your medal, your home loan and your war service benefits", it was called then, that was the fact. We were told that we would qualify by our
35 commanding officer at Reinforcement Wing, Ingelburn, who was an SAS major. A warrant officer was from the training team, two sergeants from 1 RAR with Vietnam and Malaysian service. They specifically told us we were being sent to an operational unit. The dates that are there now were not there then.

40

COMMISSIONER FITZGERALD: Sure.

45 **MR MANNING:** When they sent us it was an operational unit. It was operational service, flat chat. That's all it was, and we were quite surprised we even went to Malaysia, we didn't know there was anything

going on there at the time. 4 RAR was built up to full strength due to continuing threats within the region. It was a SEATO role, a secondary role, and until the term "communist terrorist" are taken out of the Act, it has to be stated that they were there. We had no contacts. I tell you that
5 now. It was nothing like a Vietnam issue. It was not against a professional Army, as Vietnam was. However, if there was a threat, or soldiers believed so, regardless of whether the defence say it's perceived, that's what they were told. That's what they acted on. And an infantry battalion in an operational area operates as an infantry battalion would in
10 an operational area. We are all charged under "whilst on war service". Defence turn round and say the commanding officer erred in his duty in doing that. He can't err in his duty if the routine order hasn't been handed down. Secondly, we had two commanding officers, so both couldn't have made a mistake.

15

COMMISSIONER SPENCER: Okay, thanks Robert.

COMMISSIONER FITZGERALD: So look, this is an important issue too and I understand from you 88 men that are - - -

20

MR MANNING: Roughly 88.

COMMISSIONER FITZGERALD: Roughly.

25

MR MANNING: Yes.

COMMISSIONER FITZGERALD: We'll make sure that this is raised to the attention of defence and DVA. Clearly our inquiry is not of the same order as Mohr and Clarke but we will raise this issue with them.
30 And as I indicated to you, we've heard previously, and your submission fully articulates the history of this. Other than to say I remain unclear as to why defence has taken the position it has but we'll raise these matters at least with those two departments as a consequence of these submissions. So thank you for that. Is there any final comment you'd like to make?

35

MR MANNING: Well I want to strongly make the point that this landed flat at the feet of the service chiefs. They don't deny it, they admit it. It's in the Mohr Report. It clearly states that, and that's where the issue was.

40

COMMISSIONER FITZGERALD: Sure.

MR MANNING: They did not allotments on the Peninsula or for anybody from 1964, late 64. It's clearly stated.

5 **COMMISSIONER FITZGERALD:** So the only question I was thinking is, if Defence and DVA got their heads together and said, "Yes, we accept that in fact there was an allotment and you now qualify for qualifying service", does that have any flow on effects within the Defence or veterans' community, or is this a complete standalone? In other words, giving you operational service status or qualifying service status, to your knowledge does it have any flow on effects?

10 **MR MANNING:** Well not that I can see. I do not know what Defence have but I do not know. I can't see any reason. The point is that I want to stress that the terms "warlike, non-warlike", what I've stated earlier, weren't there then.

15 **COMMISSIONER FITZGERALD:** No, no, I understand.

MR MANNING: They came in. This was active service. Now there was only two roles; you were on active service or you were on peacetime service.

20 **COMMISSIONER FITZGERALD:** We understand that.

MR MANNING: Peacetime service was in Australia.

25 **COMMISSIONER FITZGERALD:** Okay. Well look, thank you very much for that, Robert, and again thank you for the detailed submission and I'll come and get those papers from you. So thank you for that.

MR MANNING: Where did I put them - there they are, that's right.

30 **COMMISSIONER FITZGERALD:** Thank you very much for that. Good, we appreciate it.

MR MANNING: Okay, thank you very much.

35 **COMMISSIONER FITZGERALD:** We will now take a lunch break and resume precisely at 1.30. So we'll resume at 1.30, thanks very much.

40 **SHORT ADJOURNMENT** **[12.26 pm]**

COMMISSIONER FITZGERALD: Welcome back. David Times – or Tymms?

45 **MR TYMMS:** Yes.

COMMISSIONER FITZGERALD: Good, thanks for appearing, David. If you can give your full name and if you represent any organisation, the name of that organisation.

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MR TYMMS: It's David Tymms. I'm representing myself. Just ex-serving member.

COMMISSIONER FITZGERALD: Good, terrific, thanks very much, David. You know the drill; so if you can just give us a ten minute intro or whatever you like. Then, we'll have a chat.

MR TYMMS: Yes, for my ten minutes I'd like to just go over my submission and add to it a bit more detail.

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COMMISSIONER FITZGERALD: Yes, sure.

MR TYMMS: And then, after I've done that I'll just add some general comments after reading the 700-page draft. Bit more about me: I did military service obviously, covered by the three acts. I didn't add in there that I'm degree qualified as an economist and I've got masters levels in change management as well. So I take interest in writing – and reading your report from that.

25 So I do a lot of voluntary work with Independence Australia dealing with basically people who have been put in wheelchairs. Other things I'd like to add to my submission is a bit more clarification on my assumption that – about unique natured military service. If we adopt that as you've done in your draft - I know you don't use the exact words all the time and some organisations are probably getting antsy about that - but you've got the intent that you're still going to stick by the unique nature of military service.

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35 From that I made the assumption that if that's such, then, any veteran shouldn't be worse off under DVA conditions compared to others and I highlighted earlier that I'm now talking about NDIS because that's the big elephant in the room.

40 The main thing you put in your report from my submission was disparity between health providers and the intent of my submission was for someone in DVA to look into the payments to make sure that any veteran wasn't going to be worse off and not be able to get the other health support.

I'd like to dispute the figures you've got in your report but I'm hoping that they will get looked at. I try to compare apples with apples and use NDIS as the main thing. In your report you don't mention NDIS in your table – 15.2. That is the elephant you need to compare to. I say that because it is
5 a Commonwealth Department. If one Commonwealth Department can pay money up to a certain level, I can't see why DVA can't match that and if studies have been done ie McKinsley report, which was just last year, they came up with new figures which were just released (indistinct) NDIS. I'd advise the Commission if they could use those figures. That way,
10 NDIS has something to compare against.

I have constant OT physio et cetera, so I've got a bit of a personal slant in it. My physio could be earning, with the remote locality and 20 per cent loading, in round figures \$200 an hour. DVA pays 64 and that's before
15 any NDIS is rolled out; all of Goulburn Valley, it's still got a few more to go. So trying to find a physio is harder and harder if Defence don't match what other another commonwealth department's making.

You've raised the issue in your report that the OTs, WorkCover – so OTs and psychologists are all disadvantaged as well. Add to your list, with the age care latest government money coming through, it's all those services
20 as well. So all the home care, gardening et cetera, DVA pays substantially less than NDIS. So if you could add that into, you know, the submission of looking into that review that would be very much appreciated.

Move on to the case management support. One thing which wasn't covered in your report was the moving of the case managers from Melbourne to Adelaide. In my experience, and I've been dealing with
25 DVA extensively since 2005, but since I moved to Adelaide they went away from commonwealth-employed public servants to consultants or contractors. That's when the service for me went bad. I lost my case manager, got outsourced to a private consultancy company and that's where I think DVA started to go down in my circumstances and a whole
30 lot of other people who – about my cohort, they experienced similar things.
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So, again, was that an affect? It was an affect for me and about 15 of my mates who deal with DVA, but it wasn't covered in your report about the location move and, as I said, I think that contributed as well. Was it
40 political that it got moved to Adelaide? You'd have to ask Christopher Pyne that but – yeah, that's my opinion with that one.

But as a consequence of getting the placement agencies - not the placement agent – the contractors, we also lost our independents as well.
45 Like, those organisations used to work for you as helping you write a case

to DVA, but now they're employed by DVA. You know, they're going to look after DVA before you and a point in case is that they now come and do the assessment and you don't get to see that assessment before it's submitted. I know that's changing now and it was brought up at a roundtable, but we could've avoided a whole lot of VRB hearings if the veteran actually read the submission before it was submitted.

In my case, I stopped the advocate making a decision - this is a DVA advocate - making a decision because I thought the company who was running the report might have done it wrong and that was the case because we didn't get to see it. So that's been an issue as well. If it was me, I'd go back to DVA staff, not consultants and actually train them properly; that could help.

Moving onto just updating a bit more on the Acts and entitlements. I'm covered by all three Acts. I don't care what anyone says; you're going to come up with a fourth Act, over time it's going to change, you know, because a veteran starts at 21, or 18, sorry, and goes all the way through until he dies - these days its 80 - I can't see Acts not changing of that period. So Acts are constantly going to change. So coming up with a new Act, I think it's a waste of time; getting to know the current Acts is what we should be using.

I'd just like to add about artificial intelligence as well. I can't understand why I can't type into a computer, yeah, the time of service, types of service, you know, what my condition is and all of a sudden, a whole lot of fact sheets get sent to me via my email. Artificial intelligence is doing it for the legal fraternity now, so why can't it do it for Veterans Affairs? There are computers learning to be able to do that; the technology is there. Relying on ESO advocates or veterans to look up stuff or a case manager to give you stuff, I would've thought that younger generation would just like to get online and type in, tick a few boxes and then you get spat out information, as a start point.

That's enough about that on my submission. I'd just like to go into a whole lot of new points now from the observations from reading the 700 page report. You mentioned quite often that other systems are better than Defence. As I said, through my counselling I deal with a whole lot of - mostly people outside of DVA. They go through exactly the same problems that DVA have ie wait times to get specialist to put their paperwork in so they can process claims. NDIS, strangely now, that if you don't get your yearly submission right and you want to get it reviewed ie go through the VRB process, their wait time is now actually the same as average DVA, VRB; six months.

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5 So when people start talking about other compensation schemes, being an
economist by trade, I'd like to see the data and the costings. You know,
WorkCover - what is their satisfaction rate? What is their acceptance
rate? Is it greater than DVA or less and have that in your report and the
10 data to back it up. As I said, my personal experience with the people
I mentor or counsel that's not the case. And I think, whilst a whole lot of
private organisations will say that they're the world's best practice, but
when you get into their data not DVA data, I think it'd probably be very
similar to DVA's data with processing times and satisfaction rates. Yes,
15 DVA has its problems but I still haven't found a better solution on many
areas and, again, that's just based on probably about 50 people that
I constantly see.

15 The next point is the use of the word "permanent" and "stable". I had
great difficulties convincing DVA that my condition was stable. My
condition is never going to improve, it's only going to get worse. But
when you've only got two words to describe how someone can you get an
entitlement, and they need a third word which is "it is never going to get
20 stable, it's only going to get worse", somehow that needs to be brought
into the SoPs and the processes.

25 Trying to get my surgeon to understand that, you know, I'm permanent,
but I'm not stable and had to get him to write something to get through
DVA was a pain. But if there was a third word or a different category
because people are only going to get worse. My cancers don't get better,
paralysis doesn't get better and age generally makes bone structures and
everything else get worse. But in a lot of the SoPs it comes back to
permanent and stable, so there could be a third word put in there that
30 would help a lot of claims, instead of constantly going back to try to prove
something is stable. I know there's the interim, your entitlement where
you can get things done. But, again, if there was another word I think
would really help, you know, processing of the claims.

35 Yes, chapter 6 around about page 175, you mention that, you know,
allowances we got paid overseas sort of compensated for the generous,
you know, entitlements we get back. Again, without data to say that our
overseas allowances are generous compared to civilian employment, I find
that hard to take. When my civilian counterparts I dealt with when I was
40 on operations, were all getting substantially more money than I was and
had substantially more entitlements than I had.

45 They weren't living in the middle of the desert, they were living in motels.
They were getting paid twice as much as I was as an officer and their
allowances they got for being overseas to come home and see their family
were well and truly more than we were get as Defence. So when I read

5 that our entitlements were generous for deployments and that's an offset for the generous entitlements we get out of DVA, without the data, you know, I'll keep my mouth shut a bit. If I saw the data, I'd agree with you or disagree. But at the moment I've got no comparison bar the people I've worked with.

10 Again, in chapter 6 page 225 you talk about the increase in rehab costs. But, again, this had no mention of the wage freeze over in Adelaide where they had to hire consultants. Now, I don't know what cost centre that came out of but, at a good guess, it probably came out of the rehab, you know, cost centre to pay salary and that could've blown out those increasing rehab costs as well. But, again, as you keep mentioning throughout your report, there's a whole lot of lack of data and without going to look at the actual cost centre codes that's really hard. But, again, 15 from my time dealing with DVA, in and out a service, the cost centre code should be able to highlight that - where it was spent and, as I said, I think some of that could've been spent on man power.

20 Again, chapter 6 page 229 "collaborative development". I would love to have collaborative development in looking after myself. NDIS has gone down that way, it has its benefits but it also has its disadvantages. I'm lucky, my brain hasn't been affected, my body is. So I can write a report, I can understand what I'm reading and I can put my own case together. Having good training with money I can look after a budget. But under 25 NDIS there's many examples now where people have decided to look after their own pot of gold. They don't know how to manage money and they spend their twelve months care in the first three months. So whilst collaborative is great, you know, how DVA makes a decision on who should and shouldn't be able to look after their own money is an interesting concept that NDIS are now trying to deal with as well. 30

COMMISSIONER FITZGERALD: So, David, we'll just need to wrap up your presentation, then, we'll have some questions.

35 **MR TYMMS:** Yes, my closing point is that the unique nature of military service I think does entitle us to have better than the civilian counterpart and we shouldn't be no worse off, compared to any other scheme. And, again, I highlight at the moment, it's being compared to NDIS.

40 **COMMISSIONER FITZGERALD:** Thanks very much. So, David, we agree with your last comment; absolutely. We've described it as generous but we've been supportive in that. The fact that, by international standards and others it's a generous scheme, doesn't mean it's an inappropriate scheme. So the Commission hasn't attacked the notion of a 45 generous or beneficial scheme. We accept that position.

5 We also accept that it should be better than workers' compensation
schemes generally, since our report supports that. People take offense
with the use of "generous"; well, we thought long and hard about what
terms we'd use but we knew some people would be offended by it. But
10 the fact that something is more generous than others doesn't mean it's
inappropriate. So we've remained committed to your view. But saving
your own comment about the (indistinct) to NDIS and Richard has had
some involvement in that. He might want to raise some questions, so I'll
leave that to him.

15 Can I just ask a couple of things? The stable and permanent; just take
your own circumstance. We've made some recommendations in relation
to stable and permanent and that is within a two-year period, there's a
deeming, that it has to be – if it hasn't been determined it is determined in
favour of it being stable and permanent and we've also talked about
interim funding for the person going through that process, and so we talk
about that.

20 But in your particular circumstances, once you've received an entitlement,
a determination, a successful claim, if your condition worsens my
understanding, and depending on which Act you're under, you're actually
able to go back in and put in subsequent claims as the condition worsens.
So permanent and stable deals with the circumstances at the time of the
25 claim. But am I right that if your condition does worsen, you're able to
then go back in. So is that a correct understanding of your circumstances?

30 **MR TYMMS:** That's correct. So the issue is at the front end, trying to
get your claim accepted by DVA.

COMMISSIONER FITZGERALD: Yes.

35 **MR TYMMS:** Yes, because you're an unstable person, as you're not
mind, body-wise - - -

COMMISSIONER FITZGERALD: No, I understand that.

40 **MR TYMMS:** - - - it's delayed and, yes, you can use the interim thing,
but the interim is only a short-term solution.

COMMISSIONER FITZGERALD: So it's really about to the – so I do
correctly understand it. So your concern is about the amount of time it is
taking to actually determine.

45 **MR TYMMS:** Correct.

COMMISSIONER FITZGERALD: Yes, okay, we understand that and we've made some recommendations.

5 **MR TYMMS:** And by having that third word in there, I think you could really quicken the process.

COMMISSIONER FITZGERALD: Well, we certainly agree with you that many of the conditions will, in fact, worsen over time and I think we
10 accept that. But the second thing is in relation to case management. We see case management as critical. When you were using the word "case management" here, are you specifically referring to rehabilitation services or are you talking about more general case management.

15 **MR TYMMS:** Everything from rehabilitation services to incapacity payment re calculations, changing circumstances, the whole lot. I had one person in Melbourne for five years and she was great. And then, as I said, it got moved to Adelaide and then case managers ceased to exist and they went to the outsource model and I didn't agree with everything the case
20 manager said, but at least I had someone to talk to, who I didn't have to go through my whole background of, you know, 30 years-worth of military stuff.

COMMISSIONER FITZGERALD: So can I just be clear about that? When you say, "That happened, it got outsourced," some of the
25 rehabilitation case managements has been outsourced. But you're talking about the case management of your claims.

MR TYMMS: Well, it all stopped, we stopped having case managers.

30 **COMMISSIONER FITZGERALD:** Yes, okay.

MR TYMMS: Yes, Defence, for some reason, decided that we didn't need case managers and for me, I'd love to have localised case managers.

35 **COMMISSIONER FITZGERALD:** Yes.

MR TYMMS: I can't understand why each base doesn't have a, you know, DVA case manager and that becomes your point of call.

40 **COMMISSIONER FITZGERALD:** In relation to that matter about the assessments you've said that in relation to rehabilitation plans, according to the submission you've given us, they are submitted by the rehabilitation service provider to - - -

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MR TYMMS: Correct.

COMMISSIONER FITZGERALD: Now, in this case let's assume this is DVA.

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MR TYMMS: Yep.

COMMISSIONER FITZGERALD: But you don't get the chance to see that.

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MR TYMMS: Correct.

COMMISSIONER FITZGERALD: And then you've gone on to say that that's led to matters being taken to the VRB. Is that right?

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MR TYMMS: Correct.

COMMISSIONER FITZGERALD: So what you're suggesting, if I'm correct, is that the claimant or the person receiving the services should be able to see that assessment before it goes off to DVA.

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MR TYMMS: Correct.

COMMISSIONER FITZGERALD: And have you put that to DVA?

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MR TYMMS: I've heard today, at the roundtable that Liz has implemented that now.

COMMISSIONER FITZGERALD: That's right.

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MR TYMMS: So until today, I wasn't aware that that was changing.

COMMISSIONER FITZGERALD: No.

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MR TYMMS: But, yes, we weren't able to see what the consulting company had submitted and, again their interpretation of what you've said on a house visit could be misconstrued. So if you could review that before it was submitted, it would be great because you get rid of all those issues.

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COMMISSIONER FITZGERALD: Sure.

MR TYMMS: You might not agree with them, but anything of fact you can change before a decision was made.

COMMISSIONER FITZGERALD: Is there any down side to that? Is seems eminently sensible what you're putting forward, but is there a down side to that happening?

5 **MR TYMMS:** Well, the only downside I can see is some people don't like being told that they don't have an entitlement.

COMMISSIONER FITZGERALD: Well, that's true.

10 **MR TYMMS:** And so when a poor young 24-year old OT is at your house doing your assessment and going through it and says, "I don't agree with your, you know, view that you're entitled to have X," someone who is emotionally unstable could get, you know, loud and yell at, you know, someone just doing their job.

15 **COMMISSIONER FITZGERALD:** That's true. I could never imagine a veteran ever doing that.

20 **MR TYMMS:** And that's the only downfall I can see, you know, like, those people put themselves in a position when they come into your home and no one should be yelled at, regardless of the circumstances, but I know that it's happened.

COMMISSIONER FITZGERALD: That's a good point.

25 **MR TYMMS:** So by writing the report and getting out of that environment that's why they could've done it. But why they can't show it to you first and why you have to go through a Freedom of Information request to have a look at it before a delegate makes a decision is
30 ridiculous.

COMMISSIONER FITZGERALD: Just one other issue. You are under the three Acts and, as you know, eventually we want to get to a point where people are under one piece of legislation; whether it's the
35 three, whether it's the two scheme, whether it's something else, as you say, "With luck, it'll move on." We are trying to get to a situation where people are under one scheme. Now that you've actually had some claims accepted, clearly, the processes for you as you circumstances change, what's your expectation? Do you expect now that you're in the system,
40 you're knowledgeable and articulate, that you'll be able to operate within whatever these Acts are or are you envisaging that your life's going to be tied up in knots trying to get additional services, as in if your condition worsens?

MR TYMMS: I think I'll be tied up in knots. Again, I'm lucky to understand the three Acts

COMMISSIONER FITZGERALD: Sure.

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MR TYMMS: My personal opinion, it would be lovely if someone made a statement that the intent of all the reviews that have happened since 1914 have been that none of the reviews make us worse off as veterans. So if you have that assumption, then who cares what entitlement an Act covers. You know, your entitlement comes under (indistinct) if the best to get a motor vehicle, well, from what I'm going through at the moment I'm not - happy to talk about that as well - is under VEA, well, you know, let me go under VEA even though I'm currently not entitled to it.

15 But, as I said, if we go back to all parliamentary inquiries from 1914, 1917, it says that no veteran will be worse off from the next inquiry. You've already mentioned it today that we're not going to make anyone worse off. So if that's been the assumption all the way through, why don't you just say, you know, find an entitlement under any of the Acts
20 whichever the best one is, go for it. I know there's a cost to that but - - -

COMMISSIONER FITZGERALD: Well, as you know, one of our proposals is that there'll be two schemes and people under the age of 50 will be able to elect to move from the VEA into the new schemes. So we
25 will actually do that and we're quite confident that some people will move from VEA and some people will stay in VEA and we think that actually that will be achieved. But it's a while off, yet, there's a lot of complications with it.

30 **MR TYMMS:** But by doing that though you're going to have to give up something in one Act, as opposed to another - - -

COMMISSIONER FITZGERALD: I think the difference is - - -

35 **MR TYMMS:** - - - and if you're say 30 years old - well, I'm a bit old - let's say 40 years old and you're coming up to nearly the end of your military career, you're not going to know what's going to happen when you're 55. I had no idea, I didn't think I was going to be in a bloody
40 wheelchair.

COMMISSIONER FITZGERALD: No.

MR TYMMS: So you can't foresee that. If you'd just left it so you can go and pick and choose whichever Act you like - - -

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COMMISSIONER FITZGERALD: That may be something that ultimately happens. Can I just highlight one problem? The issue about not being worse off is not the issue. The problem is they come in different packages and different guises and people value things differently. So
5 some people are no worse off, but they have an entirely different set of package arrangements; health care, community services, care benefits; others, it's all that benefit.

So one of the difficulties that governments face is you can say - I can say,
10 "Nobody's going to be worse off," but that doesn't mean everybody gets the same. They get different things and are valued differently and that's the great challenge in these sorts of schemes where we know that younger veterans and older veterans have very different aspirations in terms of what the scheme should deliver. But I might just move to some of those
15 other NDIS matters, Richard?

COMMISSIONER SPENCER: Yes, no, certainly. Thanks, David. And just by way of a bit of background, we did the NDIS cost study last June – you may be familiar with that - but that scheme is still in its
20 early days and it has certainly got some teething issues that will need to be sorted out. In fact, one of our key recommendations was to slow the rollout of the scheme because it needs a market to develop. It needs a complete change of practice by many providers and you'd be very familiar with it, so I think we're still in the early days.

25 But you've referenced the McKinsey study early on which was looking at all the costings which, and ultimately, NDIS as you know is onto a so-called marketplace arrangement although there will always be a need for funding of particular services in remote locations. This comes up quite
30 often and it certainly came up in the NDIS study as well. What is the appropriate fee structure for providers? And that, as you know, varies by area, by region. So, no, we're very much alive to that issue and we've heard a number of people suggest what you've said about allied health services, that they're saying, "Well, I'm not going to do veterans because
35 I can get into NDIS or do something else." So you're right to put a spotlight on that issue and we'll continue to raise that as well because there is a need obviously that, if you've got an entitlement to a service that you need to be able to get the service. So that goes to the very heart of that issue.

40 So I just mention that. So you mentioned also technology and there's no doubt that NDIS, over time, will really transform the technology scene. That is one of the aims of the scheme, as you know, and to really do very significant research to show how you do achieve better outcomes over
45 time. In fact, Bruce Bonyhady who was the initial chair that was very

much at the heart of his vision that Australia will become a world leader in this area. So those learnings and everything else should translate into the veterans' scheme.

5 I guess the question I have in your situation, I've been a bit surprised actually because it's not been referenced very often, but with your particular situation, you look at the NDIS; so has the thought ever come, "Would I go under NDIS? Would I make a choice?" Now, when I've said that to a few other people anecdotally the feedback is, "No, no, no,
10 I'd stick with the veteran scheme because I had a look at it and I think it's better." But I'm not sure, and I'd be interested in your views on that because many of the features of that scheme I would've thought would be appealing to you, in terms of choice and control, the stable issue is not there, as you know, it's permanent and significant. So when you look at
15 that how do you judge that? How do you view that in terms of your own situation and the choice that you might have under either scheme.

MR TYMMS: Under DVA, the pot of gold is there forever. You know, DVA has a funding line which is in stone, which is there forever. NDIS
20 does not have that funding line. If a government changes, and I'm suspecting that it's going to come very soon that, as soon as we hit our first recession and then the money that is now being poured into NDIS, that NDIS bucket will be shrunk. I can't see the DVA bucket being shrunk. So for me, personally I have much more security under DVA than
25 I believe I have under NDIS.

Short-term – hey, I helped a guy get \$320,000-worth of care for 12 months in the last month; just been approved – 320,000 for one year, so substantially better than I'll ever get in care. But my advice to him was,
30 "Go for everything now because in three years' time you might get nothing," where I know under DVA, the Acts are the Acts; the entitlements are the entitlements and I'm covered for lifelong support until, you know, the next change or someone offers a better deal. But it's done by an Act but the NDIS isn't. That's just money (indistinct)
35 available now and the government can change that a hell of a lot easier than changing, you know, DVA.

So that's why I would – I, personally – if I had a short – if I was older and I had short term needs, I would probably – you know, again, you've got
40 the 64 year old caveat as well. Like NDIS only covers you until you're 65. So then you go to the aged care plan and that whole space is moving as well with the millions of dollars the government just announced in that package. Again, you're going to be competing against - same resources that I'm trying to get for myself and all the veterans are trying to get;
45 psych, you know, homecare, physio, OT, all that all that is going to

increase with the aged care program as well. But DVA covers the whole lot from the time when you injure yourself as an 18 year old, all the way through to the current 78 or whatever age he is, where you're going to have to change plans from NDIS to aged care and I don't think – it's
5 nowhere near as stable and that's the advice I give to, you know, veterans. You mightn't like the DVA process, but it is set in stone and if you make it work for yourself, you do get, you know, similar things. It might take a bit longer, but you'll get them.

10 **COMMISSIONER SPENCER:** Right, more generally, David, and just a quick comment because this is something we may want to pursue afterwards because we're not economists, but we are – we've often said, "We're surrounded by economists," and you're an economist. So you
15 love numbers, you love the data and so that is critically important of course. But, look, we've looked at other schemes. I think NDIS is building towards that dataset that you would value and everybody would in the sense of the insight it gives you and how to really achieve better outcomes. But when we've looked at other schemes; TAC scheme and the icare scheme, we do see that level of data capture and interest
20 informing about what happens and how to get better outcomes.

So you made the general comment that you think, "Well, the DVA's not perfect," but you don't – you know, to paraphrase what you're saying I think is I don't think anybody else is kind of cracked this one as well.
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MR TYMMS: Yes, and I make that comment because I haven't seen your data. Like, I don't have access to the, you know, success rates or, you know, TAC or WorkSafe. But if they were in your reports so you can compare, more people might say, "Hey, we really do need a change."
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COMMISSIONER SPENCER: Well, maybe – and, look, take that on notice, thanks, because you know we love the fact that people go looking for data. So it may not be part of our report but I think it's informed our thinking so to the extent that we can somehow - - -
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MR TYMMS: Something to highlight in the annex I would have thought.

COMMISSIONER SPENCER: - - - share that with you that would be good I think, yes.
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MR TYMMS: Yep.

COMMISSIONER FITZGERALD: Well, the Productivity Commission loves data and, let me tell you, if it's there, we'll use it and
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we'll expose it. So if we have the numbers we'll give them to you. I have to say, however, and this is undeniable, DVA has not been very good at collecting data and that's been recently reaffirmed in the recent audit by the Department of Finance and others, so it's an issue. If we have the data, we'll publish it, absolutely. But it is a data-scarce area and that compares radically different to the compensation schemes which we've been dealing with which do have very good data and they've had it for a long time. So if there's no data – yes, but if there is we'll have it. But it's a very important issue to us. Thank you very much for that, David. We very much appreciate your submission and the points that you've raised today. Thank you, good. Thanks for that. It's very good, thank you, thanks, David.

MR TYMMS: Cheers, thank you.

COMMISSIONER FITZGERALD: So can we have John Pilkington. Thanks, John. John, if you can give you name and any organisation you represent.

MR PILKINGTON: My name's John Patrick Pilkington and I'm representing myself and my wife.

COMMISSIONER FITZGERALD: Good, thank you very much, and so just the same format. If you can give us a ten minute précis of the main points and then we'll have a chat.

MR PILKINGTON: (Indistinct) and after listening to a few others - I think you've got a copy of it.

COMMISSIONER SPENCER: Yes, that's just something I've written notes - - -

COMMISSIONER FITZGERALD: Yes, thanks very much.

COMMISSIONER SPENCER: Cool.

MR PILKINGTON: So the key points, you are looking at best practice features from workers' compensation. You cannot actually compare military compensation to civilian compensation; completely different altogether. They haven't – you can't lift more than 17 kilos in the workers comp; you can't work over 35 degrees; that doesn't apply to the military. So I don't really see how you can compare those two smaller items because the stuff that they deal with is a lot more complicated. So I disagree with why you think you should keep them separate and you should get people that know about it, not work on best practice in civilian

life. I've dealt with it before, best practice; who says it's best practice. If you were paying for it for yourself you probably wouldn't accept it.

5 In figure 10 of your overview, you've been through changes before on each occasion for – it's on page 39, sorry - changes on super and you say, "Nobody's worse off." Well, those that change from DFRDB to MSBS lost. They're trying to talk people into changing from MSBS, now, into the current scheme; it's a loss again. So I don't agree when you say that nobody's worse off under those schemes. I don't know where you got
10 your figures from but practice and I can guarantee you, changing from one scheme to another, you lose, the government saves money (indistinct words) lost.

15 So they were too - I was going to attack DVA, but I changed my mind after listening to a few people. The rehab people seem to come up with a plan that suits them, not the veteran. It's not user friendly, they impose themselves on the family, they impose themselves these days with the doctors and the medical people that they deal with. I don't see where that's relevant, you know, (indistinct words) they never see a copy of the
20 report. You have to again apply for it under Freedom of Information. Now, to me, it prolongs the process of getting anything done. They outsource it; how much does the outsource cost against employing somebody from DVA? The transition benefits? Non-existent, really, they're very shallow. That was draft recommendation 7.1.

25 The debrief is usually for people that are fit. When it comes to people that are medically discharged, they really haven't got a clue what they're doing. They're either mentally unstable, physically unable to do anything and they're being shafted. There's nobody there to sort of look after them.
30 Defence sort of shoves it across to Transition, Transition shoves it to DVA, it's like playing cards, backwards and forwards. And they should be – they're posted for three years usually. They can be anywhere, as they said, from 18 to 50. They don't get any follow up, they don't get taught about their super, they don't get taught about changes to circumstances in
35 their super and should be in the transition that should be available for them before. When they join and each time they get posted, they should have a follow up of what's been changed, if it's been changed.

40 7.3. I don't think they've taken into account with the education training. It'd have to be done with cooperation with the commonwealth and the state, for TAFE courses, trade courses, university courses; each state's got different circumstances. Your costing can be for a university unaffordable for somebody. But they saw they're offering all these courses, but the courses they get offered usually are the cheapest and the quickest they can
45 get.

Draft recommendation 8.1; harmonising – should pick out the best of each Act. It's been done before, it's never worked, it's always got worse. It's not much of a comment but it's there.

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9.2. We have trouble with the staff assessing claims for DVA, but on the lines you could have three to four different people doing the one assessment as they move them on. They don't keep them there for any length of time and so they're stuck on a contract, 12 months, they don't move and somebody else takes over and you're dealing with somebody else again. It doesn't help the veteran.

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What was the other one? 10.2 the DVA should review the process currently, but the rehab provider is really having the final say on what happens, over and above what the doctors and medical staff do that. How's that applicable?

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11.2 I thought we were talking about Yes, Minister, Sir Humphrey had written the quote. Well, I just don't think it's - what you've put there is just reinventing, DVA can do the same.

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The other one's 13.4 That you want to make. That's going to affect the veteran's family.

25

The last one that I've got at, 15.3. Open Arms needs to be better funded (indistinct) staff after hours. Veterans will not wait on the phone for any length of time when they are in distress. During the normal 9.00 to 5.00, Monday to Friday; that's fine. On weekends and public holidays, it's a disaster. Over the Christmas period I had to deal with one of those - it wasn't very nice and I – I waited on the phone for 15 minutes, a veteran won't do that. The wife was distressed, police were called, yeah, it was a – on Christmas it was a disaster. I don't know who they actually assist or how many they've got working, but we can't get any information. It's not the – “works fine” from all the reports I've seen, but having dealt with it over Christmas, no. That's' it.

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COMMISSIONER FITZGERALD: Thanks very much, John, and thanks for your submission. Couple of things; can I just go back to your own circumstances? Which of the services were you associated with?

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MR PILKINGTON: No, sorry, Army.

COMMISSIONER FITZGERALD: Army? So can I just go to transition and your thoughts are quite helpful there. You mentioned that, in relation to medical discharge, you thought the transition arrangements

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were very poor. Can I just understand this – and again, you don't have to answer this – were you medically discharged?

MR PILKINGTON: No.

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COMMISSIONER FITZGERALD: Right.

MR PILKINGTON: I was a national serviceman.

10 **COMMISSIONER FITZGERALD:** Okay, so just looking at the discharge route one of the things that happens in Army, but doesn't happen in Navy and Air Force, there are these particular holding units for people that are on a discharge pathway and some people can be in those particular units for some considerable time before they're actually
15 discharged and I was just wondering whether or not you thought that sort of approach, where a person who's on that discharge pathway, may go into a unit and then for a period of time, transition supports and other things that you've talked about are provided or do you have a better model that you think would apply to somebody transitioning out of the services?
20 And the services all do it differently. We've got some recommendations about how to change that and improve it, but I was just wondering what you think would be helpful to people being discharged, particularly as you've made that comment about medical discharges.

25 **MR PILKINGTON:** Well, the medical discharge process, they can appeal it depending on how bad it is. They can get downgraded progressively or, you know, they're not in a stable state when they get to make the decision. A lot of times they're stuck, as you said, in that wing and they get really no information. So if they get discharged as MSBS
30 class A, good luck to 'em. If they get discharged as medical class C, they get nothing, just treatment; they're not told any of that and they get it – as I say, the superannuation side of it – MSBS, along with DVA and Defence, they don't talk to each other and they don't give the information to, you know, the digger or the service person who's getting out. They
35 find that out when they're bye-bye, gone and a lot of times if it's to do with the abuse cases and the people get discharged, Defence wipes their hands of them so it's a civilian matter and it doesn't help the veteran either.

40 **COMMISSIONER FITZGERALD:** And just to clarify, are you talking specifically to those that have suffered sexual abuse within the Defence Force or you're talking about other abuse environment?

MR PILKINGTON: No, in the Defence Force.

45

COMMISSIONER FITZGERALD: Yes, and so just talk to us about that for a moment. What's your experience there through people you know? You believe that that discharge pattern is even more inappropriate than what's applying for others?

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MR PILKINGTON: It is, yes, because the person is reluctant to talk about it, first off.

COMMISSIONER FITZGERALD: Sure.

10

MR PILKINGTON: Defence wants nothing to do with it and they like to wipe their hands of it and when they had the abuse period, by the time people got game enough to put in a report, they'd shut it off.

15 **COMMISSIONER FITZGERALD:** So you're referring to DART?

MR PILKINGTON: Yes.

20 **COMMISSIONER FITZGERALD:** Yes, DART dealt with a large number of people and made maximum payments up to \$50,000 and I've spoken to many people who've been through that and I've spoken to many people that didn't apply in time.

25 **MR PILKINGTON:** Well, I've done one; he got 73,000.

COMMISSIONER FITZGERALD: So I'm aware of some of those issues. For those that didn't apply through DART, what advice can you give us in relation to those particular people?

30 **MR PILKINGTON:** Well, we've sort of managed to get – they recognise it now and it's more acceptable, but it's still very hard to get their life back on track.

35 **COMMISSIONER FITZGERALD:** Sure. Has it been your experience through those you've dealt with that DVA is more open to dealing with their claims than was previously the case?

MR PILKINGTON: They are now, yes.

40 **COMMISSIONER FITZGERALD:** Yes, and do you think there are still gaps in either services or supports for people that have suffered abuse in the system?

45 **MR PILKINGTON:** It's not readily available, it's not written there hard and fast. If it was, it'd be a lot easier.

COMMISSIONER FITZGERALD: Yes, okay, I understand that. Can I just also, in relation to transition, we said that Defence needs to be more responsible for the transitioning of their own personnel and that's pretty uncontentious. We've also put in recommendations around how that might be structured and there's been a whole lot of work done by joint task forces about what needs to be improved. But you may or may not have a view. Do you have a view as to how long that transition process, from the Defence point of view, should continue? We've said six months, others have come back to us – ESOs have come back and said, "It's got to be 12 months," some longer and some shorter.

MR PILKINGTON: Well, it's going from six months to two years. It depends, I mean the ESOs should be there to actually assist. They've got a bit more knowledge on occasions than what DVA has and Defence has.

COMMISSIONER FITZGERALD: Yes, okay, thanks for that.

COMMISSIONER SPENCER: John, just going back to one of your earlier comments about that you can't compare civilians' schemes to a military scheme and we think there's a context around the military which is extremely important, so really want to clarify that. But I guess the issue we're wrestling with is how do you look at other schemes and look at what they're doing and how they're achieving really good outcomes, more effective rehabilitation, earlier intervention into those sorts of things and make sure that the system we have for the military reflects best practice. Now, I think as we've said often today, when you look at where the scheme is today, the military, and you look at best practice in civilian schemes and other schemes, some of which we were just talking about before, there is quite a big disconnect.

MR PILKINGTON: Right.

COMMISSIONER SPENCER: So that's just our thinking because there are aspects of that which are very military specific and we're aware of that. So it's really trying to get the best of both. That's why we're listening.

MR PILKINGTON: I wouldn't be using the banks compensation.

COMMISSIONER SPENCER: Sorry?

MR PILKINGTON: I wouldn't be using the banks compensation.

COMMISSIONER SPENCER: Banks compensation?

MR PILKINGTON: Yeah.

COMMISSIONER SPENCER: Well, I don't think we are.

5

COMMISSIONER FITZGERALD: I don't think we are.

COMMISSIONER SPENCER: And also I think sometimes there can be a bit of confusion. Is this to – some people interpret as what we're saying is, "Oh, we're just going to reduce benefits down to a civilians scheme," and that is not the case, as Robert was saying earlier. We absolutely understand and the starting point in this is the commitment by the Australian people to have a beneficial, generous – we've used that word – somebody else used that word and that is entirely appropriate. But the issue is how does that be done in the most effective way and the best way to get an outcome. So, look, I think we'd all be in fierce agreement about that. That's why we're kind of having these kind of robust debates about what gets us there.

20 So, look, coming back to the mental health issue because – that was around recommendation 15.3. So thanks for your suggestion about you know Open Arms and how that can be continually assessed and improved. The other aspect is that a recommendation went to what we said was an urgent need to update the mental health strategy. We also have, as we know, the White Card. One of the issues with the White Card, and you may or may not have comments on this. So there are a number of good things happening but we're not sure at the end of the day whether that's translating into better services to the people that need them. So you have a White Card but where do you go with your White Card and can you get a service? So with the focus on mental health issues over the last few years and the responses today, how do you see that? Is it starting to make a difference? What more could be done in that space to make it more effective?

35 **MR PILKINGTON:** The non-liability mental health issue has made a big difference because there's a lot more people coming forward and, as you said, they get the White Card and they go and get treatment and a lot of times they're not aware of where the treatment is. That's all.

40 **COMMISSIONER FITZGERALD:** Yes.

MR PILKINGTON: They get the card and they come in and ask, "Where do I go?" Well, "Where do you live?" for a start and then you go from there and what probably annoys me a little bit - I know somebody

that goes every Friday and he rings me Friday afternoon after he's been to the psychiatrist. You're sort of getting a (indistinct) but he's improving.

5 **COMMISSIONER FITZGERALD:** So one of the other things that comes through in what you're saying, John, and we've heard elsewhere is there's often no substitute in very complex, difficult situations such as we're dealing with here, where you need professional expertise and long and deep experience. So with staff turnover, with contractors within the Department, there's this constant turnover which is difficult. There is this
10 notion of outsourcing – we've already commented on this - and we have concerns about that as well. We think the Department or whoever's responsible for this should be doing a much better job of overseeing service provision and we have a feeling at the moment that they'll say, "Give it to an organisation or several organisations and they will take care
15 of it." So I'm assuming you'd be supportive of a much more active oversight of what services are actually being provided and how they're being provided.

20 **MR PILKINGTON:** Yes, well and truly. I prefer to see the government do it than outsource it.

COMMISSIONER SPENCER: So where we're looking at the moment is, through VSC, we see that some of the most important central functions would remain - staffing within the VSC - and some parts would be
25 outsourced. At the moment there's a very big push to outsource a very substantial amount, particularly to DHS and that may be appropriate in part, but we actually think there are core functions that should be retained within a traditional workforce, if that's possible, and certainly one of the issues that you've raised is about the case management issue in
30 rehabilitation services and things like that. So we are looking at that issue as a live issue.

Can I just follow on from that? You mentioned the rehabilitation providers and you've said something; in your submission to us you've just
35 – so can I just quote “so rehabilitation providers should not insert themselves into the veteran's appointments and should not hound the veteran or their partners to make decisions that are only of benefit to the rehabilitation provider”. Could you just give me a little bit more insight as to what's behind your statement to us?
40

MR PILKINGTON: They ring the concerned veterans and offer to meet them outside, in a coffee shop somewhere, supposedly just for a chat. They write a report, well, it goes to DVA, again, the veteran doesn't see it and the payments cease and the family's affected, so we go through the
45 whole process again. Then they insert themselves into where the - with

the doctor's report. I mean a couple of them have been taken off because of the harassment they've done.

5 **COMMISSIONER SPENCER:** What would be behind any rehabilitation provider wishing to harass the veteran and his or her family?

MR PILKINGTON: Prolong the case or get them off the case.

10 **COMMISSIONER FITZGERALD:** So we heard from a previous participant about rehabilitation plans and the issue that was raised was making sure that the veteran is able to see that plan before it goes to the DVA. Yours is of a different issue though, isn't it.

15 **MR PILKINGTON:** Yes.

COMMISSIONER FITZGERALD: It's just about that relationship between the service provider and the veteran and his or her family.

20 **MR PILKINGTON:** Well, I tell them now to go meet at an RSL if they're going to do something so there's somebody that they know they can talk to, rather than meet in a coffee shop someone and get it - hopefully copy it, write it down.

25 **COMMISSIONER FITZGERALD:** Sure.

MR PILKINGTON: They're not – the report that goes in is usually not what's said.

30 **COMMISSIONER FITZGERALD:** Okay, is there any other comments you'd like to make just before we conclude?

MR PILKINGTON: No, I think I've said enough.

35 **COMMISSIONER FITZGERALD:** No, that fine. Thank you very much for that. So thanks very much for that, John. Appreciate it. That's good, thanks, John. So, Doug, if you could give your full name and if you represent an organisation, the name of that organisation, please.

40 **MR STELEY:** Douglas Richard Steley, with your permission I would like to speak for the veterans who have died, who have killed themselves, who have gone insane and who cannot speak for themselves.

45 **COMMISSIONER FITZGERALD:** Okay. From that, Doug, I understand you're speaking on your behalf – your own self.

MR STELEY: I am speaking on my own behalf that I am lucky to be still alive.

5 **COMMISSIONER FITZGERALD:** Thanks very much, Doug. So if you could just give us a 10 minutes précis of the key points that would be terrific.

10 **MR STELEY:** Key points are DVA doesn't care. They don't give a rat's [expletive] about veterans, they don't give a rat's [expletive] but themselves and that's my main key point. I am an F-111 Deseal/Reseal survivor; I went into the fuel tanks as a photographer. I was much skinnier in those days, I was single so I would volunteer to go into the fuel tanks with an unsealed, low volt lead acid battery into a F-111 fuel tank. They would pull everybody else off the aircraft and I would go in to take
15 photographs in a fuel-rich environment, fully expecting an explosion. I volunteered for that because I didn't want a married person or a person with children to die in there. I did three fully operational tours overseas and I was finally discharged from the Air Force, incompatible service life, because they found out - eventually they worked out I was dyslexic,
20 I couldn't read and write, so they chucked me out. It was, "Goodbye, good luck. Oh, by the way, here, sign this document that says 'You will not seek any form of compensation from Defence in the future'", which I was told later that it's illegal.

25 I've got words in front of me but I really can't read them. You've got them as well.

COMMISSIONER FITZGERALD: Yes.

30 **MR STELEY:** You're a lot better at reading them than I am. It's a disability. I would like to be treated by DVA as a disabled person. I have PTSD, I have depression, I have anxiety from my service and I am dyslexic. I would like to have a service that is accessible to me that deals with my needs and respects my service. From day one, from the first
35 application I put in, I think that's 11 or 12 years ago. It took 30 years to organise an investigation into the F-111 Deseal/Reseal. It took another five years to hold a second investigation that approved or told me that I'd been in the fuel tanks. And then when I finally got that, I put in the paperwork, I did everything correctly and I got a letter from DVA six
40 months later saying, "You're knocked back because you're not Tier 3. You're not eligible," which was a lie, completely untrue. I was Tier 3, I was eligible. But DVA told me a lie. From then to today it's been nothing but lies from DVA.

Now, I'm already dealing with post-traumatic stress disorder. But five years ago, six years ago now, I went to see DVA and they said, "Oh, we'd better test you to see if you've got PTSD." I said, "Yeah, that sounds like a good idea." So they sent me to a doctor who said, "Yes, you have PTSD," - this was a DVA doctor - "Yes, you have PTSD. But it's really not going to make that much difference, so I'm going to tell them that you don't have PTSD." I said, "Well, how does that work?" and he said, "Oh, I'll just tell them that you don't have PTSD." I said, "But you just told me that I did," and it was a video conference and he said, "Look, that's what I'm going to do. Conference ends here. Goodbye." I left that meeting, I went into a DVA office and I said, "What the hell is going on here?" - I didn't, I said, "What the [expletive] going on here? What are you [expletive] up to? This guy's telling me that I have PTSD but he's not going to qualify me as PTSD," and they said, "We'll look into it and we'll get back to you." Never got back to me.

You've got the list there, you've got the pile of documents. They're all a disabled person - a dyslexic disabled person can put together. They're what I can remember. They're what I can cope with writing down after I have been put through the wringer by DVA. I have lost count of how many times I have been in tears with frustration and anger after talking to DVA. My psychiatrist and my psychologist both say there is nothing that they can do for me until DVA actually gets their act together and stops killing people.

I've heard a lot of talk about money and DVA and VSCs and all these wonderful letters. I don't give a [expletive] about that. What I care about is stop killing veterans. Now, can you understand that?

COMMISSIONER FITZGERALD: M'hm.

MR STELEY: When was the last time you were in a life threatening situation?

COMMISSIONER FITZGERALD: You're making the points.

MR STELEY: I'm asking a question.

COMMISSIONER FITZGERALD: But, Doug, just keep going. You're doing well.

MR STELEY: When was the last time either of you put your life on the line for somebody else? Never? Have you ever done it?

COMMISSIONER FITZGERALD: So, Doug, it's not, it's - - -

MR STELEY: Have you ever done it?

COMMISSIONER FITZGERALD: Doug - - -

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MR STELEY: Have you ever put your life on the line for somebody else?

COMMISSIONER FITZGERALD: Doug, I'm not going to answer. What I am asking you to do is just to make your point.

MR STELEY: Exactly, you're not going to answer.

COMMISSIONER FITZGERALD: We're not - - -

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MR STELEY: Every person who has spoken here today has signed a document that says they will put their life on the line to protect people like you. And we are not getting respect. We are not getting the treatment that we require. We are not getting the support that we require and that is the problem.

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I am sick of having people ringing me up and say we lost another one. Somebody else has killed themselves. Somebody else shot themselves, somebody else hung themselves. Somebody else drove his car into a tree. We don't even have the respect of the government counting the dead. After the battle, they clear up the dead and they count them. "Where's Harry?" "He's hanging on the wire, sir."

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That's my grandfather's watch. He was given it in 1914 when he left for the Great War. He survived. He was damaged. He came home. He got [expletive] all from the Government. His son left. He went to the Second World War. He saw active service in Burma. He got [expletive] all from the Government. I joined the Air Force. I got screwed over. It has taken me, what, 11 years to get a financial settlement that is totally inadequate for what I have lost.

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I haven't slept with my wife for 10 years because I keep waking up in the night, pushing her out of the bed, jumping on top of her and yelling "Get down, get down, get down. It's on fire."

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When I ring DVA, I expect to talk to somebody who understands what PTSD is. I expect to talk to somebody who understands what depression is. I expect to talk to somebody who understands what anxiety is. Not to have them hang up on me. You know. I get told I'm unreasonable. I'll ring up and I'll ask a question. I will be told, "Oh, look we can't answer

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that. I'll get back to you," and I'll go, "When will you get back to me?" Because it causes me a great deal of stress to sit and wait at home in my room wondering when they're going to get back to me. Sometimes I'll wait six weeks, two months and I'll call them up and go, "You were going to get back to me." "Oh, yeah, hang on." "Look, we haven't - the person that was doing that got eaten by a tiger," or "A filing cabinet fell on him," or "He spontaneously combusted." "We haven't got an answer for you. We'll get back to you."

10 "Well, you told me you'd get back to me six weeks ago." "Oh, we'll get back to you." "When will you get back to me?" "Oh, we'll get back to you before 5 o'clock on Friday afternoon. So at 4.50 on Friday afternoon, I'll call them up and say, "Okay. What's the answer?" And they go, "Oh, he's taken the afternoon off." I'll go, "Well, does he have a mobile phone?" You know. What's the answer? I've been waiting for two months to get the answer. "Well, no, you can't call him on his mobile phone." I said, "Well, you promised me an answer by 5 o'clock on Friday afternoon. It's 5 o'clock on Friday afternoon. What's the answer?" "Call me on Monday." "No, I won't call you on Monday. Do your [expletive] job." So I'll then wait the weekend. I'll wait Monday. At 4.50 Monday afternoon, I'll call them up and they'll go, "Oh, yeah. We haven't had time to look into that yet." You know.

25 And this happens time and time and time again. This is why veterans are terrified of putting in claims because they know this is the kind of treatment that they will get. I sent you an email or a message from a veteran the other day. That came in this week. You know?

30 **COMMISSIONER FITZGERALD:** Yes.

35 **MR STELEY:** You want to make changes? Count the dead and publish them. You want to make changes, decimate DVA. Sack 10 per cent of them and say to the rest, "Well, we're going to keep doing this until you improve the service. If there are criminal charges to be laid, then lay criminal charges against people who break the law. If people are not doing their job, sack them and get people who will do their job.

40 **COMMISSIONER FITZGERALD:** So, Doug, can I just – if I can just raise a couple of issues with you. Thank you for your paperwork and your submissions.

MR STELEY: Yeah. They called the police on me because I'd looked at a DVA officer intensely.

45 **COMMISSIONER FITZGERALD:** Sure.

5 **MR STELEY:** What kind of respect is that? He'd lied to me. I was sitting there and I was looking at him saying that you've lied. So what does he do? He calls the police and has me removed from the building. I tried to get that sorted. How long did it take to get sorted? Thirteen months. What was the reply from DVA? "It was your fault."

10 **COMMISSIONER FITZGERALD:** Doug, you're entitled to respect as a - - -

MR STELEY: Then why aren't I getting it?

15 **COMMISSIONER FITZGERALD:** - - - as an ex-service person. When this inquiry first was talked about, it came out of that Senate inquiry into suicides, didn't it?

MR STELEY: Yep.

20 **COMMISSIONER FITZGERALD:** For veterans. So, the issue you've raised today brings us right back to where this all started, which was about - - -

25 **MR STELEY:** Yeah, which surprises me that this bloody long to get back to the point.

30 **COMMISSIONER FITZGERALD:** Sure. So the point that we're very conscious of is this occurred because of that inquiry into suicides. And we've heard of - we've heard of and spoken to family members who have in fact had members of their family commit suicide. And we've spoken to them through this inquiry. And we've had some present at this inquiry. So, your issues that you're raising are really very important.

Can I just ask this question? When were you in service, Doug?

35 **MR STELEY:** 1974 to 1981.

40 **COMMISSIONER FITZGERALD:** Right. And as you said, this Desealing and Resealing issue has been subject to significant inquiry. Very - as you said, it took a long time, didn't it?

MR STELEY: Always wondered what would happen if dangerous chemicals were leaked into Parliament House?

45 **COMMISSIONER FITZGERALD:** Sure.

MR STELEY: And politicians and senior public servants were poisoned.

COMMISSIONER FITZGERALD: Yes.

5 **MR STELEY:** I wonder if it would take 30 years for senior public servants to organise an investigation if they were poisoned.

COMMISSIONER FITZGERALD: Sure.

10 **MR STELEY:** I would hazard a guess that they wouldn't.

COMMISSIONER FITZGERALD: Correct. Do you have a view as to
- - -

15 **MR STELEY:** Yeah, bloody oath, it's correct.

COMMISSIONER FITZGERALD: Why do you think it took so long for that inquiry to come - - -

20 **MR STELEY:** Because nobody wanted to look at the problem.

COMMISSIONER FITZGERALD: Yet when you were a serving – when you were serving in the Air Force, was it obvious to you and your colleagues that this was a problem?

25 **MR STELEY:** We were dying. Our children were dying. Our wives were getting sick. I had skin peeling off my arm.

COMMISSIONER FITZGERALD: Yes.

30 **MR STELEY:** I saw that there was a compressor in the room that was being used to ventilate the air inside the fuel tanks that was totally inappropriate and dangerous. I reported that to my senior NCO who told me to shut up. I took it to my senior officer who told me if I reported that
35 again and if I complained again, I would be put on a charge.

COMMISSIONER FITZGERALD: So at the time that you reported that, I presume that other people within the Air Force may have been making the same complaints?

40 **MR STELEY:** I don't know. I was a photographer. I was down there on my own.

45 **COMMISSIONER FITZGERALD:** You eventually were discharged from the Air Force, is that right?

MR STELEY: Yep.

COMMISSIONER FITZGERALD: And that was against your will?

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MR STELEY: No.

COMMISSIONER FITZGERALD: No, but you were you were voluntarily discharged or - you said, I thought, that they had discharged you - - -

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MR STELEY: I was discharged incompatible service life.

COMMISSIONER FITZGERALD: Yes, that's what you said.

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MR STELEY: Because I begged the Air Force not to promote me because I was dyslexic and I couldn't cope with paperwork. I was a bloody good photographer.

20

COMMISSIONER FITZGERALD: Right.

MR STELEY: I was one of the best photographers they had. But I couldn't cope with paperwork. So I begged them not to promote me. I was told unless I took promotion, I would never get another overseas attachment. I took the promotion and I was immediately posted to a desk job in Canberra. I complained to my commanding officer the day after I got there that I am unsuited to paperwork because of the disability that I disclosed to the Air Force when I joined. And I was told that I was lying.

25

30

It then took 13 months for the Air Force to test me and prove that I was dyslexic beyond doubt. They took me to the Badam clinic in Sydney and they tested me repeatedly, Badam clinic wrote a recommendation that I be posted back to an Operational Squadron where I could take up photography again and be supported by other people. The Air Force posted me to another desk job where I failed miserably, and was discharged incompatible service life because I couldn't do what the Air Force required.

35

40

COMMISSIONER FITZGERALD: When you were discharged, Doug, and that was in the mid-80s?

MR STELEY: 1981.

COMMISSIONER FITZGERALD: In 1981. Were you provided with any support at all by Defence or DVA in the first few years after you left the Air Force?

5 **MR STELEY:** No.

COMMISSIONER FITZGERALD: And when was the first time, if you can remember, Doug, when you tried to put a claim in to DVA?

10 **MR STELEY:** After the second F-111(indistinct) Deseal/Reseal inquiry. When I was first eligible to make claims for DVA cover, I did because somebody was on the radio reading out the symptoms of the Deseal/Reseal and my wife is sitting there going - looking at me going, "Does that remind you of anybody?"

15 **COMMISSIONER FITZGERALD:** Right.

MR STELEY: You know. I contacted them. I talked to them. I worked out that I was eligible for the claim. I got an RSL advocate who was very well-meaning but totally out of his league trying to do this. And we put in the claim.

20 **COMMISSIONER FITZGERALD:** And at that stage, the second inquiry into the Deseal/Reseal issues reseal issue had been dealt with. You said before that that claim was rejected?

MR STELEY: Yep.

30 **COMMISSIONER FITZGERALD:** Did you have a right of appeal at that stage? Did you go through a Veterans Review Board or some other -
- -

35 **MR STELEY:** Alan - Alan Griffin was the minister and he was the last good DVA minister that we've had. I rang him up. He had asked me to keep an eye on the system for him. We had quite a lot of contact before that. So I rang him up, scanned a lot of material, posted it down to him. And DVA rang me up and said "Oh, we're terribly sorry. We've made a mistake. You are eligible."

40 **COMMISSIONER FITZGERALD:** Did that lead to you actually having a claim accepted?

MR STELEY: That led to the start of the claims process.

COMMISSIONER FITZGERALD: And if I'm right, you said it lasted something like 11 years?

5 **MR STELEY:** I'm still not TPI. I'm 100 per cent disabled. I am permanently disabled but I'm not TPI. And nobody can explain to me why. I asked if I could put in for TPI claim, and they said "Oh, it may reduce your payments." And I said, "How does that work?" And they said, "Oh, we can't explain it to you."

10 **COMMISSIONER FITZGERALD:** And so right at the moment you're in receipt of these benefits and these are under VEA are they?

MR STELEY: I have no idea.

15 **COMMISSIONER FITZGERALD:** You have no idea. That's okay. But you're not at, as you say, you're not on TPI. Do you receive a Gold Card?

20 **MR STELEY:** I've got a Gold Card.

COMMISSIONER FITZGERALD: You've talked to us about the encounters through that time with DVA, not being respected. The way in which they come back to you, talk to you when they needed to, and respond.

25 **MR STELEY:** My psychiatrist said that his bills weren't being paid.

COMMISSIONER FITZGERALD: Right.

30 **MR STELEY:** So I left his office and I rang DVA and said, "Look, do you mind? I'm a client liaison unit. I'm one of the bad boys. I was put with the client liaison unit, because I was having problems with the system. Not because I have done anything wrong, but because I am dyslexic and I have problems. And they decided to put on a single person to attend to my claims. And it's been assumed since then that I'm an unruly customer.

COMMISSIONER FITZGERALD: When you're in this - - -

40 **MR STELEY:** So what happened was, I rang up DVA and said, "I'm trying to find out why my medical bills aren't being paid, and can I speak to CLU, please." And they said "No, you can't speak to CLU." And so I said, "Well, you know, who do I talk to about this?" "What's your name?" "Doug Steley." "What's your full name?" "Douglas Richard Steley."
45 "Where do you live?" I gave them my address. "Look, hang on, just - I'll

put you on hold.” So, I spent 45 minutes with this woman at reception trying to get through to somebody to work out why my medical bills weren’t being paid. In the end, she told me I was dead.

5 “I’m sorry. Mr Steley is dead.” And I said, “Look, I can assure you, I’m not dead. Is there somebody I can talk to about that.” “No, there's nobody you can talk to. I’m terminating this call now.” Clunk. She hung up on me, after telling me I’m dead. I went and saw my local member, who is Darren Chester. Darren Chester wrote to the minister, who I think was
10 Alan Tudge at the time, who said, you know, “Can you explain what's going on here?”

After six weeks, I hadn't heard anything. So I contacted Darren Chester’s office and said, “What's going on?” And they said, “It’s with Mr Tudge’s office. You'd have to contact him.” So I contacted Mr Tudge's office and was told that the matter was with DVA. So I rang DVA and DVA said,
15 “The matter is with the minister.” So I rang the minister back. And they said, “Oh, the matter’s with DVA.” I said, “Well, the matter, you know, I’ve been told that the matter is with you.” They said, “Oh, the person
20 dealing with it is not here. We'll call you back in an hour.” “I waited two hours. I called them back,” and they said, “Well, DVA’s told us we’re not allowed to talk to you.” And hung up on me. This is the Minister's office telling me that they are not allowed to talk to a veteran because DVA has told them they are not allowed to talk to the veteran.

25 I rang back seven times until I finally said, “Look, do you understand this is why veterans kill themselves so often? Because they are so utterly frustrated with the system? They are so [expletive] with you people?” And she said, “Oh, if you don't hang up now, I'm going to tell the police
30 that you're suicidal. I said, “You do whatever you have to do. I'm not suicidal, but this is why veterans kill themselves, because they are so [expletive] with you and your system.”

“If you don't hang up now, I'll call the police and they’ll be there in five
35 minutes.” So she called the police. Police arrived 45 minutes later. Interviewed me and said, “Look, you're angry. You’re justifiably angry. But you're not suicidal and you're not insane. You're perfectly sane, you’re perfectly reasonable given what you've been going through.” Police had to write a report. They sent it to the minister's office. I
40 requested that report under Freedom of Information. I was told I wasn't allowed to have it. I requested that under Freedom of Information again and appealed and I was told that the Minister's office doesn't have the report. Department of Veterans Affairs has the report.

5 So I lodged a Freedom of Information request with the Department of Veterans Affairs. I got the reply, "We don't have this communication. It's with the minister's office." So I sent an FOI request to both the Minister's office and to Veterans' Affairs, asking for the report. The Department of Veterans Affairs told me that the Minister's office had it. The Minister's office told me that Department of Veterans Affairs have it.

10 I have made countless Freedom of Information requests. Almost all of them have been denied.

COMMISSIONER FITZGERALD: Doug, when you were assigned to the client unit – liaison - - -

15 **MR STELEY:** Client Liaison Unit.

COMMISSIONER FITZGERALD: Liaison unit. We've heard about that. Are you appointed a particular contact person? A case manager? A care manager?

20 **MR STELEY:** When I was - when he was originally appointed a person. It was Liz Barnfather. She was quite excellent.

COMMISSIONER FITZGERALD: Sure.

25 **MR STELEY:** But she wasn't always there. After she left it's whoever I happened to deal with (indistinct).

COMMISSIONER FITZGERALD: So you don't have a permanent person to deal with.

30 **MR STELEY:** No.

COMMISSIONER FITZGERALD: And would it be right, Doug, that if there was a permanent person you could deal with that would ease some of the problems that you've experienced?

40 **MR STELEY:** Probably not because unless they are supported by a system that can provide them with answers - the problem with Client Liaison Unit is I'm not allowed to speak to the people who make the decisions.

COMMISSIONER FITZGERALD: So, can I ask - - -

MR STELEY: I have a problem with accounting. I sell photographs on the internet and I'm dyslexic. I haven't put in a tax returns for 10 years. DVA wanted to find out – don't smirk.

5 **COMMISSIONER FITZGERALD:** No, I'm not, I'm just going to say that - - -

MR STELEY: Okay. DVA wanted to find out what my income was. I tried to explain it to them, but explaining through Client Liaison Unit to
10 the person who does it, to the person who needs the information, it took 18 months.

COMMISSIONER FITZGERALD: So - - -

15 **MR STELEY:** I went into DVA. I sat down and I said, "Please, can I talk to the person." It - after 18 months of phone calls and e-mails and hassles and insults and being hung up on, it took less than five minutes to resolve the problem.

20 **COMMISSIONER FITZGERALD:** Sure. So the question I was going to raise when you raised the tax issue is have you tried to have an advocate act for you so that you don't have to deal directly with DVA?

MR STELEY: Yes.

25 **COMMISSIONER FITZGERALD:** Let me put that in context.

MR STELEY: Yes.

30 **COMMISSIONER FITZGERALD:** One of my roles that I used to have as A Deputy Ombudsman; so I've dealt with thousands of people that have had problems with systems. I understand exactly what you say.

MR STELEY: Good.

35 **COMMISSIONER FITZGERALD:** And I've sat with many people. But sometimes there's a point at which it's actually better to have an advocate - - -

40 **MR STELEY:** Really?

COMMISSIONER FITZGERALD: Rather than to deal with the actual agency. And I was just wondering whether - - -

45 **MR STELEY:** Why is that?

COMMISSIONER FITZGERALD: - - - you've ever tried to do that or you think that you trying to deal with DVA is still the right way to go. Now, it's your choice.

5

MR STELEY: Two answers to that question.

COMMISSIONER FITZGERALD: Sure.

10 **MR STELEY:** (1) I have called RSL. I called RSL locally, repeatedly. I'm still waiting for them to get back to me.

COMMISSIONER FITZGERALD: Sure.

15 **MR STELEY:** I contacted the RSL office in the DVA office when they were in DVA office and I asked them a question. After six months, I went back in to ask them questions again and I was told he's on holidays in Africa. I went into the RSL office in Sale and the advocate told me, "Look, all I do is fill in forms. I can't deal with problems like this."

20

COMMISSIONER FITZGERALD: Okay, so you haven't - - -

MR STELEY: I, secondly, why should I ask?

25 **COMMISSIONER FITZGERALD:** Well, it's your choice.

MR STELEY: Why should I - no. Why should I ask a volunteer to help me? I have an entire [expletive] department called Department of Veterans Affairs who are paid professionals. They are there to respect my service. They are there to help me or, as one of the senior managers I interviewed from DVA told me, "We're not here to help veterans. We're here to administer the Act. We're not here to help veterans. We're just here to administer the Act."

35 And that is the attitude of DVA. They're - we are the enemy to DVA. They could run a good Department if it wasn't for veterans.

40 **COMMISSIONER FITZGERALD:** No, that's fine, thanks. Just in relation to that, we've heard that before and one of the views we have been trying to explore is why does this system, out of all the systems we've looked at, it's the only system where the view is that you have to have an advocate and the view that DVA has said in the past, is exactly what you've said.

It's not about assisting the veteran. It's about say, well, you need an advocate to do that. We're just trying to work out how that can be done better because we think that this system should be about helping people put in the claims and getting that processed.

5

MR STELEY: You know what I'd do? I'd hire some professionals who have skills in management to work out a way of doing that.

COMMISSIONER FITZGERALD: Okay.

10

MR STELEY: I'm a photographer. If you have a problem with photography, you come and see me and I'll solve that problem.

COMMISSIONER FITZGERALD: Sure.

15

MR STELEY: If you have a problem with managers and management, if they can't manage at their jobs, you sack them and you get new ones, and you make them manage, and you sack them if they don't manage and you get a new ones. You do that. If they break the law, you charge them with breaking the law and you fine them or you send them to jail. Is it that complex?

20

COMMISSIONER FITZGERALD: Doug, we're about - - -

25

MR STELEY: No. Is it that complex?

COMMISSIONER FITZGERALD: No, I understand what you're saying in relation to that. So - - -

30

MR STELEY: Okay. Is that really that complex to get managers who can manage? Who can do the job?

COMMISSIONER FITZGERALD: No, we would agree with you that that should not be that difficult.

35

MR STELEY: Good.

COMMISSIONER FITZGERALD: So we're out of time. Is there any final comment that you'd like to make?

40

MR STELEY: Yeah, we need a full judicial Royal Commission into this, so that I can go through every last thing that has happened to me. Every last thing that I have heard, every last bloody phone call that I've been up at 3:00 o'clock in the morning dealing with suicidal veterans who are

sitting in their shed, with a gun in their mouth, you know, and their wife is waiting outside listening for the bang.

5 You know, every time that my phone calls, I wonder, you know, who's killed themselves this week? We went out. We put our lives on our line to protect the people of Australia. All we expect is the contract that we signed to be kept. I don't think that is too much to ask for.

10 **COMMISSIONER FITZGERALD:** Thank you very much. Thanks, Doug.

15 **MR STELEY:** I also had an agreement with DVA that they would call me before they sent me mail. That's the mail that they've sent me. Or that's some of the mail that they've sent me but they haven't bothered calling.

COMMISSIONER FITZGERALD: Thanks, Doug. Just on that mail, I – we'll give that back to you.

20 **MR STELEY:** No.

COMMISSIONER FITZGERALD: You want us to keep it?

25 **MR STELEY:** Do whatever you bloody well like with it.

COMMISSIONER FITZGERALD: All right.

30 **MR STELEY:** Because that is part of the agreement that DVA made with me that they would phone me every time that they sent me a piece of mail.

COMMISSIONER FITZGERALD: That's fine. All right. Well, we'll deal with it.

35 **MR STELEY:** If they can't do their job. Find somebody who can.

COMMISSIONER FITZGERALD: Sure. Thanks, Doug.

40 **MR STELEY:** I'm sick and tired of incompetent people.

45 **COMMISSIONER FITZGERALD:** Okay. So we might just pause for two minutes. And just have a break and if anybody wants to get a cup of tea or coffee, I think there's something outside, or a glass of water, and then we'll resume with RSL. So Michael and Jeff? Is that right? Great. That's fine.

SHORT ADJOURNMENT

[3.00 pm]

5

RESUMED

[3.02 pm]

10 **COMMISSIONER FITZGERALD:** Okay. So, we might resume. So Michael and Jeff, if you give me your full names and the organisation that you represent.

MR ANNETT: Sure. I'm Michael Annett.

15 **COMMISSIONER FITZGERALD:** Sorry, just one second. Are you right?

UNIDENTIFIED VOICES: No, sorry. Sorry.

20 **COMMISSIONER FITZGERALD:** That's fine. It's my fault. Yes, please?

MR ANNETT: Michael Annett. I'm the Chief Executive Officer of the Victorian branch of the RSL.

25

MR JACKSON: And Jeff Jackson. I'm the Manager of Pensions Advocacy and Welfare Support at Victorian RSL.

30 **COMMISSIONER FITZGERALD:** And it's good to see you again, both of you. So Michael and Jeff, if you want to give us a 10 to 15 minutes opening précis, that'd be terrific.

35 **MR ANNETT:** Sure. Thanks, Robert. I might open by just basically reading a preamble or, if you like, an overall summary of the submission, which we currently have in draft form to the Commission's draft report. We did receive an extension on submitting this and, so we have until Monday week to finalise ours. But I think this gives you a good overview of the, if you like, the philosophical approach and the general tenets that we've adhered to in responding to your draft report. And I'll then allow
40 Jeff to also add any amplifying remarks once I've gone through this. And I apologize if you've read what I'm about to go through already, but I think I'll – I might just add some observations along the way.

45 So first of all, the Victorian branch the RSL obviously welcomes the opportunity to provide a response to the recommendations of the

Productivity Commission's draft report and the report's overall tone and intent. The following submission, our submission which is yet to be finalised, by way of a response indicates support or otherwise on each recommendation as you probably would expect and some explanatory comment where appropriate will be incorporated into the final version of our submission. The Victorian branch has consulted within our network and, in particular, taken the considered views of practitioners who, as RSL advocates such as Jeff and the team that Jeff manages, deals directly with our veteran client base.

And their interface with the Department of Veterans Affairs and also their perspective on that journey from Defence service to DVA engagement. So in preparing this submission and commenting on the Productivity Commission's draft report recommendations, the branch - the Victorian branch of the RSL has applied the following broad principles.

Firstly, that there should be no detriment to any existing group of veterans or individual veterans, now or in the future, affected by a recommendation. Secondly, we are likely to support recommendations that either expedite or simplify the application decision chain for veterans seeking Commonwealth Government support for a service related issue. Thirdly, as the retention of an independent Department of Veterans Affairs, it's important to the wellbeing and sense of worth of very many current veterans, who are our members - the branch is not supportive, at this stage, of any recommendation that changes the Department's current status or recommendations that transfer other current DVA functions such as major veteran commemorative occasions, educative material that supports this community recognition and understanding, and the current war graves responsibility.

Notwithstanding, the branch's support for the retention of a separate Department of Veterans Affairs, those recommendations that have as their purpose, either (a) a more seamless transition from Defence service to life after Defence service; (b) to better inform the provision of support for veterans; (c) to better integrate the continuation of policy from still serving, to preparing for transition and then stepping out, or; (d) the harmonisation of discharge procedures and transition treatment of individuals across the ADF.

These are broadly supported by the branch to the extent that these are still practicable or adaptable to the status quo of a Department of Veterans Affairs that is still formally outside the Defence portfolio, but certainly more closely integrated with Defence.

5 So the branch position in this regard also recognises that DVA's current transformation project is still in stride, but it is generating tangible and effective improvements in our experience, to that veteran process of dealing with DVA and a more seamless transition journey. Though, we certainly believe that more remains to be done.

10 The Victorian branch's view is that the DVA transformation needs to be given the time to demonstrate outcomes against all the proposed milestones that it has set itself and then be independently reviewed before any fundamental restructure such as that is proposed is undertaken. Again, that doesn't preclude positive steps being taken now to better integrate DVA with Defence and the branch consequently supports several of the Productivity Commission's recommendations that further this aim.

15 The branch is pleased to see the Productivity Commission draft report acknowledge the unique nature of military service with exposure to mortal danger and unlimited commitment as the norm in many circumstances when Government deploys a military force. Veteran representation, we believe, at an appropriate level on the Productivity Commission team
20 preparing this report, would have been desirable, and we believe this would have been particularly useful in the discussion and consideration around a workers' compensation style approach to levying a premium on Defence to, as we understand it, incentivise the avoidance of unnecessary or avoidable injury or stress, an approach which must be carefully
25 calibrated to take account of Defence's obligations to employ military force as and when the Commonwealth Government directs.

30 So, if I might just make some anecdotal remarks around that. We don't believe that such an approach is without merit. And certainly, the logic of it in terms of how it's applied in other spheres is well proven. But as we say in our view it would need to be carefully calibrated. There are some circumstances where, with the basic overarching management and control and command possible, there will still be horrendous injuries and damage
35 done to serving personnel in some circumstances, where the fortunes of war inevitably are at play.

40 However, we do acknowledge and understand that the vast majority of people who are currently in receipt of some form of support or payment as a veteran from the Commonwealth Government for injuries or illness or other issues arising from their service, most of these were not incurred in direct contact with the enemy. They were incurred as a consequence of peacetime service, training for war, training for deployment, or in the general to and fro of activity within a Defence Force career.

5 So there, as I say, would need to be a careful calibration of the equity
around applying such a charge on Defence. The reasonableness of
applying such a charge on Defence, but, you know, we concede that there
are some circumstances where there may be merit in that approach. I go
on to say importantly is supported by government, any such premium
extracted from Defence on an annual basis to help support veterans with
service related injuries, would arguably be more transparently accounted
for, transferred and utilised for the intended purpose. If the Department of
Veterans' Affairs were to remain a discrete Commonwealth Agency, as
opposed to being part of a very large enterprise called the Defence
portfolio.

15 So, in essence that's a summary of our views. I would make one remark
that where we - there are specific recommendations which I won't go into
now, but there are some that relate to the Gold Card. In our narrative, in
responding to that, we've raised the possibility of - given the current status
of the White Card and the much higher level of Gold Card allocation -
we've run an argument in there that we believe that there is some merit in
considering an intermediate level card.

20 Short hand, you could call it a silver card. But there is some merit in
exploring the possibility of an award of the card that is obviously not as
universal as the kind of ratings for White Card. But are somewhat short of
the Gold Card qualifying criteria. So I'll stop there and just see whether
Jeff wants to add anything to it.

25 **MR JACKSON:** Broadly we're supportive of a system that has a smooth
transition from enlistment to service to transition to ex-service. And it
doesn't create a chasm where once you finish with Defence, then you have
to start with a new bureaucracy. So if that - whatever that looks like,
we're supportive of that.

30 However, having said that I believe DVA with a new secretary who has a
military background, whether that's important or not. A couple of
commissioners who are fairly recently transitioned out of the military
themselves have an understanding of post-1999 service. I think DVA
need to be given a chance with their transformation and veteran centric
reform.

40 They are doing some good stuff in terms of advocacy. From my own
advocacy role dealing with them, I think that needs to be - see how that
goes. Definitely the veterans that we deal with, there are less and less
complaints and once a system is explained, they - they're fairly compliant
with all of that. So I think there is an avenue there, that may well - the
veterans' services council - - -

MR ANNETT: Veterans' Services Commission, it's (indistinct).

5 **MR JACKSON:** Yes. There was an organisation called VMAC some time ago.

MR ANNETT: Veterans Advisory Council was the thing that - - -

10 **MR JACKSON:** The advisory council.

COMMISSIONER FITZGERALD: The advisory council.

15 **MR JACKSON:** And that may well have some impact, if that was created again to have some input from a range of people, not only ex-service but also insurance and all those things that you've mentioned. And the Veterans' Policy Group, I think's important as an oversight.

20 **COMMISSIONER FITZGERALD:** Thank you very much for both of those. So, if I can just deal with a couple of issues. And Richard will raise some things. The first thing I just want to point out if I can, is DVA is currently in the Defence portfolio. So in government, and I don't understand why this is such a misunderstood concept, DVA isn't a Defence portfolio. So our recommendation was no different to what already exists. DVA is simply a department, but as a portfolio, it's
25 Defence. And it has, as you know, a minister who is responsible both for Defence personnel and veterans. So in that sense, we're not changing anything other than that's the way governments operate.

30 I think where the confusion is, is we had no intentions of putting the administration of the compensation scheme into the Defence Department. The only thing we wanted to move across was policy and extend transition. So there seems to be genuine misunderstanding of our proposal. But that's probably our fault and I accept that. But I just want to make the point clearly. Defence portfolio is exactly the current
35 arrangement. So, it's not the Defence Department and we should've been clearer about that. But that's - - -

40 **MR ANNETT:** Yes, I think that has given rise to some misunderstandings.

COMMISSIONER FITZGERALD: Yes, and we've been a bit intrigued by that because where people say we don't want it in Defence – or it is – it's just not in the Department, and we weren't going to put it in the Department. But as you've rightly said, many people have opposed our

recommendation of putting policy in the Department. We've heard that and we will undoubtedly hear that more and more.

5 But can I now deal with that? We are struggling with this notion.
Defence has in Australia an exceptionally narrow view of the way in
which it deals with personnel. That is that they are a force capability, and
many, many, many, many veterans have said, the minute they walk out the
door, Defence abandons them. And one of the issues we've been trying to
10 look at is, firstly, how do we improve transition, which I think you'll -
your people, given what you've just said, will be broadly in favour of
most of our recommendations, and we've taken a structural approach to
that. But the broader issue is, does Defence, what is its duty of care to its
personnel as they transition out?

15 And the second thing relates to the premium. At the moment, Defence in
no way either understands, comprehends or is accountable for the costs of
injury and ill-health that actually occurs whilst people are in Defence. It's
immediately sent to DVA. So the premium was trying to do two things.
(1) It was actually trying to be an impulse that would in fact drive safer
20 behaviour within the Defence Force. And (2) and related is to be a
funding source for the impacts of injury and ill-health. The issue that you
raise is what does that look like.

25 So, I just want to ask this question. What do you think the role of Defence
is in terms of its duty of care to its personnel? Does it stop at the gate?
Should it have some financial or other exposure to the impacts of the
illnesses and injury that occurs to its personnel?

30 **MR ANNETT:** Well, I think there are many. There are many measures
in place and there has been a very significant improvement. I mean, my
service in Defence started in 1980, and I think you might recall I
(indistinct) that journey that I've been on.

35 So I've seen immense change in those almost 40 years in terms of the
improvements in Occupational Health and Safety, Risk Management the
why of it all activities are conducted within Defence that by its very nature
have as a potential significant risk if not done properly, if not done with
adequate safeguards in place.

40 So I think Defence obviously does have a responsibility to share with
others, within the Commonwealth Government arrangements, those quite
reasonable expectations and - of government and obligations. I don't think
there is by any measure, a culture of "We can do as we please, and if
someone gets broken it will be someone else's problem to fix it." I don't
45 think - I will not agree with that at all as the current Defence approach.

5 Would what's proposed in the report further incentivise that? Yes, but as I said, it would need to be carefully calibrated, so as to ensure that Defence was not held accountable for outcomes which are incumbent upon
Defence fulfilling its primary function, which is to provide combat forces at the direction of the Government to protect the interests of the nation. So that's where it begins and ends, I think.

10 **COMMISSIONER FITZGERALD:** So as you know there is currently a premium, a notional premium that is raised?

MR ANNETT: Yes.

15 **COMMISSIONER FITZGERALD:** And has been for some time, it's just nobody seems to know about it. And I don't think anyone in Defence ever looks at it, but it's been raised for some time and it picks up, as I understand it, and I may be wrong, but largely picks up the impacts of MRCA. It doesn't pick up VEA and others.

20 So the design of it is an issue that we're looking at. Absolutely. And you're right, that's the all-important feature. Because we can't have the perverse impact on in fact, diminishing the capability of the Defence capabilities. Absolutely. So we agree. But in principle you are at least leaving the window open to the possibility of a premium being applied
25 with the caveats that you've put in.

MR ANNETT: With caveats and in certain, you know, prescribed circumstances.

30 **COMMISSIONER FITZGERALD:** Sure. Just at that – because, look, another perspective we have around this, which was really interesting, is that it is a very difficult challenge, there's no doubt about it in Defence.

35 So it's been put to us in another context when we were looking at the New Zealand situation, that they see it as a duty of care, but a duty to prepare and it was put to us by their medical leadership. They said, "Look, if we have too many injuries, we're really concerned about that. And we have good long term data to inform us about what's happening and you know and to identify areas where there are injuries happening that are maybe
40 unnecessary, and what do we do about that.

45 But they said to us at the same time, we're concerned about when there were too few injuries. And this goes to the real tension of if you are preparing in the way that Defence Forces are required to, there will be injuries. The question is, is it at an appropriate level. Sometimes it may

or may not be appropriate to talk about this, but in sporting teams, you know, you want to prepare so people can perform at their best. But at the same time, you don't want to have unnecessary injuries. So this is difficult terrain and under there, the (indistinct) arrangements, they self-insure in terms of those that are in peacetime, and they have a national scheme which we don't have which responds to that. So I think it's a difficult issue and I think that the way it's being expressed to us is your point.

5
10 Nobody sets out to injure anybody. That's absolutely clear. But it's a little bit in the category of you don't know what you don't know. So, not only with an insurance premium, you know, in some ways you can say, well, that concentrates the mind on costs. I think to a large extent, it's the analysis that comes with it. So it raises questions. Why is that happening? How did that happen? Is it just inevitable as trying to have the right balance? Or is there something happening that actually is preventable and we can still achieve our objectives of training.

15
20 So we heard quite a - what I would describe as kind of a rich story about how to really engage and wrestle with this, this difficult issue. So it strikes us when we look back at our own system that that's a piece of the puzzle that's missing. So that's why we're putting it on the table and we think it's worth considering.

25 **MR ANNETT:** I think, you know, there is a natural demarcation between operations, when you actually are deployed on operations, combat operations, and the very specific lead in training to prepare individuals and organisations for specific operational deployments. So that might be a relatively natural boundary where the approach would be - would take a different focus. And of course, as we know, WorkCover, organisationally, is already involved in looking at serious incidents of accident or injury in Defence already.

30
35 So WorkCover is already in that space and providing insight and information back to Defence around those in particular incidents that they look into.

40 **COMMISSIONER FITZGERALD:** So we see that the work that's being done in the WorkCover space, particularly since 2011, has had a significant impact in relation to the Defence Force. There's no question about that. Everybody inside Defence tells us that, and we accept that, and there's evidence to that effect. So the question for us is whether this would be an added incentive. And the second part of that is, would it in fact help contribute to the funding of the compensation scheme going forward. But we take on board your cautions, but we are interested that at least you're prepared to look at that.

Can I move to a second issue? It's been clear that our view, our proposition of having policy in Defence has not been well supported. But the aim there was to try to say that the veteran's life at the moment is really treated in two entirely separate phases: in service and out. But in the modern Defence Force, the remuneration that we pay service personnel on deployment in warlike or non-warlike circumstances is in fact related to their whole-of-life support and compensation.

And so if our proposition of putting policy into Defence is not accepted, and we may well have a different view towards the end of our term on this, how do we get better integration of policy? Because there is a complete disjunct. It's like we split the person, and it can't be done. We've seen that older veterans didn't get very much payment for deployments and therefore they relied on compensation. Younger veterans actually get much better payment. I don't want to say it's generous but it's much better. And so the system's got to be able to look at the life of the veteran in totality. So if policy doesn't go to Defence, which is where we think on good principles it could or should, is there a better way of improving policy between Defence and DVA?

And hence, we talked about you know, ministry advisory councils, which had expertise - - -

MR ANNETT: Which we are supportive of.

COMMISSIONER FITZGERALD: Yes, those sorts of things.

MR ANNETT: Yes, yes.

MR JACKSON: And one thing we come up a lot against is Army Reserve soldiers on CFTS, especially Special Forces when they are injured or whatever, in terms of all the other add-on allowances. And there's always a disconnect there in getting their proper allowances, and that sort of thing, having that policy and Defence laying out, this is what they are entitled to, which continues after they've transitioned, through – for a period of time under their compensation. That's an issue that we're always struggling with reserve soldiers.

COMMISSIONER FITZGERALD: Yes.

MR JACKSON: And so that common policy, I guess, about this is what they, as you say get entitles – entitlements, and when they transition, whether it be medically or go back to reserve or are injured, that those

things just carry on. We need some sort of seamless thing rather than fight for those add on entitlements.

5 **COMMISSIONER FITZGERALD:** So what we don't have is any seamlessness in the policy area. And despite people continuously saying DVA's doing a good job, over time, the evidence is contrary to that because we've ended up with the most complex and the most difficult of schemes. Almost imaginable. You could never design what we've got and if you did, you'd be sacked.

10 So somehow or another, we've got a very complex and difficult system, which suddenly the veterans all love. Having not loved it six months ago. But that's okay. But a more serious issue is just in relation to that issue. If you can think about how do you get a better policy seamlessness/
15 cohesion, we'd be grateful.

Can I just deal with the transition area? The biggest issue that was raised with us when we were on base and we've been on many bases, and with
20 young veterans, has been the transition approaches. So we've looked at a structural approach, a joint transition command. We've looked at a number of the recommendations that have come from the taskforce report. One of the issues for us is – and sorry, the third thing is we absolutely believe this is a Defence responsibility with DVA and others being involved. The question is how long should that transition be provided
25 through Defence under the model we've put? We've said six months. Have you got a view about that?

MR ANNETT: Well, in my view, Jack may have a different view but (indistinct) or let me say it at the outset, the Joint Transition Command
30 recommendation is one we definitely support. We believe that there is - there has for a long time been very confusing, perplexing and distressing disconnects that we see in the clients that we deal with because there is no consistency of approach between all times. A marked gap in the way that an individual is handled as he or she leaves Navy, Army or Air Force. So
35 there should be a consistency of approach in terms of discharge and transition procedures. And if Joint Transition Command helps to achieve that, then that's a very good thing.

I think one of the gaps, and I said this, I think, to you last time. In my
40 view, that transition assistance should probably, and it's certainly primarily, a Defence responsibility, it's also our view. You know, in terms of the current status quo arrangements. But for a 12 month period would be a reasonable thing because someone can leave the Defence Force. They can believe that they're secured, you know, like a good job in
45 civilian life. We also need to remember that, increasingly, serving couples

are the norm in Defence. They are both serving and one or other might separate at slightly different times. Or they might both separate at the same time.

5 So there's a lot that hinges in terms of their future wellness. In terms of how well that transition goes. But we should have the ability for someone to come back to the well, so to speak, in terms of transition assistance, if that initial job or vocational decision on their part hasn't worked out. And sometimes that's just, you know, it takes awhile for people to navigate
10 that big scary world of civilian life after the Defence Force service.

So I think the ability to go back there is important.

MR JACKSON: And I think there's value, too, in those who are
15 transitioning out on medical grounds that thought be given to Defence putting their discharge in abeyance so they continue on a salary. I don't know how they'd be employed. And once DVA, because this is a system we're operating under, take over, whether it be working capacity payments, whatever. There's not this gap which we experience at the
20 moment where there is no income. Especially - for a single man, it's bad enough - but for those with a family, it's twice as hard. And I think the discharge needs to be put in abeyance and a lot of work needs to be done at the transition space to ensure that the compensation is in place. The discharge takes place and it's a smooth transition from one to the other.

COMMISSIONER FITZGERALD: So just in relation to that, Jeff, one
25 of the issues that we're looking at is that, prior to formal discharge, that people have had the opportunity to put in the claims and those sorts of things and that's starting to happen now, but in a more robust way. And
30 the Government's decision which we totally support of having interim payments, being able to be provided. We would have recommended that, had the government not done it anyways. So that's a very good initiative.

35 So that eases it. But there is still the possibility of people leaving before those processes are completed.

MR JACKSON: Exactly, yes. And they say, "So I've heard claims at – well, your claims are in, that's good enough for us." Well that could take
40 six months.

COMMISSIONER FITZGERALD: Michael and Jeff, if I can go to the
45 role of ESOs, because we were light on in our draft report about that deliberately so, because of the Cornall inquiry that was going on at the same time. And his report has been given to Government. It's not public yet, but hopefully it soon will be.

5 So that goes to a whole range of issues and clearly the ESOs - particularly
for ESOs like yourself that have a long history, it's a changing landscape
out there. So in many ways the future of ESOs is very much your future
and nobody else has a comment really. Or any decision making around
that. But on the other hand, you know, what strikes us is an
extraordinarily important and rich resource as part of the overall system.
For volunteers to be part of it, for that sort of, you know, that level of local
hands-on support is really critically important.

10 So one of the things the government can do and traditionally does do in a
whole range of human services, is to work out what - what can add to the
system here? What can leverage the value of those networks in what
organisations like yours are doing? So we commented on this last year in
15 our Human Services Inquiry that government can get very clear about
what does it want by way of a service model or services that will help
supplement what they are doing more in the mainstream area. And then
they can go out and look for the organisations that are best suited to do
that and help sort of leverage those networks.

20 So look, we see things happening and you're certainly you know in the
forefront of this, as well, this notion of hubs. What's happening up in
Townsville with OASIS. We're up in Darwin last week and there's a
drop-in centre there. That sort of resonates for me in human services,
25 where sometimes the people that are most vulnerable most at risk, don't
walk into a service and say "I need a service". In fact, they are quite often
isolated and it's very difficult to connect them. So there have to be, sort
of, ways in which people can find their way in, in kind of what I would
call a soft entry way, trust develops, then over time you can sort of see
30 what the issues are and then begin to help them.

So it seems to me there's a role there that ESOs can be playing, which is
different from the past, perhaps builds on what you're doing already, and
the government could be smarter and more targeted and focused in how it
35 supports some of those efforts. So I just wanted to explore your thinking
around that and your ideas on that because we do want to say more about
both the advocacy obviously once we have Robert's suggestions; advocacy
of course, is in relation to claims and welfare, but this goes beyond that, as
well, into a role that I think is often undervalued, frankly, in the whole
40 scheme.

We deal with (indistinct) scheme but there's all these other kinds of areas
of assisting people who are really in difficult times.

45 **MR ANNETT:** Do you want to lead off on that, Jeff?

MR JACKSON: Yeah, now we're - we're sort of morphing to a combination of volunteer and paid staff. And I'm sure the CEO will talk about his plan for development of hubs and in those hubs the paid
5 employee will probably be armed with a card – sorry, a car, a laptop, iPhone and they will actually go out to the veteran who may be reluctant to make that first engagement. And meet them in familiar circumstances: at home with their wife, or whatever, and be able to start the process remotely and build up that rapport, as you say.

10 And, certainly, at the moment the ESOs are funding this model. So from my perspective, any sort of funding to be able to develop this outreach or hub and (indistinct) model would probably assist us because we're doing a bit of the heavy lifting at the moment.

15 **MR ANNETT:** I think it's got to be a layered approach. Our concept at the moment around holistic multi-purpose veteran hubs is one that obviously will cost a significant amount of money to establish and sustain. And whilst we are very well supported by the Victorian community and
20 our two main appeals each year, and of course we have the benefit of our commercial hospitality dimension to some of our sub-branches, which also provides additional revenue. But all contributions are welcome. And so I think ascertaining where everyone can best play in terms of the lanes to swim in, and they should be complementary, would be any - any
25 guidance from government to the sector that enables us to focus our efforts more effectively, of course, would be a positive.

I mentioned layering. I think of course the hubs will, we hope, be the – if
30 you like – the really pivotal part of providing advocacy support or wellness support to veterans - I think I mentioned last time, we are running a program called RSL Active which is around addressing social isolation through adaptive sports and running other activities, which really provide a vehicle for – in particular but not exclusively, contemporary
35 veterans to interact with one another and then out of that experience of participating in a common activity other things that we can help them with may bubble to the surface. So, that's another approach.

40 But the traditional sub branch network, if I can use that term, that sort of footprint that we've got around the state remains very important because that's the way that veterans connect with one another in terms of a social and comradeship environment. It remains an important way of enabling people to socialise their experiences with others who've had a similar experience. It remains a pathway to ultimately the hub network as it's developed, and of course it is also the place where local civic

commemoration and by extension education about the veteran experience happens.

5 So whilst yes there's some new things to be done and we're excited about the plan, there is also I think enduring value in what we've always done in terms of that sub branch network around the state.

COMMISSIONER SPENCER: Right.

10 **MR ANNETT:** So - but I – but as I said, I think clarity around what the government believes the ESO community could best deliver, in close collaboration with the government's veteran services model, would be a good thing.

15 **COMMISSIONER SPENCER:** Okay. Good. Now, and if you could, in your submission, and I'm sure you will, sort of comment on that as well as to where you think that can best go, that would be very helpful.

20 **COMMISSIONER FITZGERALD:** Can I go to a couple of other issues just briefly? Health; a contentious issue and we're looking at it and it needs to be looked at. So we've got the Gold Card model and you've indicated that there's a possibility of an alternative. Well, not an – yes, a different model which would be some sort of interim card. That's right?

25 **MR ANNETT:** Intermediate.

30 **COMMISSIONER FITZGERALD:** Intermediate card that sits between the White Card and the Gold Card. We are genuinely looking at the notion of smart cards and different ways of approaching this, and as we've been discussing today about the whole health service area. What is - what would be covered by this middle card, this intermediate card?

35 **MR JACKSON:** Well, I think the – it's only been recently raised but I think the purpose of it was that if you go to have some sort of procedure and your private health insurance pays a certain amount or Medicare pay a certain amount, it takes care of the out of pocket for a condition that is not covered specifically under a White Card and there's – and the Gold Card covers all conditions. So, if you were to have something like that, I think that was the - - -

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COMMISSIONER FITZGERALD: That's fine.

45 **MR JACKSON:** It was linked to some sort of out of pocket medical expense.

COMMISSIONER FITZGERALD: But it would be a card that was only available to a person that's had a successful claim? Or is it a card that is more generally available for conditions that have not yet been approved as to claim?

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MR ANNETT: I've found the relevant - and I - please this is in draft form at this stage.

COMMISSIONER FITZGERALD: That's fine.

10

MR ANNETT: Entry around this - and we've used the shorthand term Silver Card to recognise the intermediate nature of it. A possible aid in the reduction of (indistinct) life costs to the Commonwealth whilst simultaneously increasing the wellness of veterans is the adoption of a Silver Card. The current provisions and eligibility of a Gold Card should be retained, to target the service related health needs of the most vulnerable injured and unwell veterans. Veterans who have qualifying service, or veterans with a service related injury or illness that has been approved and accepted by the Commonwealth, could be provided with a Silver Card.

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In effect creating a tiered system of health care cards would provide tax payer funded private health insurance to veterans to encourage a lifetime of wellness. This would reduce the burden on the Commonwealth later in life when an eligible veteran receives a Gold Card due to the reduction in severity of chronic health conditions when it is most cost effective to treat them, i.e. early, quickly and simply. And I think an extension of that thought was that it could be perhaps something that the Commonwealth could outsource to a recognised quality private health insurer in the space at the moment, such as Defence Health.

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COMMISSIONER FITZGERALD: Okay, well we'll have a look at that. But the issue for us also is the extension of the Gold Card. A number of people are suggesting to us that it needs to be extended to other categories, and we are not of that mind as you would be well aware. So, we do need to look at alternative ways to provide health services generally. Can I just ask - one other comment in relation to health, access to health services? So we have a number of funding mechanisms, whether it's the Gold Card or the White Card or something else. The issue that's always being raised is, well it's okay to have a funding mechanism but you've got to be able to access it.

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And people have raised with us the concerns that in some service areas DVA pays less than the going rate, the market rate. What we're not able to ascertain is the effect of that. So theoretically it must affect access

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because some health practitioners simply won't provide service. But is that something that you're hearing a lot of, is it an isolated case, is it a significant issue that you're getting feedback on?

5 **MR JACKSON:** In Victoria, we don't get a lot of feedback on that. But I understand in the Northern Territory there are some issues about
accessing practitioners with DVA cards because of the rebates or the
subsidies that they get, and I believe Queensland may also have more
10 practitioners are very busy these days and probably, you know, don't want
to service DVA subsidised cards anymore. But it hasn't been a major
issue on the radar, not that I'm aware, in Victoria.

15 **COMMISSIONER FITZGERALD:** In Victoria. Okay. Thank you for that. Just a couple of others. I noticed – and I hope I'm reading this correctly, you're supportive of the two scheme approach that we're talking about post-2025?

20 **MR ANNETT:** We had a - - -

COMMISSIONER FITZGERALD: Which is VEA and the MRCA/DRCA coming together.

25 **MR ANNETT:** We had a long - - -

COMMISSIONER FITZGERALD: I think you've supported that.

MR ANNETT: We had a discussion about that last week, didn't we?

30 **MR JACKSON:** Yes, yes. Once again we always pre-empt it by a no detriment clause.

COMMISSIONER FITZGERALD: Sure. I understand that.

35 **MR JACKSON:** The veterans' entitlements past, present and future, but certainly I think we're partially supportive of those two merging together at that time, yes.

40 **COMMISSIONER FITZGERALD:** So effectively what we've identified is that the VEA well serves the needs of older veterans, and whilst it has some design features that we would no longer recommend, we recommend that it's a – it is a scheme and it's running, and veterans have an expectation that it should continue. And then what we've tried to do is to look at the needs of younger and more contemporary veterans, and
45 so that second scheme ultimately becomes the one scheme going forward.

MR ANNETT: Yes. Yes, I mean broadly so long as there was – those currently in the scheme, you know, were grandfathered, so to speak.

5 **COMMISSIONER FITZGERALD:** Sure.

MR ANNETT: And retained within those legislative arrangements. If you – if a more unified approach was taken down the track for those veterans who need to make applications in the future then so long as that was – as Jeff quite rightly said, no detriment, you know we would be open to that, absolutely.

COMMISSIONER FITZGERALD: Sure.

15 **MR ANNETT:** Yes.

COMMISSIONER FITZGERALD: And the point that I just want to raise in relation to that, we have a – we have some experimental provisions in there which is about the ability of somebody to opt out of one scheme and move into the other scheme, from VEA to the other scheme, so that they only end up in one scheme, not traversing three Acts. And I would presume that that would not be unattractive to some veterans but would you – do you have any particular views about that? So it's the – it's at the option of the veteran. Where they are under the age of 50 by the time it's 2025, they can opt out of that VEA into the DRCA/MRCA combined scheme if they so choose.

MR JACKSON: If they so (indistinct).

30 **COMMISSIONER FITZGERALD:** Subject to financial advice.

UNIDENTIFIED SPEAKER: Yes.

COMMISSIONER FITZGERALD: Yes, that's fine. The last question is just – and I won't go on long, but you may be aware in relation to the Veteran Services Commission, which we've been pushing, you've not supported that but I just wondered this. One of the proposals that's being considered is if DVA were to stay and had policy considerations, also maintained its support of the ESOs, all those sorts of activities maintained, oversight of war graves and commemorations and things like that, which you've indicated should stay there, the actual administration of the scheme itself - not the policy, not the liaison with ESOs - in a separate body dedicated to veterans, dedicated to the support system, responsible through a board of commissioners and to the Minister.

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5 Once – and you haven't supported that at the moment, is that - in that sort
of context, something that could be more favourably looked at? Because
we are absolutely of the view, and I have to say that there's no evidence to
change our mind just yet, that the departmental structure is not the right
10 structure to run a compensation scheme, and no government in Australia
runs them through a departmental model. Now, people can disagree with
us but the evidence is overwhelming that departments are not the way to
run those sorts of schemes. But if you - if we were to do a model like that,
would it be - I'm not asking you to support it, I'm simply saying would
15 some of the concerns be less? Just take it on notice if you want to.

MR ANNETT: I – yes, I think we might. Yes.

15 **MR JACKSON:** (Indistinct words) I'd do.

COMMISSIONER FITZGERALD: And I'll give you an example. We
spoke to nine veterans groups that came together in Adelaide and when we
– and they said exactly the same as you, they were opposed to our
recommendations, and when we said, "What is at the essence of the
20 concern?", they said it's policy. Very clear. And their view was that they
would have much less concern about VSC if policy and other things
stayed with in a DVA – a shrunken DVA for the reasons that we've
articulated. So I just want you to think about that. We're exploring
different options.

25 But the one thing I must say is not convincing us at the moment is a
department is the right way to run a compensation scheme in the
administration of it, not policy, not welfare, not all those things but just
that scheme. So I might just ask you to think about that.

30 **MR ANNETT:** Sure.

COMMISSIONER FITZGERALD: We know it's contentious. Is there
any final question, Richard?

35 **COMMISSIONER SPENCER:** No, that's fine. Thanks, Robert.

COMMISSIONER FITZGERALD: Any final comments from you in
relation to any of these matters.

40 **MR JACKSON:** Yes, just two points. With the Gold Card.

COMMISSIONER FITZGERALD: Yes.

MR JACKSON: The extension to other groups, yes, I understand that but it's always good to go back and the nuclear veterans were awarded a Gold Card recently.

5 **COMMISSIONER FITZGERALD:** Yes, I know.

MR JACKSON: And they suffered for years and a lot of them had passed on with cancer before they got the benefit of that. So if you take that away – or you don't look at those groups in the future and you take it
10 away, what is in place to look after these people?

COMMISSIONER FITZGERALD: Correct.

MR JACKSON: And certainly the nurses, (indistinct) nurses, they
15 battled for years to get acceptance. They worked alongside veterans in Vietnam and they get their Gold Card and a lot of them have passed on already and yet it doesn't come in till 2020. So, they – you know, those two groups are rightly deserving of health care.

COMMISSIONER FITZGERALD: So let me be clear, we didn't look
20 at any particular group. It was a matter of principle. The issue for us is this, and it is termed, I understand, it's benefit creep. There are - according to the DVA, 640,000 living veterans out there. Nobody quite knows. Some people have recommended to us that if you're in the
25 military you should get access to a Gold Card. Now, there is no way that the Australian Government or community is going to suddenly have Gold Cards going to 650,000 or 640,000 veterans.

MR JACKSON: I think that was a Jacqui Lambie-ism.

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COMMISSIONER FITZGERALD: So what you end up doing, however, is get creep, and so what we're trying to say is not that they shouldn't be provided health support. Absolutely. But what's the best
35 mechanism to achieve this balance between providing the appropriate healthcare for people that we know have increasing health needs but not have a system that blows out and eventually you end up with not just a few tens of thousands but we end up with hundreds of thousands of people.

40 Now, some people would say well that's fine. But you and I are more pragmatic about this. So the question for us is what's the range, the mix of health provision service, you know, like cards and others that actually makes sense going forward? So it's not to deny people access to good
45 quality health care, it's the mechanisms by which you achieve that without what this creep will ultimately do. So that's really the challenge it's quite

a difficult one. And we absolutely understand people have very strong views in relation to this area. So, I didn't want to make – and we understand your point that you're making.

5 We don't have a view about whether the card should or should not be extended to those groups. It's much more a principles based approach of how do we stop creep.

MR JACKSON: Yes, and that's a bigger question than I can answer.

10 **COMMISSIONER FITZGERALD:** Because we are talking about very large numbers, if those figures from DVA are accurate.

15 **MR ANNETT:** I just make one final point around the whole contentious department in Defence portfolio.

COMMISSIONER FITZGERALD: Yes.

20 **MR ANNETT:** Veteran Services Commission. Anecdotally some of the commentary we've had, you know, you would understand that many people who've served in the military or are still serving in the military, their natural point of reference and comparison is with like armed forces, in particular the UK and the US.

25 **COMMISSIONER FITZGERALD:** Sure.

30 **MR ANNETT:** Now, the US still has a separate Department of Veterans Affairs. The UK does not, and it's rolled within the broader responsibilities of the Ministry of Defence. There's a - there's a view by many people that the British veteran and of course our - we see many British veterans who are now resident in Australia and – and we look after them. We don't make any distinction. They fit our – they – they are in our remit to assist them as a – as a Commonwealth veteran or an allied veteran. By Commonwealth I mean the – you know, former – the British
35 Commonwealth.

COMMISSIONER FITZGERALD: Sure.

40 **MR ANNETT:** As it was called. So – and so in a shorthand way, a lot of people believe that the British veteran does not get the same level of support and assistance as his counterpart in Australia.

COMMISSIONER FITZGERALD: Sure.

MR ANNETT: And some look at the very – at the very particular focus that the US society places on the welfare of their veterans.

COMMISSIONER FITZGERALD: Sure.

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MR ANNETT: And some people can, you know, perhaps be excused from time to time to draw conclusions from those two comparisons that can perhaps colour their view on these recommendations.

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COMMISSIONER FITZGERALD: So the challenge for us is to demonstrate that whatever we recommend, the veteran is going to be as well supported today, if not better, and that the outcomes for their wellbeing are going to be enhanced by our recommendations. That's really our challenge.

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MR ANNETT: Yes, yes.

COMMISSIONER FITZGERALD: Well, I agree.

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MR ANNETT: Okay.

COMMISSIONER FITZGERALD: Well, we think we can do that. But part of the process is listening to you people, and we're open to how we adjust to those sorts of processes. Thank you very much for that.

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MR ANNETT: No, thank you.

COMMISSIONER FITZGERALD: We appreciate it.

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MR ANNETT: We appreciate the time.

COMMISSIONER FITZGERALD: That's very good.

MR JACKSON: Thank you very much. Good to see you.

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COMMISSIONER FITZGERALD: Thank you. Good to see you (indistinct words). Thank you very much.

COMMISSIONER SPENCER: Thanks Michael.

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MR ANNETT: Thanks, Richard.

COMMISSIONER SPENCER: And all the best.

COMMISSIONER FITZGERALD: So can we have Peter McDonald from United Nations and Overseas Policing Association. Good thanks, Peter. You know the drill by now. So if you can give me your full name and the association that you represent.

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MR McDONALD: My name is Peter Ellis McDonald. I'm the national secretary of the United Nations and Overseas Policing Association of Australia.

10 **COMMISSIONER FITZGERALD:** Thank you, and Peter if you could just make an opening statement for 10 minutes or so, that would be terrific.

15 **MR McDONALD:** Perhaps I should first indicate my background. I'm a retired Victoria Police chief superintendent. I was a member of the United Nations police in Cyprus in the - and I served there in the old Commonwealth Police, which is now the AFP. Now back here. There's - the police who have served overseas as peacekeepers are a mixture of Australian Federal Police and state police who have been on secondment to the AFP for the period of their service. They've served in locations which are indicated in our submission, which are - are places which fit under schedule 3 of the Veterans' Entitlements Act or have been extended by ministerial determinations.

25 There's a couple of extra places which have not been included in ministerial determinations but that's where it is. Our organisation is an association - a not for profit organisation, whose members include all of those type of people and their family members, and we occasionally for commemorative activities - we march on Anzac Day and we do things like that. But our major focus is improving (indistinct) - looking after our members and improving benefits. And the submission that I've put to you is headed "What about us?" Because we note that the terms of reference of the inquiry referred to service personnel, it didn't refer to us and perhaps because of that your report doesn't mention us at all. A couple of times in the full draft report but not in the overview.

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40 So, we believe we need to be considered and (indistinct) - perhaps I should also indicate that being a policeman, we fit under various state and federal arrangements for compensation and things like this. And it's an unusual thing to look at policing as a whole of life occupation. The police that - particularly in Victoria that leave the organisation, there's no real transition. If they retire they (indistinct) move on and join perhaps the Retired Police Association. They leave for other reasons. They go off and (indistinct) - wondering back it's for other reasons. I think I've looked
45 (indistinct) my organisation (indistinct words).

And I guess you could probably equate to your experiences with things like the public service and stuff, where people come and go from public service. If they retire on ill health grounds, they fit under WorkCover, and WorkCover then looks after them. Although there is a levy in this –
5 Victoria for example, which each government department pays to the WorkCover Authority. The impact of that and I notice you're looking at – you've been looking at that in terms of the military, is that I was part of Victoria Police when a focus came on that, and the premium changed
10 from year to year depending on your risk factors, the number of injuries the organisation had held and things like that.

And whilst we're an operational organisation as police, there was a fairly strong internal focus to try and reduce costs, not have people go off sick, not have people get injured and there was almost a league table going
15 about who had the highest and why did they have it and things like this. Because the focus was on if you could reduce your WorkCover liability you saved money, which you could use elsewhere in the organisation. And that was both a healthy thing financially, but perhaps an unhealthy
20 thing in terms of operations, you know, risk aversion comes into it and I hate to see risk aversion coming into the Defence Force. That they wouldn't do things because of the possible casualty rate.

COMMISSIONER FITZGERALD: Yes.
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MR McDONALD: Anyway, back to what we're about. The recommendations that are made in the draft report that affect us are really about the threshold of liability for a claim under the VEA Act. As you know it is beyond reasonable doubt. It's lesser (indistinct) under MRCA
30 and I think your recommendation is to make them the same. We agree with that, and we'd prefer it to be the lowest level because in order to prove a claim for overseas service under those circumstances, when I was treated in Cyprus, I wasn't treated by the Australians at all, it was either British or Austrian and there were no records about that.
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So proving a claim is often difficult. Although DVA have taken a fairly reasonable approach to most people. Moving the whole process under the Defence portfolio, I take the point that DVA is currently (indistinct words) it, but we're not too sure we should be too close (indistinct words)
40 Defence because we are different from them.

Although, as I've probably indicated, some of the suggestions that we are vastly different from (indistinct) in terms of our service, is incorrect. We'd say for example that in East Timor where the Military Force under
45 Peter Cosgrove went into there. When they went into Deli and into East

Timor to quell the unrest, Australian Police were already there. They'd been there during the conduct of elections, registering to vote, and the voting, and the vote that came for independence which caused a lot of the unrest.

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They were there in the middle of it all, so - and yet the military involvement is regarded as being in warlike circumstances. We haven't been. So there's an - there is often a tendency to overlook the place in which - asking that we perhaps not - that's why we're again saying, "What about us."

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And our major issue, I guess, is things that may be my misreading your scheme 1 and scheme 2, but it seemed to me that you were talking about anybody who had currently made a claim to the VEA would stick to the scheme 1. Anybody who heard the new claim would go into scheme 2. Our problem with that is, we're still putting a claim in under the VEA Act. Because we haven't got any entitlement under MRCA.

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Is that military? And there are people I know of who probably have claims coming in because a lot of these things don't emerge for a long time. I know, personally, the person who went back to Cyprus and went back to the site of a - where he buried a number of Turkish civilians. You could tell there was no burial site there. Travesty. It was during the war when - or invasion of Cyprus by Turkey that that occurred.

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And things like this and these things come about later on in life. And people need to put claims in on it, I imagine. So that's one of the issues we raise.

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COMMISSIONER FITZGERALD: Yes.

MR McDONALD: But probably our major issues are that really our focus is on access to health and rehabilitation, because the whole of service involvement in the military is not (indistinct). And in fact, if you're an AFP person, you fit under the Federal Legislation Worker's Compensation. If you're a state policeman, you'd fit under that.

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So it's really, it's the health and rehabilitation services. And as you'll see that since the MRCA had come in, in 2004, it's stayed still for us; nothing's changed except some entitlement to some of the non-liability arrangements in the (indistinct words) were keen to access the services for things like cancer and mental health. But I suppose that's about it.

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The unavailability of records, the lack of information about our circumstances is important to us. We haven't been able to get from DVA

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any indication about how many of our members have actually got active claims.

COMMISSIONER FITZGERALD: Right.

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MR McDONALD: Because their classification they run in DVA doesn't allow that break down. And I think I referred in a submission to what we really like that happened is a bit of a health audit for their members. So we understand about what we're facing. I mean, your report would – your draft report talks a bit about doing research. I think there's a good thing for that. Really, until you know what the issue is, it's hard to do.

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And I do take also the comment about - you made earlier about the creep or the entitlement creep which could happen if more people put claims in. I guess there is the other thing, is that the number of people are dying off as well. So there are less claims happening at one end while it may be creeping in the other. But we in fact have no real indication about what the size of our problem is which would allow DVA and others to plan around that. Especially, if they going to regard us as being something a little bit separate because we actually don't fit under – and the only other point I'd say is don't put us under the AFP.

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COMMISSIONER FITZGERALD: All right. Well, look, thanks very much, Peter. Firstly, we do want you to be able to put in claims under the two schemes. So we'll look at that. But I just want to understand this.

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At the moment, correct me if I'm wrong, your inclusion is all through the VEA?

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MR McDONALD: Yes.

COMMISSIONER FITZGERALD: The schedules that appear.

MR McDONALD: Yes.

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COMMISSIONER FITZGERALD: And you've given us a list of those in peacekeeping operations that you've been, your members have been a part of. So, going forward, it is not our – absolutely, you've raised the point - we do not want a situation where your members are unable to claim. So we will address that. Absolutely.

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The second thing is - but can I just understand this in relation to health care, you're currently entitled to effectively the White Card, the non-liability health cover.

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MR McDONALD: A Gold and White Card, yes.

COMMISSIONER FITZGERALD: But you're entitled to the White Card?

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MR McDONALD: Yes.

COMMISSIONER FITZGERALD: Yes. And are your members entitled to the Gold Card (indistinct) severity of the impact?

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MR McDONALD: Yes.

COMMISSIONER FITZGERALD: They are. So can you just explain to me, what's missing? If you're currently recognized under the VEA and your members, depending on their service are able to get the White Card and some get the Gold Card, what's the missing element in the current system for you?

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MR McDONALD: Well, if I was to take the more generous approach of what we would really like is that there are provisions in the VEA Act now which has extended some of these entitlements to people over 70 who've served in certain periods. It would be nice if we could do that to our people, so that they had an automatic entitlement to certain things rather than having to prove the case. The other (indistinct) is because we're a small organisation, and I, myself, (indistinct), we don't know a great deal about the whole thing. And there are many, many schedules under the Veterans Affairs Act and other things, or determinations made about what the processes are or what entitlements are for certain things, for certain conditions. I don't really profess to know too much about those. So, I couldn't really say, "Why don't they include them, include this," for something or other, as opposed to something else.

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COMMISSIONER FITZGERALD: If you're in the AFP for example, and you've served in a peacekeeping mission and you come back and you've suffered some injury through that mission, you know, illness or ill-health arising from that, but you have other injuries that occur or develop as a consequence of your involvement in, you know, the AFP Force. Are there - is there substantial confusion between the systems for the policemen or policewoman to be able to navigate? Or is that pretty clear? Is it clear that, because it happened here, I can go to DVA; because it happened here, I go through the AFP arrangements?

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MR McDONALD: I think the AFP would regard it as one and deal with them in - under the internal processes. People like myself who have been part of the AFP and have left, you know, that gate's shut. Now, I wasn't

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ever (indistinct) a part of the – what's it? The SRCA. I was – I'm only under the VEA. Or under Victoria Police compensation arrangements. Now, they would make a distinction. Where did it happen and when. And there are some people who are placed under that sort of thing.

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COMMISSIONER FITZGERALD: Are there people, because of that, who miss out on benefits? Or is it just simply trying to navigate the system, once you've worked out where the injury arose from, you know, the period of time in the service, the systems work relatively well? Or is there real confusion for the - - -

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MR McDONALD: There is a lot of confusion. As I say, I don't fully understand it, so I can't really advise people of things. I've received some correspondence since your draft report came out and one person who was saying that he's getting disability benefit under the VEA. And it's insufficient for him to – he's had - applying for a general disability pension under other arrangements as well. He has concerns with what entitlements he gets, in terms of, I think, your recommendations to – to have mature age students not getting support for that. That's a concern to him, because – and I don't think he knows enough about what else to do.

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COMMISSIONER FITZGERALD: Can I just ask one other question, which is not in your submission? And then Richard may have some questions. Transition. We talk about transitioning out of the military and we've been trying to get our head around issues in relation to reservists. I presume when you come back from a peacekeeping operation, what's meant to happen at that point? Are there meant to be assessments done in terms of your mental health and your wellbeing generally?

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MR McDONALD: I think the AFP now do. They're in the old veteran stage. No, I – I went back to work nightshift. Back in Victoria Police. And that was it.

COMMISSIONER FITZGERALD: And that's it?

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MR McDONALD: Yes.

COMMISSIONER FITZGERALD: But you think there may have been some changes or some improvements in the – when the peacekeeping mission concludes?

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MR McDONALD: The more – the more recent ones, yes. Because they're more integrated.

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COMMISSIONER FITZGERALD: Right.

5 **MR McDONALD:** Because what really happens is, there's been periods of time when the AFP have had to call upon State Police to supplement the numbers, to respond. But some of those (indistinct) the bulk of the people have been the Australian Federal Police. And they do have bases further in the National Employment Group. Although, as I note here, they're not sending anybody over at the moment, so.

10 **COMMISSIONER SPENCER:** Right. Just then going to page 2, you made the comment that when MRCA came in, in 2004 you were excluded? And on the understanding that their needs and requirements would be separately addressed; this has not occurred.

15 **MR McDONALD:** Yes.

COMMISSIONER SPENCER: What was the expectation at the time? What was the understanding at the time about how police would be?

20 **MR McDONALD:** I've included on page 2 an extract from chapter 27 of a review of military compensation arrangements. And that in fact indicated that the Australian Government at the time had promised that they would cover us under a separate arrangement. It was intended that the previous Government now (indistinct) 2006, its intention that AFP members with others with able sea service will be compensated under new arrangements comparable to the provisions of the MRCA (indistinct) at 25 the end of this arrangement we'd be included in the SRCA. Now, we were worked with (indistinct words) in 2006. Technically, we (indistinct words) the work. Effectively, it's never taken place.

30 **COMMISSIONER SPENCER:** So as far as you're concerned, it's an unfinished business, which is why you pose the question at the end?

35 **MR McDONALD:** Yes, it is unfinished business. We have been making presentations to – through the Police Federation as well as ourselves - to various governments from time to time, but they – I don't think it has perhaps the support of current leadership of people like it had previous. Because it's – you know, we're the same sort of thing is - we've left them.

40 **COMMISSIONER SPENCER:** Yes. So you're posing the question at the end, which is, you know, an obvious next step and that is the intention to open up MRCA and DRCA to police peacekeepers.

MR McDONALD: Yes.

COMMISSIONER SPENCER: So that's – yes, we need to wrestle with that question. But just briefly, it's not happened. Have you ever been given explanations? Or is it speculation on your part as to - - -

5 **MR McDONALD:** Well, as – it was government policy; I think previous governments have changed.

COMMISSIONER SPENCER: Yes.

10 **MR McDONALD:** (Indistinct) changed. Policy people have changed.

COMMISSIONER SPENCER: Yes.

15 **MR McDONALD:** There's always a reason to defer it.

COMMISSIONER SPENCER: Okay. All right. So it's not clear other than, you know, people have just moved on and it seems not to have been addressed.

20 **MR McDONALD:** Yes. Never, never heard it mentioned.

COMMISSIONER SPENCER: You mentioned a couple of other things, as well. The RMA, you're supportive of that and research around it, so I'm just noting that.

25 When people do lodge claims - I guess there are two aspects to this - would, typically, your members use an advocate to lodge their claims?

30 **MR McDONALD:** Yeah. They normally go perhaps to the RSL; they're very helpful. And also the Vietnam Veterans. The Vietnam Veterans, I think, they've got a good advocate service.

COMMISSIONER SPENCER: So it's (indistinct words).

35 **MR McDONALD:** And then they're more contemporary to our people.

40 **COMMISSIONER SPENCER:** Yes, all right. Okay. And you also mentioned the issue of recognition which seems something that can be, which should be able to be fixed relatively easy, but there's a sense that the recognition of your service is not being appropriately recognised. I think you mentioned that on page 4, is it?

45 **MR McDONALD:** I just – what I'm - probably what's getting there, is that, if our service was classified as similar to that of the military in (indistinct words) I understand if we would be eligible to some sort of

5 type of benefit upon turning 70 and things like this. Having served in warlike circumstances, or active service, I guess you would call it. I don't know. I don't know enough about the VEA to know exactly, because, like, I agree, I tried to read it. I'm an experienced Victoria policeman, I've been all over the place, so I'm used to looking at Victoria legislation. And some of that stuff is so complex, it's got so many sub-clauses and other sub-clauses, that I'm not even sure you could flow-chart it.

10 **COMMISSIONER FITZGERALD:** Sorry, which is this? The VEA?

COMMISSIONER SPENCER: The VEA. You're talking about the VEA at this point?

15 **MR McDONALD:** Yes.

COMMISSIONER SPENCER: Well, we would entirely agree with you. And we're both ex-lawyers, so. It's a shocking - - -

20 **COMMISSIONER FITZGERALD:** It's a shocking piece of legislation.

COMMISSIONER SPENCER: Whenever you like it – (indistinct) veterans like it - it's a shocking piece of legislation. I mean, I can't believe that in the 2019 we have such an appallingly written piece of legislation that affects the lives of so many. That's not about the benefits. It's just a terribly difficult document. So we agree.

MR McDONALD: That's why (indistinct words) in the comments because if somebody says you've got it wrong, I'd probably believe it.

30 **COMMISSIONER FITZGERALD:** Well, I do think it – and this is serious, I do think it actually is probably the reasons why the error rates by delegates and the DVA have been much higher than would have been desired. I think it is just such a complex piece of legislation. And perhaps during the process of reform that can be moderated and changed. And frankly, there's no reason why it can't be turned into a better Act and still retain the benefits for the veterans. But nevertheless, that's another task.

40 Can I ask this question? Richard, made a comment about research and what have you. Is there any research at all being done on the wellbeing, mental health or otherwise of people that have served in peacekeeping forces?

45 **MR McDONALD:** No.

5 **COMMISSIONER FITZGERALD:** You've recommended that there be a health audit and that clearly hasn't happened. But are you aware of any research at all that's been done here in Australia that gives us some sort of insight into the wellbeing of people who have served in these forces, at least - - -

10 **MR McDONALD:** Not at all, no. It's anecdotal or things like this. But we did ask at one stage (indistinct words) trying to sell (Indistinct words) when the quote came in for \$200,000 from Monash University and we gave it away. Because these things would take time and they were fairly extensive.

15 **COMMISSIONER FITZGERALD:** So can I ask this question. You've been a serving police officer in Victoria and you served overseas. Generally, when police personnel return to Australia, do they suffer – and again it's anecdotal as you say, but do they suffer in any way different in terms of trauma than the rest of the police force? The Victoria Police Force, for example? Is there a different sort of profile of impacts that you see in those that have served overseas in peacekeeping, as distinct to those that are just serving within the, you know, Victoria Police force, generally?

20 **MR McDONALD:** Yes. Particularly, when there's been major incidents happen. I mentioned that Turkey invaded Cyprus. People who were in the middle of all that unarmed because that's the whole idea of a peacekeeping mission. For the police it was (indistinct words). They were in East Timor when that happened. In other circumstances, because you're unarmed and you don't have the power of the local police, you're actually (indistinct words) so you've got to use lots of skills to deal with it other than, in terms of (indistinct) police and going out, grabbing somebody by the collar and dealing with it.

25 So that is a (indistinct) people (indistinct) in the number of people who've been up in circumstances where they haven't been (Indistinct words) and something's happened. At home, they – here they can say, well, it was my fault. I didn't intervene when I should have or I could have handled it better, but over there, that's – it's a fairly (indistinct) system, sometimes. And that does play on my mind. (Indistinct). Plus some of the range of range of duties is a little bit difficult.

30 **COMMISSIONER FITZGERALD:** And when you were - maybe just through your members or your own experience, are the police forces around Australia attentive to those needs when their members come back? Putting aside DVA - - -

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MR McDONALD: Not (indistinct).

5 **COMMISSIONER FITZGERALD:** Given that we've heard a lot of works been done in police forces and first responders in relation to, you know, trauma and the impacts of trauma. Have – do you hear that police forces today are likely to respond to those sorts of men or women in a better way than perhaps happened in earlier times?

10 **MR McDONALD:** They probably do, and I know Victoria's an example and you've probably heard of our police commissioner, here, Chief Commissioner has been involved in and the number of things there, like peer support and (indistinct) and he's extending that to the retired arrangements.

15 **COMMISSIONER FITZGERALD:** Right.

20 **MR McDONALD:** They have some (indistinct words) in there, they had peer support officers who are meant to deal with people who are suffering from mental issues in particular. Well, he's extending that and funding it and the Victorian Government, I think, is beginning but only very recently in the last election campaign, promised to fund some of that for the retired (indistinct).

25 And we're hoping to (indistinct words) by having some of their members trained as well. Because again, it's like the veteran community would tell you, there's nothing better than somebody who's been there talking to somebody else who's been there. (Indistinct words).

30 **COMMISSIONER FITZGERALD:** And we heard some submissions yesterday about peer mentoring or peer support. And I think Richard's – our other involvement with peer support is emerging, is a very strong area.

35 **COMMISSIONER SPENCER:** Yes, that's true. Very powerful model and it's been extensively used now, as you know, on a community level, but - and increasingly, is part of the primary health networks around Australia are doing community based peer mentoring.

40 And we're about to do - or the Productivity Commission has just commenced a major inquiry into mental health which you may be aware of. So a lot of these issues will surface in that inquiry. We're obviously looking specifically at military here and police. But it overlaps of course with more general community issues around mental health and how we have better systems overall.

MR McDONALD: (Indistinct words) perhaps ask what is (indistinct) DVA, through their programs (indistinct words) sort of, resourced, call upon.

5 **COMMISSIONER FITZGERALD:** So it's one of the issues we're looking at in the - the final – we're not going to try and prescribe what the service system should look like but what's become clear to us: in relation to medical or physical health, the system works reasonably well. But, when you get to mental health and these issues are broadly mental health
10 issues, the system doesn't seem to work as well as it should for, say, veterans, in this case.

And part of that is trying to look at what innovative approaches are there that would help veterans. And then the second question is: to what extent
15 should Government be a commissioner or funder of those services. And the third parties: what's the role of ESOs in that?

So we are trying to look at that, and we're not going to try and design the whole scheme. But the whole issue about peer support, peer mentoring, those sorts of community based practices seem to us to be, you know,
20 appropriate sorts of responses at a community based level.

MR McDONALD: Yes, I would suggest those who've served in military arrangements (indistinct) peacekeeping (indistinct) as well, that the
25 Government has an obligation to provide a – that's what they would be saying.

COMMISSIONER FITZGERALD: And we'll certainly take on board your submission and I can just go back to the point that I made in relation
30 to the reforms to the schemes, we will certainly make mention that peacekeepers need to be able to access those schemes.

MR McDONALD: Yeah, well, I think their major issue is “What about us”? “Just don't forget us”, because - - -
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COMMISSIONER FITZGERALD: No, no. You've done a great job. And we'll put you back in.

MR McDONALD: - - - we'll fit under the - - -
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COMMISSIONER FITZGERALD: You weren't meant to be – we didn't actually - we did in fact think about you, but we'll just make sure that we've covered it off better in the final. That's good. Thank you very
45 much.

COMMISSIONER SPENCER: Good, thanks Peter.

COMMISSIONER FITZGERALD: Have we got Mr Fitzpatrick on the line? So we've just got a telephone conference, now. If it works.

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MR FITZPATRICK: Hello.

COMMISSIONER FITZGERALD: Peter, it's Robert Fitzgerald from the Productivity Commission. How are you?

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MR FITZPATRICK: Hello, Robert, how are you?

COMMISSIONER FITZGERALD: Good. So, I'm the presiding commissioner. I'm with Richard Spencer, my colleague and the other commissioner. So, welcome to this hearing.

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Peter, if you could give your full name and any organisation that you represent for the record, please?

MR FITZPATRICK: Sure, it's Peter John Fitzpatrick. I'm the national chairman of the SAS Association and probably, also worth mentioning, I'm the national chairman of the Bravery Trust which supports veterans and families in need.

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COMMISSIONER FITZGERALD: So, Peter, the way that we're operating this is if you can give us, you know, the main points that you'd like us to take into account in the next 10 minutes or so. And then Richard and I will just raise a few questions after that. So, it's over to you for about 10 minutes.

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MR FITZPATRICK: All right. Sure, thank you. I found this a very disappointing and have been speaking to younger veterans and demoralising report in many ways. We don't find it veteran centric at all. We believe that the – that there's very much a focus on the economic outcome, saving money. There's no real longer term strategy that I believe works for veterans. The strategy - you normally come up with a strategy and then get a structure to suit. This seems to have been done in reverse. You're talking more about structures and responsibilities rather than what is in the best interests for this nation to honour its veterans.

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And certainly I don't think there's a proper understanding, (indistinct) or empathy for the veteran community. The whole unique nature of military service, where military people undertake to serve the nation, they do this in a way where they have no choice, but they are put into hostile situations. I, myself, am a Vietnam veteran and have seen the other end of this. And I have intimate knowledge of some of the most horrific things

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that go on in Afghanistan. And in my view, there's no understanding involved of what that entails. And the fact that you have to deliver (indistinct) force and the impact that that has on families. The Bravery Trust is still paying out 75 to \$100 thousand dollars a month to families of veterans who are still suffering from the effect of this service to the nation. And I think this report will be of little or no assistance to them. There are some good parts of the report, but predominantly, I think it's a report that is going to be contrary to their interests. Let me just go through some of it. I'll just go through some dot points where I think that this - this is not going to work.

First of all, you keep talking about the DVA not being fit for purpose but then at the same time lump a whole lot of responsibilities into Defence. I'm not sure how you could possibly say that Defence is fit for purpose for the type of things that you're expecting it to do. The retention of DVA, for the veteran community point of view, is paramount. And we won't back down from that, and I belong to ADSO, which represents some 250 associations with veterans across Australia. And I'm on the National ESORT – the ex-service organisation's roundtable, working with DVA. Look, DVA has its shortcomings, but we have very good leadership. We are now working on this. It needs funds spent on it. It needs to be doing a lot more in the area of artificial intelligence, big data, cloud computing, rather than paperwork entries. But these are things that can be fixed rather than throwing out the baby with the bath water and throwing a whole lot of responsibilities across to Defence.

If there was to be another major conflict, let's say, in North Asia, and that is certainly on the cards from the intelligence readings that I know of, Defence is not going to be having time to be looking over its shoulder, worrying about Afghan veterans, Vietnam veterans, widows, widows from the First and Second World War. The role of Defence is to prosecute military operations and to prepare people for war. Not to be an insurance provider, for one, and secondly, to have major responsibilities for veteran welfare.

There needs to be some sort of crossover point between Defence and Veteran Affairs, to actually put this responsibility in the Defence Department. Half the problems I'm seeing at the Bravery Trust are (indistinct words) by lack of understanding of some of these things within Defence because they have other things to do. We are adamantly in favour of keeping the Gold Card. This is one of the benefits. I was really annoyed to see RSL talking about it as a prize. It is extremely difficult, and you have to be seriously disabled in one form or another to get a Gold Card. And the over 70 one that John Howard brought in, that was in recognition of the suffering and the service to people who (indistinct) for

the nation. And it was a generous thing to do. I will – I believe it should be retained.

5 The Veteran Services Commission we're not in favour of at all, unless it comes within DVA. We have great suspicions about commissions and corporations that set up like this. Commonwealth Superannuation Corporation is an organisation that we believe has badly treated veterans. And we have no - little or no say in it, so we don't want to see another commission set up. Greater thought needs to be given to the 177,000
10 dependants of veterans who are not considered in the report. The transfer of commemorative services to the Australian War Memorial is not supported. It's not - it's a national body, not a - with no international connections to speak of. And DVA have done an excellent job in this area, so simply removing that on economic or whatever other grounds, is
15 not accepted.

We don't accept the single Ministry of Defence (indistinct) on veterans. I think that will finish up once again watering down the focus on veteran support. And that levy on the Defence budget to make the cost; I can see
20 what would happen when Defence starts to run short of money and then the prosecution of a war or new equipment purchases - that's the sort of thing that Governments can interfere with - I'm quite sure that's going to impact on organisations or the capacity to support veterans.

25 I note in the report, there are 86 entitlements that are going to be removed. Now, I'm an older veteran. And you say that's not going to impact on me and that's fine. But I'm happy to fight for the younger veterans. Because a lot of those things you recommend are hard fought for and hard won benefits that we've gone for. There are 44 references talking about being
30 overgenerous. I would bet that the schemes that we had for veterans in this country compared to the other (indistinct) nations are probably the best in class but we don't want to have a race to the bottom for Australian veterans. We don't want to see 22 veterans a day taking their life as you have in the United States. And homeless veterans sleeping around the
35 streets of our cities, which we have in the United States, where they have what you might call less generous conditions that support veterans.

It's imperative we retain the Open Arms counselling network. There would have been a massive amount more suicides from Vietnam veterans,
40 if that Open Arms, which was formerly the Vietnam Veterans Counselling Service had been disbanded at some stage. The recommendation to reduce the Veterans Review Board's capacity is also rejected. That board has served us very, very well. There have been some problems from time to time, but once again, I don't think you could say it's not fit for service. I
45 think it does the job. And does it well.

5 The definition of veteran needs, needs to be defined to differentiate
between returned and non-returned veterans, as part of the recognition of
the unique nature of military service. This whole paper seems to, in some
ways you almost feel like you're reading about the compensation and
rehabilitation scheme for public servants. Someone who gets injured by
an IED in Afghanistan and suffers head injuries and maybe even brain
damage needs to be looked after a lot differently than someone who
injured them self whilst training in Australia falling off an obstacle course
10 or something like that.

15 I think we need to be very careful before we start doing away with that
unique nature of military service and compensating veterans accordingly.
Otherwise, people simply won't join up. And if we're going to finish up
with a nation that is likely to have some serious conflicts heading forward
from some of the intelligence that's going around, we need to have the
best in class type of compensation and rehabilitation for our veterans,
rather than some cobbled together arrangement between Defence and
DVA where a lot of veterans will continue to fall through the cracks and
20 we're going to have the 10 to 1, which is what it is now, ratio of suicide to
actually (indistinct) combats from people who have served.

25 Compensation for injured veterans needs to be different because of their
(indistinct) service. And there's strong opposition for the abolition of
some of the health benefits such as private hospital and some specialist
services.

30 Now, on the positive side, I've got a few that I can pass onto you. The
review of existing legislation to better align compensation schemes
against these schemes into two based around the VEA and the MRCA:
we'd support that. The development of easier and simpler systems for
veterans and their families to navigate through the DVA, in other words,
let's give DVA the support and money it needs to do the job properly,
rather than go to the expense of setting up a whole lot of other
35 arrangements. A better focus on the wellbeing of veterans and their
families over their lifetime is certainly supported. The establishment of a
central transition organisation is certainly supported; that leads to
transition, is very important. And the handover of veterans from Defence
to DVA is certainly very, very important, but it doesn't require the sort of
40 organisational structure that you came up with in the report.

45 The veteran health strategy needs to be updated and (indistinct) to suicide
prevention. This is still an ongoing issue and I'm, through my Bravery
Trust and sometimes with my SAS (indistinct) still dealing with the fallout
from some of that. But prevention of injury would improve quality of

care and rehabilitation. The comments, there, we also supported the introduction of a set of principles and objectives to underpin the veteran support system is certainly supported.

5 The need for better governance arrangements, more efficient processes, including the speedy development of the veteran centric reform arrangement, is very important. I know there was a reason for this, but the report is very, very light on as a final comment, with the work of ESOs, we are very much underfunded and we do an enormous amount of work.

10 As I'm sitting here now, there's probably one of my members or many of my members sitting in hospital beds alongside some of their sick comrades. We're arranging funerals. We're filling out their paperwork for claims that they might have. We're dealing with widows and others in crisis. We do this every day, 365 days of the year. I have welfare teams, pension officer teams and so on, working nationally across Australia in this area. And yet we receive virtually no funding to do that work.

20 Many of the times, when I have to go to meetings, I have to pay my own way. And that, to me, is totally unfair because I'm already on a number of other boards. I chair for other boards. That is certainly the – all the work that I do for my ESO (indistinct words) association. Chronically underfunded for the amount of time. If the ESOs were to pull out of this space, you would have an absolute disaster on your hands. And I think this needs to be really looked at in much more detail than it's been given on the current report.

I don't know whether that's 10 minutes, but that's my coverage so far.

30 **COMMISSIONER FITZGERALD:** So, thanks, Peter. If I can just start with the end point. You're aware of why we didn't deal with the ESO as an advocacy and that was because of the Robert Cornall report.

35 **MR FITZPATRICK:** Yes, I understand that. Robert Cornall's report.

COMMISSIONER FITZGERALD: So - - -

40 **MR FITZPATRICK:** But I think it's a big gap in your report anyway - - -

COMMISSIONER FITZGERALD: No, no. So, the point I was going to raise - - -

45 **MR FITZPATRICK:** I think Robert was looking more at – sorry?

COMMISSIONER FITZGERALD: Sorry, I just want to assure you that we are - we are looking at those issues in the second part of this phase. So, yes, we are definitely looking at ESOs and we say that in the draft so I just want to make you confident that we'll look at that. But I'll
5 come back to a couple of issues.

The first one is, it was never intended that the Defence Department take over the administration of the compensation scheme. All we wanted to do was to put policy there and I understand that most organisations don't
10 want Defence to have policy. Why is that? You've said about - I understand the priorities of war and all that. But policy is not necessarily seen as a huge distraction to most organisations that deal with multiple tasks.

15 So whilst we would never put administration of the scheme under the Defence Department and we did not recommend that, despite every ESO saying we did. What is the problem with putting policy with Defence, given that in fact, it is their people?

20 **MR FITZPATRICK:** Well, in the case of veterans, we were their people. I don't think that - I think there's far less confidence in the capacity of Defence to develop veteran policy. And certainly, have any priority towards it. But what we would have, in the DVA, the problem that you've created is recommending that DVA goes, is that you removed
25 an organisation that is very strong on policy and works very closely with the veterans that it supports.

COMMISSIONER FITZGERALD: Sure.

30 **MR FITZPATRICK:** I go to Canberra five times a year. We're constantly developing policies.

COMMISSIONER FITZGERALD: Sure.

35 **MR FITZPATRICK:** And we're dealing with stuff at grassroots levels, so that we're getting the right information. What we don't want is some ivory tower policy coming out of Defence for veterans who are actually working on the ground and dealing with the consequences of Defence service. I think that's a very - look, I just don't accept that Defence will
40 develop a policy - - -

COMMISSIONER FITZGERALD: No, no.

45 **MR FITZPATRICK:** - - - as effectively as a rejigged, or whatever you want to call it, DVA.

COMMISSIONER FITZGERALD: So, one of the issues I think we have to struggle with, if that's the case is how do we get better policy because we have a great disjunction between what affects service
5 personnel and those that discharge, and in the policy space there is in fact a very substantial disconnect and so one of the issues that I think organisations will need to think about is how we improve the policy arrangements, because the current scheme that we have - - -

10 **MR FITZPATRICK:** Yes, I think - - -

COMMISSIONER FITZGERALD: - - - isn't a product of good policy making.

15 **MR FITZPATRICK:** Yes, but I think that – yes. Yes, I understand where you're coming from, and I think there is – there's a lot of work going on there. Rear Admiral Wolski did some amazing work in the space, and whenever we meet in Canberra as an ESO forum, there's about
20 12 of the major ESOs gather there four to five times a year, the Defence people are there and Natasha - Major General Natasha Fox who has replaced Rear Admiral Wolski, I'm in contact with her on a regular basis. So the links are there. We need some sort of crossover point between the – and you're talking largely about transition.

25 But to be honest as a commander of a unit you are - and which I was in my earlier days, you are so focused on keeping up with having your people prepared for operations, making sure they're trained, making sure they're fit, and all the rest of it and all the policy that hits you as a commanding officer comes from – in that direction from Defence. I had
30 almost no time and no resources, no psychologists, no doctors or anyone else in an Army regiment of about 800 to actually deal with veterans who have either been suffering from PTSD and so on.

35 Now, fortunately in my command time I wasn't dealing with a large number of those because we were post-Vietnam and a lot of Vietnam people didn't stay around long, but I still had to deal with it on a day to day basis with (indistinct) and other people.

40 But Defence overall, most of the stuff that comes out of Defence, and most of the stuff that's done in the units, and this is where the problem starts, is the commanding officers are rushed off their feet anyway just trying to keep up by having their people prepared in the way they should, training them, making sure that – you know, that they are fully prepared to – to take on whatever responsibilities are given to them, without looking
45 over their shoulder all the time worrying about the consequences of things

that might have occurred in the past with some of the people that they have under their command. It's a very, very complex area.

5 **COMMISSIONER FITZGERALD:** Sure, although universally -
I mean for example New Zealand veterans' policy is part of the Defence Department and I know it's a much smaller force, but it's not a unique concept.

10 **MR FITZPATRICK:** Yes.

COMMISSIONER FITZGERALD: Some people would think that we've created a monster, but in fact Defence does have policy for veterans in certain countries. But we appreciate your point and we understand - - -

15 **MR FITZPATRICK:** Yes, look I understand that, yes.

COMMISSIONER FITZGERALD: And I understand that ESOs don't support our proposal but I just want to make the point it's not a particularly outrageous concept, but what is clear is there's almost no confidence that that the Defence Department can actually deliver in that space and we hear that.

MR FITZPATRICK: (Indistinct).

25 **COMMISSIONER FITZGERALD:** Can I just go back to a second point you raised?

MR FITZPATRICK: Yes.

30 **COMMISSIONER FITZGERALD:** You mentioned that we'd mentioned the word overgenerous. There's no reference in our report to overgenerous. What we have said is it's a generous scheme, and you've acknowledged that, compared to the Five Eyes but we actually support that.

35 **MR FITZPATRICK:** Yes.

COMMISSIONER FITZGERALD: And I find it perplexing that people are asserting that we're trying to reduce benefits and turn it back into an Australian public service type scheme. All of the benefits in terms of the compensation - - -\

40 **MR FITZPATRICK:** Yes.

COMMISSIONER FITZGERALD: - - - impairment payment payments under VEA stay, the benefits under DRCA and MRCA will be merged and many veterans are actually likely to get an increased payment. So I find it - - -

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MR FITZPATRICK: Yes.

COMMISSIONER FITZGERALD: - - - unusual that organisations are asserting that it's actually trying to create an Australian Public Service Commission where it bears no relationship to that. We've actually maintained the essential features of a military scheme. So, I'm just wondering why you've read that into our report when there's no evidence of that in the report.

MR FITZPATRICK: Veterans are very suspicious people, Robert, and when we see economists talking about things being generous, we wonder where you're going with that, and it does come up something like about 44 times, and we just - where our concern is is what I said. We don't want to see a rush to the bottom in this. New Zealand does a pretty good job in a lot of areas. There are a lot of faults in the UK system with people - - -

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COMMISSIONER FITZGERALD: Sure.

MR FITZPATRICK: - - - being thrown into the – into the National Health schemes and all this sort of stuff, and I think the way we have – and where we had a separate Veteran Affairs Department, people can walk into an office where people understand what's going on. I'm finding at the moment that the big issue for DVA is to get that Veteran Centric Reform done in a way where people can interact with it like you interact with a bank, online banking and all the rest of it. If we get to that stage, then I think we're going to be certainly a lot better off than trying to start up a new organisation with a whole lot of different rules.

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And I think that's where this whole notion of what's generous and what isn't generous, that's - it becomes really very much a sticking point for veterans when they see that, because they suspect that this – they suspect the worse, I suppose.

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COMMISSIONER SPENCER: Yes, Peter, it's Richard Spencer here, and just to explore that a bit further because - - -

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MR FITZPATRICK: Hi, Richard.

COMMISSIONER SPENCER: Yes, hi. Look, our challenge here is when we looked at a lot of other different schemes and how they're

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operating, there was quite a disconnect frankly between what we saw in the way that DVA is administering the scheme and how other best performance – best performances, there's always bad performance wherever you look, but we're looking for obviously the best performance, where the features are really - are early intervention case management, very focused on - - -

MR FITZPATRICK: Yes.

COMMISSIONER SPENCER: - - - what services, why, informed by evidence, long term data. You know, accountability and responsibility in those systems, really kind of a laser like focus on, you know, what's in the best interests of the individual. And so, you know, when we looked at that, that was the disconnect and then we – and then as you rightly say, look, VCR is underway and there are a lot of good things happening and we've acknowledged that, and that has some distance to run. We met with Liz yesterday, and she confirmed once again that around about 2021 will be the point at which, you know, most of these reforms will have taken place.

But we're looking at what's going to be - serve the best interests of veterans over, you know, 20, 30, 40 years from now. So, what we're grappling with is if all of those reforms are done, is a department structure still the best structure for administering the compensation and rehabilitation arrangements. So that has led us to this notion of and this proposal of a Veteran Services Commission, because we think there are some inherent difficulties. This is not about the quality of the leadership within the Department. It's about whether a departmental structure is – can be flexible enough, be able to have the right capability over time to match what we've seen in other schemes.

Now, there's a view in - and I think you've expressed this view that, you know, your belief would be, yes, the Department can do that. But we look at this also historically, you know, there's - the Department has a long history, and in other parts of – in other governments and in other areas of government service, the notion of a department being able to run a scheme like this in the way in which it's being done elsewhere, it's not done that way anymore, it's done through dedicated statutory corporations with an accountable board reporting direct to a Minister, and so that's what we're grappling with.

MR FITZPATRICK: Sure.

COMMISSIONER SPENCER: And I think that some of this may have been misconstrued as to - and look and what's at the heart of this, and

I think, you know, we all absolutely share this, it's what's going to be in the best interests of veterans well into the future. So, I just wanted to share that with you because, you know – and I'll just give you a quick example of one of the limitations of a department structure. There's been
5 a lot of concern, and you would be familiar with this, about contractors, staff turnover and how that's playing out and the frustrations that come with that lack of knowledge and expertise with some of the delegates and some of the staff.

10 And a lot of that is attributed to current government policy around staff caps, and I think that must be very frustrating for the leadership in DVA. It's those kinds of things which impinge on a departmental structure to be able to do what they need to do and do it well that we're trying to address is. So, I just wanted to give you that sort of background as to our
15 thinking, which may or may not be helpful.

MR FITZPATRICK: Yes.

COMMISSIONER SPENCER: But, you know, that's where we're
20 coming from - - -

MR FITZPATRICK: Well can - - -

COMMISSIONER SPENCER: - - - in trying to sort of get to
25 (indistinct) place.

MR FITZPATRICK: Can I just give an insight there? Look, I - I'm a
30 facilitator at the Institute of Company Directors. I teach on company directors courses, I teach local government, Indigenous, corporations and not for profits. And one of the key things and one of the areas that I do spend a lot of time is in the area of strategy and risk, and one of the things about strategy is let's find the best strategy going forward, not just the best economic outcome. The best strategy going forward. Get DVA to develop a clear strategy for five years and beyond for itself.

35 And then work out the structure that best fits those sorts of requirements that you're talking of, and I think that can be done. To do it the other way round, to say "look he's a structure we think this might work better, now let's see if we can fit a strategy in there". You'd fail your company
40 director's course if you proposed that because there are three things that define good strategy. One, is that you obviously have a strong culture and I think DVA is working on that. You have to have the resources to do the job, and I think DVA needs some help there because it's got antiquated computer systems and they haven't had the money to fix it.

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And then the third thing is when it comes to structure, you fit the structure to suit the strategy, not come up with a structure.

COMMISSIONER FITZGERALD: Sure.

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MR FITZPATRICK: And say "well, let's squeeze a strategy underneath it". That's the (indistinct) ended way of doing it.

COMMISSIONER FITZGERALD: So just - - -

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MR FITZPATRICK: So I would – I am very concerned about the Services Commission, a structure looking for a strategy rather than a strategy in itself.

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COMMISSIONER FITZGERALD: Well, just – if I can just be clear so I wouldn't fail your AICD course, we did exactly that. We've actually outlined the objectives of both the scheme and most importantly the goals that would be set for the enhancement of the wellbeing of veterans and their families. So, like you our starting point was where do we want to be in terms of outcomes for veterans and their families. We then went back and said what is the most appropriate strategy and structures to achieve that?

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So, whilst most of the people that have spoken to us over the last 12 months have spoken to us about benefits, Gold Cards and others, we actually went under the system and said what is a better way of delivery without fundamentally changing the benefit structure? So I'd just like to assure you we fully understand the issues regarding strategy, and whilst we may not have reflected it in a management code, that's exactly what we've done. So, we understand that people have a very different view as to what the way forward is. But we're – and you've indicated this yourself.

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MR FITZPATRICK: Yes.

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COMMISSIONER FITZGERALD: And I was very pleased to hear this, that you support our goals and our objectives and that is our starting point. So I just want to assure you - just so that you know.

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MR FITZPATRICK: Sure.

COMMISSIONER FITZGERALD: That that's our approach. The second thing I just wanted to make a comment, but from Richard's point of view and this is an important issue, you made a comment before that this report basically fails young veterans going forward. It's almost

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impossible for me to understand how you could make that statement in this sense, the benefits basically remain the same for incapacity and impairment and in fact for some will be improved. The health services; we're trying to deliver better health services, with much more focus on outcomes.

We're looking at veteran specific mental health services. We're asking the questions around the way in which you leverage better outcomes from ESOs and taking your point, how governments will support that. We're very much about improving and extending the range of rehabilitative services, right throughout the life of people and we're improving transition arrangements. So I just need to understand what is missing from what I've just said, that comes to the conclusion that we fail young veterans? We may well be but frankly I don't understand what we – is missing from our jigsaw puzzle except for it's DVA.

And frankly the issue about whether there's a DVA or not we'll look at. But if there is a DVA or there isn't a DVA - - -

MR FITZPATRICK: I think the 86 - - -

COMMISSIONER FITZGERALD: Well, we're not removing - - -

MR FITZPATRICK: I think the 86 removals doesn't – is not a good start.

COMMISSIONER FITZGERALD: Where do you get that from?

MR FITZPATRICK: Some of the things – it's in the report.

COMMISSIONER FITZGERALD: We're not removing - - -

MR FITZPATRICK: There's 86 times you talk about removing.

COMMISSIONER FITZGERALD: No, that is not true, and that's coming from a submission in relation to TPI. There is no 86 allowances being removed. It's simply not true.

MR FITZPATRICK: Well, there's a lot of stuff in there which talks about remove this, remove that, and certainly the last count when I was – the (indistinct) we did, was there was 86 of them.

COMMISSIONER FITZGERALD: It's not true.

MR FITZPATRICK: I haven't physically counted them but I've relied on others who were preparing (indistinct) for us.

5 **COMMISSIONER FITZGERALD:** Look, I'm not criticising you, but I'm just simply saying that that statement - and I'm not blaming you Peter at all, but I want to be clear there are not 86 removals.

MR FITZPATRICK: (Indistinct words).

10 **COMMISSIONER FITZGERALD:** And we're not removing the Gold Card.

MR FITZPATRICK: Okay.

15 **COMMISSIONER FITZGERALD:** We're not removing those. We are looking at about 12 different benefits that are sitting there on the side that affect very few benefits – veterans.

20 **MR FITZPATRICK:** Yes.

COMMISSIONER FITZGERALD: And in relation to many of them we're actually saying they should be either paid out or alternatively you increase the actual pensionable periodic payment. So that we're actually not just getting rid of them.

25 **MR FITZPATRICK:** Yes.

COMMISSIONER FITZGERALD: We're saying how do you fund them? So I just want to be very clear, the Commission is not recommending - - -

30 **MR FITZPATRICK:** Sure.

COMMISSIONER FITZGERALD: - - - the removal of 86 benefits.

35 **MR FITZPATRICK:** Okay.

COMMISSIONER FITZGERALD: But it feeds into this notion that somehow or another this is an exercise about reducing benefits for veterans, and my point to you seriously is are there things in it that we've missed? So, going back to my statement is if you genuinely believe that this report does not serve the needs of young veterans, we would like to know that, apart from whether or not it's a DVA. Because to be totally honest with you - - -

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MR FITZPATRICK: Yes.

COMMISSIONER FITZGERALD: - - - I don't know where they are. I can understand why people are arguing about this benefit or that but
5 from frankly the major architecture that is military specific, veteran specific, we haven't really dismantled that at all.

MR FITZPATRICK: Yes, I think – well - there's a lot of areas that -
10 that I think that - where the interests and where the ESO bit comes in, I spend a lot of time talking to younger veterans. I was down just recently and I addressed the whole SAS Regiment. Some of their wives and partners or lawyers and others have gone through this report and (indistinct) and they – they have been quite concerned about it. They've
15 said, "We see this as a bit of a Trojan horse to actually ultimately remove benefits." And the – and the younger veterans are feeling that, I can tell you that (indistinct) my – when I was down there briefing them I surrounded by young people who wanted to talk to me about this report and they were very concerned about it.

20 They don't see it with the same eyes that you do, unfortunately, so whether that's a marketing job or what, I don't know. But from our point of view, we are – we are very much locked in to trying to improve DVA and the sort of things that you've been talking to me about, if you came and sat round the table for – with a – for a day during an ESO forum chaired by
25 Liz Cosson, these are the exact things that we talk about, about how we can improve the transition. How we can actually - - -

COMMISSIONER FITZGERALD: Sure.

30 **MR FITZPATRICK:** - - - have more proactive services and mental health and wellbeing.

COMMISSIONER FITZGERALD: So, Peter, we understand that - - -

35 **MR FITZPATRICK:** And all these things are discussed and we're dealing with it on a day to day basis (indistinct words).

COMMISSIONER FITZGERALD: Sure.

40 **MR FITZPATRICK:** And I tell you that I've – that the – the absolutely tragic cases that I see as the chairman of The Bravery Trust where we are putting food on the table of veterans. These are the things that ESOs and other - and military charities are working on, and I believe that through a properly funded and effective DVA we can get the job done, because
45 we're there on the ground, we're talking to them.

COMMISSIONER FITZGERALD: Sure.

MR FITZPATRICK: And their issues I know but we can fix them.

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COMMISSIONER FITZGERALD: Well, I understand that, but at the end of the day I've got to be clear, just saving DVA and improving it only deals with a very tiny part of the puzzle. The puzzle is a much more complex beast, and you've acknowledged that, and you've supported many of our recommendations.

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MR FITZPATRICK: Sure.

COMMISSIONER FITZGERALD: But what I am saying to you very clearly is - - -

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MR FITZPATRICK: Yes.

COMMISSIONER FITZGERALD: - - - the notion that this is somehow a Trojan horse, the question is what is it a Trojan horse for? And the reality is somebody else used that expression today, so I presume there's some discussion at ESORT about this, please identify what it is because there is no Trojan horse. We've been absolutely transparent. It's there for everybody to see and to criticise. But if you find something, we would very much welcome it, Peter, because I have to say this whole report is focused on what will be in the interests of veterans into the future and if we're missing something, apart from our recommendations around governance which is only a very small part of the report, I'd be very welcome to know what that is.

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MR FITZPATRICK: Yes.

COMMISSIONER FITZGERALD: And I'm frankly at the moment not hearing what it is.

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MR FITZPATRICK: Sure, yes. Do you want that now or - - -

COMMISSIONER SPENCER: Peter, can I just - - -

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COMMISSIONER FITZGERALD: No, not now.

COMMISSIONER SPENCER: Can I just make a few comments about ESOs because - this may or may not be of comfort but neither Robert and I are economists but we may be something worse, former lawyers.

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MR FITZPATRICK: (Indistinct words).

COMMISSIONER SPENCER: But look I think what's relevant and what's important - - -

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MR FITZPATRICK: Well, I have – I have 11 – 11 years as the CEO of a legal profession.

COMMISSIONER SPENCER: Okay, right.

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MR FITZPATRICK: So I fully understand that.

COMMISSIONER SPENCER: Good.

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MR FITZPATRICK: I've met Robert in a past life.

COMMISSIONER FITZGERALD: Probably.

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COMMISSIONER SPENCER: Thanks, Peter. Well, look, we've both had very extensive backgrounds in Human Services and we did a review at the Productivity Commission into better delivery of Human Services last year. So there are a lot of issues that you've touched on which we are well aware of and we're going to deal more comprehensively in the final report. And in fact we're very keen to see how government can leverage - you describe the ESO network as if it wasn't there the system would be in crisis, and look I wouldn't disagree with that. I think it's one of the great hidden assets, and what your members do, what your volunteers do on a daily basis is critically important.

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It's often hidden but it adds great value and I think it's – and it's largely up to ESO's to do what they want to do, of course, and nobody else can tell them what they should be doing, but the role of government can be - and this happens a lot in a whole range of Human Services. You can get very clear about how we can leverage that value by defining services and funding services that will enable organisations like yours to do more of that critically important work and I describe it this way, and I've seen a lot of this in getting community services, big systems can do a lot of the heavy lifting around what's needed.

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But unless there are soft entry points and ways of connecting with the most isolated and the most vulnerable individuals, no big system is going to catch that unless there are people in a peer group way or in a soft entry way can get alongside that individual, start to build trust and start to connect them to the services they need, and it seems to me that amongst many other things an ESO network can do is to perform that critically

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important role, and a lot of that's going on at the moment as you described earlier. So in any submission that you give to us we're very keen to hear your thoughts and other ESO's thoughts on what kinds of services and ways could government leverage.

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We think there's frankly a greater investment that should be made in that. So that we think more comprehensively of the systems supporting veterans and not just the - if I can put it this way, the formal system.

10 **MR FITZPATRICK:** Yes, okay. Yes, I understand that.

COMMISSIONER FITZGERALD: Is there any final comment that you've got, Peter? And we do value the contribution of your organisation, because as you say you do talk to younger veterans and I am pleased that there are a large number of recommendations you're able to support. So we're grateful for that, but any other final comments?

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MR FITZPATRICK: No, not really. I think (indistinct words) of the military charities, the ones that are doing the hard work well. I probably deal with more younger veterans through the Bravery Trust than I do in some cases through - and I see a lot in the SAS as well but, you know, there's some of these families and that that - that just can't pay their bills. The husband is riddled with PTSD. The kids finish up with PTSD. You've got a wife who can't work. I had one wife telling me she used to bring the kids home from school every day and leave them in the car in the driveway while she went round the house to find out whether her husband was still alive or not.

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25

These are the sort of things that we're seeing on a regular basis, so we do have a lot of areas where we need to improve. But I believe we can do that by - I don't believe putting it back into Defence for policy on these things is going to work because this is what it's got - got us to now. We do need a proper handover and there needs to be a control point between Defence and DVA when people are handed over. But we need to have really good people turning up around the table at DVA that are dealing with this stuff on a day to day basis and are driving the policy, and we do drive policy in a lot of areas.

30

35

Probably the impact hasn't been felt as much because there's been years and years of neglect there, and I think that's been caused by funding and a whole lot of other reasons. But the world has shifted from a DVA point of view, and the world is shifting constantly for ESOs. We're dealing with a whole range of different veterans from different wars. I'm dealing with everybody from Malaya, to Vietnam, to Timor, to Afghanistan and the Middle East, to Rwanda and all the rest of it.

40

45

COMMISSIONER FITZGERALD: Yes.

5 **MR FITZPATRICK:** And I'm seeing this on a day to day basis and all
of them have quite – quite different needs. So what you were saying
about how we're going to meet those is very important, but I would like to
see that done in a very, very focused and strategic way and then structures
that fit in underneath that, that veterans can have some – and ESOs can
10 have some input into and control over to make sure that our comrades are
being looked after properly. We're deeply suspicious of commissions and
corporations but the – we wanted to put the Commonwealth
Superannuation Corporation before the Royal Commissioner because of
some of the way that we've been treated with our superannuation.

15 Just to give you an indication, my current military super is one sixth of
that of a politician who has done less time than me in the military and I'm
not complaining about that, I'm quite capable of looking after myself but
there are a lot of veterans out there sort of living on a knife edge as far as
funding is concerned, and so we're really concerned to see what sort –
20 what's this Commission going to do? Is it going to be just another
Commonwealth Superannuation, you (indistinct) comfortably sort of
(indistinct) us back things that were – that have been hard fought for and
won by veteran organisations over many, many years.

25 **COMMISSIONER FITZGERALD:** So, Peter, just going to make a
comment on the last one. Absolutely not. The VSC administers the
scheme but the policy, the benefits, the entitlements are all established by
governments through a policy function. So I want to be absolutely clear.
The VSC is an administrative unit that specialises in the administration of
30 one of the most complex systems that exists, and for much of DVA's life
has been poorly administered. But policy absolutely rests external to that
and with the government, which the ESOs have high influence with.

35 **MR FITZPATRICK:** Yes.

COMMISSIONER FITZGERALD: And frankly nothing will or should
change that.

40 **MR FITZPATRICK:** (Indistinct).

COMMISSIONER FITZGERALD: So I just want to be clear, this is
not a body - - -

45 **MR FITZPATRICK:** No, (indistinct words).

COMMISSIONER FITZGERALD: - - - that can establish policy, change benefits or reduce entitlements. That's purely in the hands of government, as it should be.

5 **MR FITZPATRICK:** Right.

COMMISSIONER FITZGERALD: And as it is today. So I just wanted to – give you that assurance. But I'm sure we will encounter each other (indistinct) the next few months.

10

MR FITZPATRICK: (Indistinct words).

COMMISSIONER FITZGERALD: And thank you very much for your contribution.

15

MR FITZPATRICK: (Indistinct).

COMMISSIONER FITZGERALD: And thank you for the work you do with ex-service personnel. Good, thanks, Peter.

20

MR FITZPATRICK: All right. Thank you very much (indistinct words).

COMMISSIONER FITZGERALD: Thank you.

25

COMMISSIONER SPENCER: Thank you, Peter. Bye.

MR FITZPATRICK: All the best. Thank you.

30

COMMISSIONER FITZGERALD: Is there anybody else who would like to make a statement? Yes, by all means, and you have to do it formally thanks. So just a brief presentation, and I think you know the drill, you've been very good, you've been here all day. So, if you can give your name and any organisation that you represent.

35

MR SCHILLER: It's Carl Schiller and I'm the national president of the Air Force Association, and we haven't - I'm still formulating our response, and we're very keen to hear the comments made today, both for and against the proposals and the content of the report. I guess – look, the Association definitely supports the principles that you espouse in your document for a better veteran support scheme. I couldn't argue against it. As Peter Fitzpatrick just said, we are suspicious of commissions. There's no doubt about that, and we're well aware of course of the shortcomings of DVA over the years.

45

I also endorse your views that leadership comes and goes and that, you know, DVA can go through a rehabilitation process under the current regime and then a change of leadership can turn it back the other way. So that's always a concern. But I see that really as a ministerial oversight that
5 - to keep things going the way that they should be, and certainly the lack of KPIs that DVA should have together is certainly a way of making sure that an organisation regardless whether it's a Commission or other, it's part of their accountability, their good governance. Look, most of your recommendations we're pretty happy with, actually, to be frank with you.
10 The - we are concerned about obviously the - any loss of entitlements, the hard won entitlements that are there now.

So - but we're certainly not in favour of the policy function going to Defence side. We believe that Defence hasn't really proven itself over the
15 years to be concerned about past members. And I guess that's probably at the centre of why I'm making that comment. I'm not saying that things might not change in the future but certainly history has shown that. So that's why we'd rather have it outside of Defence. Again, you know, transferring commemorations out to The Australian War Memorial, we're
20 not in favour of that either.

COMMISSIONER FITZGERALD: Sure.

MR SCHILLER: Okay, but that's a real minor thing in the grand scheme
25 of things. I think what I probably found more than anything disappointing about the report was the length of it. It's a – and you would know of course, it's an enormous document. The veteran community is – has had difficulty dealing with it.

COMMISSIONER FITZGERALD: Sure.

MR SCHILLER: And particularly in the timeframe that was given. But I think the trouble was that it started off really, I guess, looking at the structure in its explanation about the evolution of DVA, and of course
35 veterans being very suspicious people, thought straight away that this is a cost saving measure.

COMMISSIONER FITZGERALD: Sure.

MR SCHILLER: Your explanation about what the process that you
40 went through that you just explained to Peter, if that had been in the report I think you would have got a lot more positive responses, because it certainly had an impact on me here this afternoon. All right. I think you - quite frank with you, you're quite genuine about wanting a better system
45 for the veterans. I don't doubt that whatsoever, and I just think that it

probably didn't come through that way in the report and I suppose the size of the report, it sort of got lost in the various chapters. And so I'm – I got a lot out of today. I'm glad I came, and you'll get more - you'll get our input next week.

5

COMMISSIONER FITZGERALD: That's fine. Well, firstly thank you for your comments, and one of the purposes of these public hearings is not only to have these robust discussions but it's also to explain. It's not uncommon for our reports to have misunderstandings, and that's partially our problem. And at the end of the day people interpret what we write and sometimes get it right and sometimes don't. But ultimately our job is to explain what we're talking about, and we use these opportunities to do that. Can I just come back to one issue and then – and that's all I will do and maybe Richard has got a question.

15

We fully understand better today than we have previously the concerns about moving policies to Defence, and I might say that whilst we expected there'd be some kickback to that, we hadn't fully appreciated, I don't think, the level of concern about doing that. Not because it's – it's not a bad idea, it is simply that people who have experience of Defence seem to have no confidence at all that they can either do the policy or it's the right place for it to be. So we've heard that. But can I just ask this question? You talk about oversight and you say ministerial oversight of the scheme, and that's right. Nevertheless can I just ask you this, and you may not have a view. DVA has at the top of it the rehabilitation commission and the military rehabilitation commission, and technically they're meant to be guiding this body.

20

Now despite the fact that Liz and other people are - you know, are delivering on those reforms, this is a longstanding set of issues. So I just wonder whether you have any view at all about that commission structure and why it hasn't been able to actually better oversight, manage, shape the system in the ways that we have raised concerns with.

30

MR SCHILLER: I believe that people - well first of all I think the fact that there's - there hasn't been the reporting of the efficiency of the system upwards. Right. So I mean if you're - if you're running a company or a business and you find - you get financial reports. Right. When you start seeing the bottom line disappear that should then cause you to take action, and I think that one of the things that have occurred - possibly occurred is the fact that - as you've rightly pointed out, there's a severe lack of feedback, KPIs, whatever you want to call them, and that hasn't gone up to these commissions.

40

And of course if they don't have the information, thinking that everything is going reasonably well because it's been accepted at the – over the years, then they don't react. So I'm a great believer that good – it's actually a lack of good governance, really at the end of the day.

5

COMMISSIONER FITZGERALD: And we've identified that.

COMMISSIONER SPENCER: Now just to add, Carl, thanks very much for your comments, that's much appreciated and I think your advice about over the next few months how can we better communicate some of the things we've been talking about in hearings like this, I think that would be a terrific idea. Because at the end of the day, you know, there will be disagreements.

10
15 **MR SCHILLER:** Yes.

COMMISSIONER SPENCER: And people won't agree with some things, but we absolutely want to have a common understanding of what's being proposed here so people get a chance to really engage with it. So I think your advice to think about, you know, better communication is well taken, so thank you.

20
25 **COMMISSIONER FITZGERALD:** And I should put on the public record - and I have already said this to many of the ESOs. We made an offer at the time of the release of the draft to meet with any of the ESOs, the large ones, and to explain our report and we've made the offer to DVA to meet with ESORT or anybody else who wants to talk to us, within the constraints - to do exactly what Richard has said. We knew when we released this report it was overwhelming. The number of
30 recommendations and the complexity of issues. So that offer still stands.

MR SCHILLER: Okay.

35 **COMMISSIONER FITZGERALD:** So if in the next period of time if we can better explain, we don't expect people to agree with us. I mean I might sound like I do, but we expect people to be different. But we do want them to have a shared understanding of where we've come from, and then they can criticise us. And so that's an open offer. But thank you again.

40

MR SCHILLER: Thank you.

COMMISSIONER SPENCER: Thank you, yes.

COMMISSIONER FITZGERALD: And anyone else, please? Yes, come forward. Yourself, yes. And if you could give your full name and any organisation that you represent, for the record.

5 **MS WILMOTT:** My full name is Jillian Wilmott. I work for the War Widows Guild but I'm representing myself.

COMMISSIONER FITZGERALD: Yes. Thanks.

10 **MS WILMOTT:** And I just wanted the opportunity to be able to talk to you about the importance of partners and family in all these discussions and prevention. Rather than service it's prevention, starting even before the transition period. When people enlist for services, the partners and families should also be included in being advised on services available,
15 throughout the service and after the service and during the transition period. Quite often in current serving veterans and the younger veterans, one of the major issues is mental health issues.

And so the veterans themselves are not able to absorb or utilise
20 information that's imparted to them. So that is where it becomes critical that the families are involved and educated on how best to make transition from service to civilian life. There's also the period when they become civilians, and what concerns me is that especially with mental health issues, these things may not arise immediately or in five years or 10 years,
25 it could be 50 years down the track that mental health issues occur. Now the numbers show us that the current cohort of veterans is going to diminish quite significantly within the next five to 10 years, and that it will be the contemporary veterans that we'll be dealing with.

30 Now, they may be young veterans now but they're not always going to be young, and it concerns me that anything that's being developed is only being looked at for the current and younger veterans, without looking at the long term period and ensuring that they - and you have alluded to it being a life plan, and I suppose my concern is that it's definitely ensured
35 that it's a life plan and not just for serving transition and a short period.

COMMISSIONER FITZGERALD: Thank you very much for that. We have heard in other public hearings, and we'll hear in the future from people representing partners, both living partners and widows and family
40 members and dependents. Can I just ask this question? When you say that we've got to ensure that it lasts well beyond transition, throughout the life. In relation to partners and families generally, do you have a particular issue or view that you want to put to us in relation to how their needs should be dealt with? Or is it really just a general comment about
45 making sure it's a whole of life support system?

MS WILMOTT: Well, I think – yes, it is definitely a whole of life support system but the widow - the wives and children need more support available to them while the veteran - while they have a veteran, because
5 they are the main carer, they deal with all the health issues, they usually do all the paperwork, especially if they're having mental health issues. So I think currently there's not enough support for them within the system. I know there have been discussions about developing onsite assistance in places like Townsville, so that you've got representatives there while
10 they're serving to support not just the person serving but their family and partners.

Because there are - there are issues that – and I'll say that the partner is female for this circumstance, there are issues when you're constantly
15 moving due to your services and you've got re-find schools and education for you children and things like that, and there's costs associated with that which are not always considered.

COMMISSIONER FITZGERALD: Sure.
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MS WILMOTT: And sometimes because of the veteran's mental health issues, they may have to move to certain areas - to access services that they need. So there's the additional support and costs involved there as well, not just for the veteran but for the whole family. The children in
25 particular can suffer because they're witness to situations that perhaps aren't ideal and there needs to be more support for them in those situations as well, and where the responsibility lies there, well, I think it's – it is the service's and the government's responsibility. It's a shared responsibility to look after the veteran and the family.

COMMISSIONER SPENCER: Now just to say thank you Jillian. We've heard that a number of times through the hearings and it's good to hear that voice once again. So - and in many aspects I mentioned more broadly Human Services, the family context is critical.
30

MS WILMOTT: Yes.
35

COMMISSIONER SPENCER: And we understand that. So looking at that and reflecting on it and how that can be best done in the future is
40 important. So thanks very much for reemphasising (indistinct).

COMMISSIONER FITZGERALD: But just one of the issues too might be that as we look at these veteran hubs that are being established or potentially established, it may well be that we need to consider the
45 families' involvement in those hubs, not just the veterans.

MS WILMOTT: Okay.

5 **COMMISSIONER FITZGERALD:** And I suspect some of the models
do that, but I think your comments, and the comments of other people, do
in fact – you know, have really focused our minds about it. So ones
about, you know, benefits and those things, ones about access to health
care and mental health care, but one's also about, as Richard said, that sort
10 of soft support but it's a vital part of the system. So we're looking at that
in the next few months. So again thank you for raising those issues with
us.

MS WILMOTT: Thank you.

15 **COMMISSIONER FITZGERALD:** Good you, thank you. Anyone
else? I think we're done. It only – firstly I want to say thank you,
especially for those that have lasted the distance, we're very grateful for
that. But the only thing I have to do now is to adjourn this hearing until it
recommences in Hobart on Friday. So thank you again.

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**MATTER ADJOURNED AT 5.18 pm
UNTIL FRIDAY, 15 FEBRUARY 2019**