



Returned & Services League of Australia

Submission to Government for Consideration in Preparing the

2007 / 2008 Veterans' Affairs Budget

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The Returned and Services League of Australia

Submission to Government

Budget 2007 / 2008

The enclosed document sets out the proposals which the RSL sees as necessary to address critical shortfalls in the care and support of Australia's veterans: particularly people who have been committed to overseas operations to defend our national interests and who have suffered as a consequence.

This document contains four sections:

- **Section 1** provides the historical context of the League's on-going efforts to ensure that our veterans are appropriately cared for;
- **Section 2** sets out the five most significant issues needing to be considered in framing the Veterans' Affairs Budget 2007/2008. They are listed in priority order with a brief 'rationale'. Most of these matters have been raised previously;
- **Section 3** lists a number of other matters which the League would wish to see addressed in due course. Many of these have also been previously registered. They are not listed in any priority order. This section also contains a number of proposals originating from other ex-service organisations are supported and endorsed by the League; and
- **Section 4** contains the current RSL Standing Policy on Veterans' Affairs Matters.

This submission is an outcome of the League's deliberations at our 2006 National Congress held in Perth in September.

We invite careful consideration of this submission.

Bill Crews

Section 1

Returned & Services League of Australia

Background

During the early years of WW I, there was no single Government body formed to cater for the sick and wounded returning from the horrors of trench and desert warfare in Europe and the Middle East. While the Department of Repatriation was created in 1918; it was not until October 1976 that the Department of Veterans' Affairs was established.

Returning diggers were alarmed at the lack of support available and began meeting in the various states of Australia to call for urgent action to rectify the situation. Shortly thereafter, in 1916, the Returned Sailors and Soldiers Imperial League of Australia was established and adopted a set of ideals and objectives that focused essentially on mateship, preservation of the memory and records of those who suffered and died; and to provide for the sick, the wounded, and the needy.

By 1918 all states had joined, with the ACT Branch formed in 1927. Name changes followed in later years to recognise the inclusion of airmen in 1940 and finally, in 1990, the name was changed to Returned & Services League of Australia (RSL) with membership open to all serving and ex-service personnel.

The RSL has always maintained a broad-based membership, containing representatives from all walks of Australian life. Another facet of RSL membership has been the staunch support for the system of "grass roots" input into policy. The early days of the RSL were taken up with seeking improved employment opportunities and improved repatriation and welfare entitlements for returning and returned servicemen. The emphasis today continues to be centred on improved entitlements and conditions for the retired and serving men and women of the Australian Defence Force. Like our predecessors, the work of the League continues through peace and war.

In the words of Professor Ernest Scott, a well known Australian academic and author, "The League is foremost in taking up these cases.... The League is considered by many to be the pre-eminent ex-service body with a firm focus on veteran welfare".

Veterans' Welfare

The RSL has developed, over 90 years, a well established process for ensuring that it concentrates on veteran welfare matters of concern that have been identified and supported by the majority of the membership.

Any RSL member from around the country may raise issues of concern in relation to veteran affairs matters. These matters are then discussed at the local Sub-Branch level where a consensus may be reached and a proposition, or motion, with an appropriate rationale is formulated and debated.

These motions form the basis for the development of an agenda of Veteran Affairs motions that is then considered at the State Congress of Sub-Branches. Those that are 'carried' are then placed on the agenda of the National Congress of State Branches. At National Congress, each motion is considered in turn and only those that receive a majority vote by the attending delegates are carried forward by the League. These decisions are not made lightly.

From this exhaustive process the RSL Veterans' Affairs policy is formulated and endorsed.

Between National Congress meetings, veteran's issues of the League are dealt with by the National Veterans' Affairs Committee which meets on a quarterly basis. Membership of this body consists of an independent chairman-the National Veterans' Affairs Advisor, the National President, the RSL State Presidents and their advisors. Many matters affecting individual veterans are also dealt with routinely during the year by effective liaison between RSL State Branches and Department of Veterans' Affairs officers at the State or National level.

Section 2

Priority Proposals for the 2007-2008 Budget

In order of priority:

1. Mental Health Disorders and Rehabilitation

Formally recognise and foster the critical role that primary carers and families provide for veterans suffering from mental health disorders and, where necessary, provide additional support services, particularly in respect of funding the infrastructure to support the DVA policy of placing more reliance on community health structures. Develop a national mental health rehabilitation scheme for veterans suffering with chronic mental health problems based on individual case assessment and management programs which includes, where necessary, accommodation assistance options for homeless veterans.

Rationale:

The RSL has long believed that there is a need for some form of supported accommodation, funded by government, to be made available to veterans suffering from chronic mental health conditions. During the mid eighties a number of "emergency accommodation centres" were established in various States; some with seed funding provided by DVA. The best known and longest surviving is probably Angus House in Brisbane; owned by the RSL and operated by the VVAA with support from VVCS: it is largely funded under SAAP with contributions from residents.

During 2004/2006 a veteran's mental health project, sponsored by RSL Care and funded by DVA was conducted. The aim of the project was to "provided a rehabilitation continuum for veterans experiencing the effects of mental illness involving effective treatment in their local communities". This project was based on a case management approach with all relevant stakeholders involved. Statistically significant improvement was noted in a number of measurable areas, particularly reduced incidence of re-hospitalisation.

Recommendation 5, currently with DVA, states "That DVA provides support for, including financial support for appropriate community accommodation models to meet the needs of veterans with mental health issues eg accommodation for short term rehabilitation, care review/renewal and relapse support."

The need for such accommodation is also supported by the report of the Council of Australian Governments (COAG) released on 14 July 2006. This report recognises that "people with mental illnesses are amongst the most socially disadvantaged and economically marginalised" who require a range of services including "stable housing by linking them with other personal support services" and "improving referral pathways and links between clinical, accommodation, personal and vocational support programs". This report has been endorsed by all Australian States and Territories and action plans and budgets developed for implementation.

2. Aged Care Facilities

Provide an increase in, and more ready availability of, aged care facilities and services and, as a priority, meet the special needs of veterans and war widows.

Rationale:

The ageing Australian population and the demands that this trend will place on the community is well known to the Federal Government through its various Departments. Specifically, the impact on the veteran community is well understood by the Department of Veterans' Affairs through the 'National Ex-Service Round Table on Aged Care (NERTAC)'.

Veterans have now been accorded special needs status in the context of aged care provision and this recognition is appreciated. However application of the special status has been of concern to members in South Australia where no specific places had been allocated, although some have been identified in the current Aged Care Application Round. Queensland, a state with a large veteran community, has no veteran focussed places in the current round, while NSW and VIC are well catered for.

3. Special Rate Pension

That the Government acknowledge that erosion of the Special Rate Pension has occurred prior to 2004 because of inappropriate indexation, and that the rate of pension now be reviewed, with the application of appropriate indexation, to ensure the Special Rate Pension retains its original parity.

Rationale:

The League's belief is that there has been a gradual erosion in the Special Rate Pension owing to the previous practice of indexation of Special Rate to the CPI only. Notwithstanding the changes in 2004 to the method of indexation for the Above General Rate component, the issue of "catch up" adjustment now needs to be addressed.

There are approximately 51% of special rate recipients who receive income support at the maximum rate and a large proportion of these veterans support their family on this single (pension) income, whereas the community norm is two-incomes for the family. In many cases, the veterans' partner is also the primary carer and therefore unable to work. This puts the Special Rate recipient and (where applicable) their families at a distinct disadvantage compared with the rest of the community.

4. Funeral Allowance

Amend Section 98B and 99 of the Veterans' Entitlement Act to change the words "Funeral Benefit" to "Funeral Assistance"; increase the payment to bring it into line with the payment made under MRCA (currently \$5,117.23); and remove the GST from all funerals for veterans and war widows.

Rationale:

The cost of funerals has been steadily increasing over the years and, unfortunately, due to the extensive range of caskets and variables offered, there is no ready statistical analysis for the 'average' cost of a funeral. However, following discussions with leading groups in the industry, the League's consensus is that the realistic cost of a funeral is between \$5000 and \$7000. Advice received from the Australian Funeral Director's Association is that up to 40% of the cost of a funeral is in meeting 'disbursements'.

Many older veterans are living on the 'service pension' and are unable to put money aside 'in advance' for their funeral costs. As a result, there is a substantial financial burden being placed on the widow and/or family.

This Budget proposal will bring the funeral payments to those eligible under the VEA into line with those eligible under MRCA.

5. European POW Payment

That a one-off ex-gratia payment of \$25 000 be paid to all surviving former Australian servicemen who were prisoners of war in Europe during WWII, or their surviving spouses.

Rationale:

Government has previously approved an ex-gratia payment of \$25 000 to Australian WW II Prisoners of War (POW) who were captured by the Japanese and subsequently to Australian POW's captured during the Korean War. Australian POW's captured in Europe (E) during WWII have not received an ex-gratia payment.

The RSL believes that POW(E) or surviving widows should be paid an ex-gratia payment of \$25 000 to recognise that the hardship endured by these men, while different in nature, also led to severe deprivation, torture, illness and death. For example, in January 1945 during the worst European winter in 100 years, several thousand Allied POW (including Australians) were marched for a period of four months from Lubeck Poland, with no winter clothing or adequate protection, as Allied Russian troops entered Poland. Similarly, many Australian POW's who were captured in Crete and Greece in 1941 suffered enormously, being handcuffed, in some cases, for months on end.

Many other examples were cited by the POW Association in their submission to the Clarke review.

Payment of the ex-gratia \$25 000 would demonstrate that the service, deprivation and hardship endured by these men during WW II has not gone unrecognised. This is a matter of equity and to redress discrimination.

Section 3

Other Proposals for the 2007-2008 Budget

Not in Priority:

- Ensure that entitled veterans continue to receive timely and quality medical treatment from doctors and dentists of their choice in accordance with the objective of the Repatriation Private Patient Scheme (RPPS), and that specialists and other health service providers be adequately resourced to do this; and that special provision is made for veterans resident in remote areas or areas where access to specialists and other health service providers is limited.
- Declare that service with BCOF be deemed 'warlike' from 21 February 1946 to 30 June 1947.
- Notwithstanding the Government's decision to grant non-liability health care treatment for all cancers for participants in the British Nuclear Test Programs in Australia, declare that such participation be deemed 'non-warlike hazardous'. Legislative changes should ensure that the declaration has effect in extended VEA coverage.
- Implement legislative changes whereby veterans with qualifying service and war widows are given priority on waiting lists for nursing homes and hostels where their aged care assessment classifications are equal with others on the waiting list.
- Provide the Gold Card as an act of Government generosity for:
 - a. Australian World War II veterans without qualifying service; and
 - b. British and Allied World War II veterans who have qualifying service, and who meet Australian residential and Service Pension criteria.
- That Australian Government income support payments made to Allied veterans do not have the disability pension payments made by their parent Government counted for Centrelink income assessment purposes.
- Conduct a study of the health of Vietnam Veterans' children and grandchildren, and implement the recommendations of that study.
- That entitled veterans' be provided with free pharmaceuticals for accepted disabilities.
- That the Attorney General's Department provide Legal Aid through the existing Veterans' Legal Aid Scheme (implemented by State Legal Aid Commissions) for all serving and ex-service personnel who make an appeal to the Administrative Appeals Tribunal, regardless of the nature of their service.
- Ease the EDA criteria by reducing the current Lifestyle Rating from 6 to 5 and the Medical Impairment from 70 to 60 and increase the pension rate to that of the Intermediate Rate.
- When a 'non-claimed' disability causes or contributes to a claimed disability, decision makers be granted the authority to address and make a determination on the 'non-claimed' disability.
- That the GST concessions currently provided to veterans on the Special Rate Pension be extended to those on EDA.
- For veterans in receipt of the Extreme Disablement Adjustment, who are still at home, their 'carers' be automatically granted the Carer's Allowance.

- That widows of Special Rate veterans be eligible for the Income Support Supplement regardless of age if they meet the income and asset tests.
- That veterans with medical conditions accepted under MCRS be provided with a Repatriation Health Card for that condition(s).
- That all former POW's be granted a pension equivalent to the Special Rate, to be called a POW Pension, on reaching the age of 75.
- That on the death of a veteran, any outstanding claims for allowances be still determined and paid up to the date of death of the veteran.
- The Veterans' Entitlement Act be amended to allow pre-SoP accepted conditions to be viewed as an accrued right and accepted automatically as satisfying the causal link of an SoP factor.

Section 4

RSL Standing Policy on Veterans' Affairs Matters

1. VETERANS AFFAIRS MATTERS

1.1 RSL EXPECTATIONS

a. Provision of Benefits

The RSL expects that the Australian Government will provide compensation, income support (when necessary), medical treatment and rehabilitation to all members and ex-members of the Australian Defence Force (ADF) whose service has been the cause of disablement. In addition, income support should be provided on the basis of age to qualified veterans regardless of disablement.

b. Quality of Benefits

Bearing in mind the nature of military service, the Government should maintain the present policy of ensuring that veterans' benefits are more generous than those granted to civilian employees.

c. Recognition of Warlike and Non-Warlike Service

The RSL firmly believes that all veterans should receive like benefits for like disabilities. However, it also believes that warlike and non-warlike service should attract additional benefits as follows:

- i. Warlike service should be rewarded by eligibility for the Service Pension; by the right to have determination of causation of disabilities based on the reasonable hypothesis degree of proof; and the provision of a gold health card on reaching the age of 70 years.
- ii. Non-warlike service should attract the reasonable hypothesis degree of proof.

d. Compensation

It is the RSL view that compensation should be a combination of two elements. The first is to compensate for the loss of lifestyle caused by medical impairment which does not necessarily lead to an inability to work. This is sometimes referred to as compensation for pain and suffering. The other is compensation for partial or complete inability to work. In modern compensation schemes, the first element is usually paid as a lump sum and the RSL is of the view that recipients should have the option of a lump sum or fortnightly payments. The first element of compensation should not incur income tax, no matter how it is paid.

e. Appeals

An appeal system must exist whereby all decisions made under legislation can be appealed. The RSL holds the strong view that the Veterans Review Board (VRB) should be retained at least to hear cases where warlike and non-warlike service is involved. In addition, all appeals to the Administrative Appeals Tribunal (AAT) should be supported by Legal Aid.

f. Counting Disability Pensions as Income

The RSL agrees that income support pensions, paid either by DVA or Centrelink, should be means tested. The RSL is strongly of the view that no disability pensions should be counted as income when the means test is applied.

g. Veterans with Special Needs

i. World War II Veterans

World War II Veterans are now well into old age and have special needs associated with the aged. The existing Home Care programme is most helpful and needs to be managed generously. Other programmes for aged veterans would have full RSL support.

ii. Vietnam Veterans

Vietnam Veterans have special needs because of the unique nature of the Vietnam War. There are a number of existing programmes designed largely to assist Vietnam veterans. These should be maintained and others devised as special needs arise. Particular recognition is required of the children and other descendants of these veterans.

iii. Other Conflicts/Peacekeeping and Peacemaking Veterans

The special needs of these veterans should be maintained and others devised as further needs arise. As a minimum, special programs available to Vietnam Veterans should also be available for all veterans, including Peacemakers and Peacekeepers. The RSL is committed to ensuring that service in hazardous deployments, such as those to Rwanda, are classified as 'warlike service' and attract the appropriate level of repatriation benefits for that service. Particular recognition is required for the children and other descendants of these veterans.

h. Peacetime Service

Serving Personnel who incur injury or disability as a consequence of their service need to have their special needs recognised and addressed. In some cases these special needs will not emerge until later in the veterans' life.

1.2 COPING WITH FAULTS IN THE SYSTEM

a. Detecting Faults

In a system as complicated as the present veterans affairs process, faults and inequities are bound to occur from time to time and it is important that the RSL identifies these as quickly as possible and seeks their correction. With the introduction of the Military Rehabilitation and Compensation Act (MRCA), despite all the care that has been taken to achieve an acceptable result, teething problems will appear and corrective action must be implemented as early as possible.

b. Correcting the Faults

DVA has established a joint ESO/DVA Working Party (called the Operational Working Party). The sole task of this working party is to investigate faults in the system and recommend corrections. The RSL is strongly represented on this body. In the first instance detected faults should be referred to the Working Party for correction. However, National Congress has the ultimate duty to seek corrective changes to the system, including amendments to the legislation if necessary. To this end National Congress must, on an annual basis, identify existing faults to be taken up with the Government in the ensuing year. In the process, National Congress should list the faults it has identified and promulgate the list widely to RSL members.