



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

Federation Chamber

BILLS

**Military Rehabilitation and
Compensation Amendment Bill 2014**

Second Reading

SPEECH

Thursday, 28 August 2014

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

SPEECH

Date Thursday, 28 August 2014
Page 9049
Questioner
Speaker Snowdon, Warren, MP

Source House
Proof No
Responder
Question No.

Mr SNOWDON (Lingiari) (11:30): I am pleased to contribute to the Military Rehabilitation and Compensation Amendment Bill 2014, although I am a little sad that it has taken us so long to actually get to the finality of where we are today, given that a review of the military compensation arrangements was announced first in April 2009 by my predecessor as the Minister for Veterans' Affairs Mr Griffin. What this bill does is amend the Military Rehabilitation and Compensation Act 2004 to enable the Military Rehabilitation and Compensation Commission to retrospectively apply the methodology for calculating permanent impairment compensation claims that have been the subject of claim but have initiated reconsideration by the commission, a review by the Veterans' Review Board and a review by the Administrative Appeals Tribunal.

When the review was announced, it was to be undertaken by a steering committee, which was headed by the then secretary of the Department of Veterans' Affairs, Ian Campbell PSM. We initially released the report for further discussion in March 2011, and it was not until the 2012-13 budget that the government's response was made clear. I was privileged enough to be the Minister for Veterans' Affairs at the time, and announced on 8 May 2012 the government's response in the context of the budget for 2012-13. As part of the budget, the government had announced its response to the review of military compensation arrangements by committing \$17.4 million to implement 96 of the 108 recommendations of the review. As I pointed out, at the time the majority of these changes were to be implemented from 1 July 2013 and they were to deliver improvements to the then current arrangements for compensation in health care, increased financial compensation for eligible members and families, and improved training for those who provide advice to veteran communities on entitlements.

The main initiatives that were to be introduced included a new method for calculating permanent impairment compensation across multiple acts or transitional claims under the Military Rehabilitation and Compensation Act 2004—otherwise known as the MRCA. All those who had claimed permanent impairment compensation under MRCA and been subject to the method of a permanent impairment across multiple acts, since the act commenced on 1 July 2004, were to be reassessed with the result that many would have been receiving increased compensation. At the time, around 6,000 former ADF members with chronic health conditions accepted under the Safety, Rehabilitation and Compensation Act 1998, or SRCA, were subject to a needs assessment showing long-term treatment needs. They were to receive a white repatriation health card for specific conditions and supplementary payment for pharmaceuticals. There was to be earlier access to compensation with claims under permanent impairment compensation under the MRCA for multiple conditions receiving compensation, as each condition stabilised, rather than having to wait for all conditions to be stabilised.

The eligible young person periodic payment under the MRCA was to be increased to match the SRCA equivalent, and compensation payable for financial advice under MRCA to certain beneficiaries who had made a choice about how they wanted to receive their benefits was to be increased. There was to be greater flexibility for future wholly dependent partners in the way they receive compensation, with the option to convert part of the compensation to a lump sum payment.

This was quite a technical inquiry and the review did enormously good work, and I want to commend the reviewers for the work that they did and the recommendations that were made. In addition, at the time, we announced that we would improve processes for the delivery of benefits and services under the MRCA, including: a boost to the educational providers, clients and other representatives to ensure they remain informed about the full range of entitlements available through the Department of Veterans Affairs' for current serving Defence Force members, reservists and their families in the event of injuries or death; better information on rehabilitation transition from the ADF and compensation offsetting; more initiatives to improve the quality and timeliness of claims processing; better pathways to transition from ADF to civilian life; a new model for providing claims representation on complex claims; improved cooperation between Defence and DVA through an extra Military Rehabilitation and Compensation Commission member nominated by the Minister for Defence; and improved management of the relationship between DVA and Defence.

These were very important recommendations that I know at the time had bipartisan support. They were a way of knitting together more appropriately the entitlements of veterans who are wounded or otherwise injured during their service, and the Department of Defence, because—as the member for Bass, who is going to speak after me, will attest, I am sure—there have been in the past great difficulties in getting assessments done in a timely fashion and payments made in an appropriate way. This is changing and I am very pleased that it is.

Sadly, it was not until 2013 that the bill ultimately received the support it required during the processes of this parliament. I remember at the time having difficulty getting the matter addressed and put on the *Notice Paper*—not in the Reps chamber but in the Senate—and it was important, I think, that ultimately we did achieve this outcome. I did make the point at the time that, during the review, 52 in-scope submissions were received, 12 meetings were held at ADF bases and nine meetings were held with members of the public; and, following the release of the review in March 2011, there was another opportunity for people to comment and a further 43 submissions were received. Ex-service organisations—as you would expect, Mr Deputy Speaker Porter—were also consulted and briefed on the arrangements.

Ultimately, and finally, the bill passed through the parliament, which I am very pleased about. It confirmed the government's allocation of \$17.4 million over four years to implement 96 of the 108 recommendations, which included those matters I identified earlier. Sadly, though, as the *Bills Digest* informs us, when the commission commenced its review of the transitional permanent impairment calculations, in order to apply the new methodology apparently a technical barrier in the existing legislation was detected. This barrier, the digest tells us, had the effect of preventing the retrospective calculation of transitional permanent impairment compensation in certain circumstances. So, now the provisions of this bill will operate so that the commission is able to retrospectively apply the methodology for calculating permanent impairment compensation to claims that have been the subject of claimant-initiated reconsideration by the commission, a review by the board or a review by the AAT. But, finally, we get the legislation through this place in a way which will be able to be properly utilised, with retrospective payments being able to be made.

It is very important—and I have said this on previous occasions when I have had the great privilege to address this chamber—that we do in this country take seriously the needs and concerns of our veteran community and also the needs and concerns of our serving personnel. This is all part of the network of support that we provide for serving personnel and subsequently those who leave the Defence Force and their families when they most require it, and we have a long-term commitment to doing that.

As I have said on many occasions, once a person walks through the gates at Kapooka, they are potentially a client of DVA for the rest of their life. One of the things I was keen to see and am still keen to see is the DVA processes brought right into the recruitment centres, so that people understand they have this support mechanism in place to look after their interests both whilst they are serving and once they leave service. There are many serving personnel who are having their injuries recognised and are being compensated whilst they are in uniform and that is as it should be. We need to make sure that, as people leave the Defence Force, their needs are appropriately addressed and their families in particular are given the support that is required. Because of the nature of this bill, I am not going to politicise the discussion because I was going to talk about other measures which the government has taken which would be detrimental to the veterans community. I am concerned about that, but I will make those comments in another place. I think this bill is too important for that. Thank you.