



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

BILLS

**Veterans' Affairs Legislation
Amendment Bill 2012**

Second Reading

SPEECH

Monday, 20 August 2012

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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Questioner
Speaker Neumann, Shayne, MP

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Mr NEUMANN (Blair) (19:34): I speak in support of the Veterans' Affairs Legislation Amendment Bill 2012. The Repatriation Commission is responsible for determining and managing claims under the Veterans' Entitlements Act, and the Military Rehabilitation and Compensation Commission is responsible for determining and managing claims under the MRCA and the SRCA. Lest we think that these bits of legislation are irrelevant or small, they certainly do affect people across the electorates in this place. MRCA active clients in the electorate of Blair as at 30 March 2012 total 129 people. SRCA active clients in Blair as at 30 March 2012 total 252 people. These are people whose lives will benefit from this form of legislation.

There are a range of miscellaneous measures in this bill. To a certain extent the measures tidy up things that have happened, exempt for income tax purposes certain things and ensure that, for example, people on Norfolk Island are eligible for clean energy payments under the Veterans' Entitlement Acts and the Military Rehabilitation and Compensation Act. I will deal briefly with each of those as we go through it.

The first element of this particular bill before the chamber deals with travel expenses for treatment. The DVA funds eligible people for travel to appointments for medical treatment. It is a sad fact that as veterans get older, and sometimes because of what they have experienced, they have more medical treatment and need more travel for those purposes than other Australians, particularly if they are living in regional and rural areas in an electorate like mine. The amendment makes clear the policy that has been happening in practice—namely, that within the act this type of travel can be approved by the DVA after the travel has been undertaken by a particular person who is eligible for reimbursement. This practice has been undertaken by the DVA for a very long time and it really now is simply authorised by the legislation in order to avoid any hint or suggestion that it is not actually covered.

The next aspect of the amendments is eligibility under the Defence Service Homes Act for an operation in the Red Sea from 13 to 19 January 1993, Operation DAMASK-VI, and reclassification as operational service. It makes sure that those who have been engaged in this particular operation for that short period of time will, as a result, be eligible for subsidised home loans and insurance under the Defence Service Homes Act 1918.

The third aspect that I wish to deal with briefly is special assistance. The VEA and the MRCA give the commission the power to extend special assistance and benefits to people not otherwise provided for under the legislation. Currently, that is provided by means of a regulation. This amendment makes it clear that that sort of assistance is provided by way of a legislative instrument rather than regulation, and it permits more timely payment and assistance to be provided.

The fourth area the amendments deal with is debt recovery—the technical amendment making sure that debt recovery provision within the legislation applies to all possible circumstances relating to debt recovery.

The fifth area, as I said before, deals with clean energy payments payable to people residing in Australia. I am not always sure that people who live in Norfolk Island think they actually are Australians. Having visited the place myself and having enjoyed a holiday there, I can say that the Norfolk Island residents are unique people. But these amendments make sure that Norfolk Island residents are eligible for clean energy assistance payments, as any other Australians would be.

The next aspect deals with the MRCA supplement. In 2009, this federal Labor government implemented historic pension reform, the largest pension increase we have ever seen in the history of the Commonwealth of Australia. As part of that package we introduced the MRCA supplement which replaced the telephone and pharmaceutical allowances that were payable. The amendment really just fixes up a clause and makes sure that all references to the previous telephone and pharmaceutical allowances are replaced with a reference to the supplement that now exists, which is now described as the MRCA supplement.

The next area is the bereavement payment. The VEA provides a bereavement payment to the estate of a deceased veteran or member who was in receipt of a special rate or extreme disability adjustment payment and who has

died in indigent circumstances—very poor circumstances. The amendment makes sure that that bereavement payment is exempt for income tax purposes.

The next aspect of this particular amendment bill—and, as I said, it is very much a tidying-up provision—deals with the Veterans' Pharmaceutical Reimbursement Scheme, which provides reimbursement of all out-of-pocket expenses incurred in the purchase of pharmaceuticals under that scheme. Approximately 70,000 veterans and members are eligible for annual, automatic reimbursement of those costs. Those payments will commence on 1 January 2013. The amendment simply makes crystal clear that the payments here are tax-free.

The previous speaker dealt with issues in relation to DFRDB. What he failed to say was that for nearly 12 years the coalition did nothing in relation to that issue. There was a lot of sanctimony and unction mentioned, and there were displays of passion, but really they did nothing in relation to that issue. Further, the member did not point out the fact that what they were proposing excluded about 150,000 Military Superannuation Benefits Scheme members from June 2011. He failed to mention the fact that, under his proposal, other Commonwealth public servants are excluded from receiving payments under similar types of schemes. So there was a lot of passion and unction, but the coalition simply failed to specify to the House that that proposal—which he now says they will do, which the Howard government never did and which the then minister for finance, Nick Minchin, opposed passionately and would never get through past Peter Costello or John Howard—is something that he claims they will do. But what he should really say is that in the past they have always opposed that. He also now wants to discriminate in his proposal in relation to this. I do not think it is appropriate to bring this amendment to this particular legislation. The member is trying to simply discriminate, as I have said, between different forms of military service and service on behalf of the public.

The legislation that is before the House is very clear legislation that will be to the benefit of many Australians, particularly Australians who live in my electorate, and I support the legislation.