Australian Government
Productivity Commission

PRODUCTIVITY COMMISSION

VETERANS' COMPENSATION AND REHABILITATION

MR R FITZGERALD Commissioner
MR R SPENCER, Commissioner

TRANSCRIPT OF PROCEEDINGS

AT HOTEL GRAND CHANCELLOR, ADELAIDE
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COMMISSIONER FITZGERALD: We might commence. We're just a couple of minutes early. Firstly, thank you very much for coming and I've just got an opening statement which I'll read very briefly and then we'll get under way. I must say it's a joy to be back in Adelaide.

Good morning, everyone. Welcome to the public hearings for the Productivity Commission's inquiry into veterans' compensation and rehabilitation following the release of our draft report in December last year. I'm Robert Fitzgerald. I'm the presiding commissioner on this inquiry and I'm with a fellow Commissioner, Richard Spencer.

The purpose of these hearings is to facilitate public scrutiny of the Commission's work and to get comment and feedback on the draft report and it's very much part of the process by which the Commission operates in relation to public inquiries. Following this hearing, which is the first, in Adelaide, hearings are also planned for Perth, Darwin, Wagga Wagga, Canberra, Melbourne, Hobart, Sydney Brisbane and Townsville. We will then be working towards completing a final draft report which will go to the government at the end of June this year, having considered all of the evidence presented at the hearing, and in submissions as well as other informal discussions.

Participants and those who have registered their interest in this inquiry will be advised when the final report is released by the government and the government has to release it within 25 parliamentary sitting days after the completion. The draft report is produced by the Commission. The final report is produced by the Commission but released by the government which is a slightly different process at the end of the task.

I would like to conduct all hearings in a reasonably informal manner, although I wonder about all of that, but I remind participants that a full transcript is being recorded. For this reason, comments from the floor cannot be taken during the discussion but towards the end of the proceedings of the day I will provide an opportunity for any persons wishing to make a short statement subject to time, and there may be a couple of people who want to make a very short statement later in the day. Participants are not required to take an oath but should be truthful in their remarks. Participants are welcome to comment on the issues raised in other people's submissions.

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 and just to remind you, we're seeking submissions from the community generally, and interested parties during this month.

For any media representatives attending today, some general rules apply, and you're asked to see one of our staff for a handout which explains those rules.

Just some housekeeping matters. In relation to our occupational health and safety requirements, I'm required to remind you that there are exits both at the rear and the front of the room behind us. In the event of an emergency an alert tone will be sounded. If an evacuation is required a staff member from Hotel Grand Chancellor will escort all guests to the designated assembly area at the secure park entrance at Clubhouse Lane.

Today I'd like to thank you again for attending these particular proceedings. The report is a very complex report. It's the largest single inquiry into this area ever. It looks at all aspects, and so as a consequence of that, we've chanced our arm, got a lot of issues, and that's what we were tasked to do. So we understand that there are many and varied comments from various people about all aspects of this particular report and we certainly welcome this.

So I'd just like to now call our first participants, and if you could give me your, each of you your full name and the organisations you represent for the record, please.

MR DENNEY: My name is Bill Denney and in a sense the three of us represent the nine bodies that are here today.

MR HIGNETT: I'm Bill Hignett and I'm here representing the nine bodies that are here.

DR BLACK: Robert Black, Air Force Association, but a representative of that nine, group of nine.

COMMISSIONER FITZGERALD: So just for the record, can I just identify the nine agencies or organisations. Returned and Services League of Australia, Vietnam Veterans' Association of Australia, Vietnam Veterans' Federation of Australia, RAAF Association, National Servicemen Association, National Malaya Borneo Veterans' Association, Korean Veterans' Association and the Military Brotherhood Motorcycle Club. Is that correct?

MR DENNEY: And the War Widows' Guild.

COMMISSIONER FITZGERALD: Thank you for that.

MR DENNEY: However, the South Australian branches of those organisations, not - - -

COMMISSIONER FITZGERALD: I was just going to clarify. So in respect of all of those nine it's the South Australian branches.

MR DENNEY: Yes.

COMMISSIONER FITZGERALD: Okay. Thank you very much. And I understand one of you has been delegated to present.

MR DENNEY: Yes, Commissioner, and I in fact go over a little bit of that. Ready to go?

COMMISSIONER FITZGERALD: Yes, thanks.

MR DENNEY: Yes. Good morning, Presiding Commissioner Fitzgerald and good morning Commissioner Spencer. Thank you for inviting us to present to you this morning. We welcome you to Adelaide and respect your role. We understand it to provide quality, independent research and advice to government.

I'd like to introduce my colleagues in perhaps a little bit more detail. Dr Robert Black AM. Dr Robert Black is a former group captain in the RAAF and he's a medical specialist. He had seen active service in Rwanda, Bougainville and East Timor and was a member of the Veterans' Review Board for nine years. He has rendered extensive community service, and still does so, and this includes his current appointment as the President of the RAAF Association South Australia.

Mr Bill Hignett OAM is a Vietnam veteran. He is a senior member of a number of ex-service organisations. Mr Hignett has made a significant contribution to the ex-service community over many years, particularly through his roles with the RSL and the Aboriginal Veterans, South Australia. He currently volunteers with the Veterans' Advocacy Centre based at Plympton which has been very pro-active in all of this work.

I'm Bill Denney AM BM. I'm a former lieutenant colonel who served in the army for 21 years. I saw active service in Vietnam. I'm a former Vice-President of the RSL South Australia and the Vietnam Veterans' Association. I've had a few positions since I left the military, most notably adviser to the Attorney-General of South Australia and Director of Veterans SA.

As you said, Chair, we appear today representing the South Australian branches of nine ex-service organisations and I'd just like to mention again because there's many people here from those organisations, the Returned and Services League, and we have the State Vice-President, Cheryl Cates, and the regional coordinator, Rod Murray who's here; Vietnam Veterans' Association, and we have President Rob Schahinger, and two past presidents, Philip St John and Paul Coppock; the Vietnam Veterans' Federation, Robin Carbins the treasurer, and the RAAF Association of course is Robert. The Malaya Borneo Veterans' Association and Brian Selby's here, there, right in front of us; National Servicemen's Association, their State President, Barry Presgrave OAM; the Korea Veterans' Association, Mr John Jarrett. The Military Brotherhood are not represented today, and the War Widows' Guild with Helen Meyer and Jill Davidson. Jill is the treasurer. So they are the nine organisations that we are representing here this morning, and I'd like to acknowledge, Commissioner, the members of the SO's who got up early this morning to be here, and to show their solidarity with our submission and all it contains.

Commissioner, never before have so many ESOs joined together under one banner to show their support and interest in such a cause, such is the importance of your draft report and our response to it. The ESOs that support our response represent the majority of veterans from South Australia. They've read your draft report. They've spent much time considering their response to it and we hope our response today, what we say, does justice to their concerns.

South Australia is unlike other states. We are smaller and more homogenous. Many of our veterans are impacted by geographic isolation and the paucity of significant regional centres. All of this seriously impacts service delivery in our state. As such, we believe we are very well placed to comment on the efficiency or otherwise of the Department of Veterans' Affairs, DVA, and how it currently fulfils its obligations to serving and past veteran community.

Our submission is comprehensive but can be summarised in six key points. The first relates to the Commission's draft recommendation to abolish DVA and replace its functions with a Veteran Services Commission. We agree with the Commission that the DVA is somewhat out of date and would benefit from reform. We agree with, indeed we applaud, some of your suggested changes. The revised focus on lifetime wellness is admirable.

We support investigation into the Joint Transition Command structure. Many of us who separated from the ADF after several decades of service

are acutely aware of the problems we faced and the lack of available support at the time. That said, we do not agree that all things considered, the current DVA model is not fit for purpose and is not working in the best interests of veterans and their families, nor the Australian community.

Is significant change required? Yes, indeed, but we are firmly of the belief that the current DVA model is salvageable. In some form it has provided exceptional support to hundreds of thousands of veterans and other clients for over a century. It is a structure that has been specifically created for veterans and is much loved by them, particularly older veterans over 65 years of age, which interestingly, and I know we're looking to the future, but interestingly the veterans over 65 comprise at the moment 68 per cent of the DVA client base.

We feel restructuring to assess and rectify many of the problems you have noted is a fundamentally better way to address those issues. We feel that many of these problems could be rectified relatively quickly and relatively simply, thus ensuring the outcomes the Commission, veterans, their families and the Australian community desire and deserve. We note that much good work has been initiated by DVA in pursuit of the outcomes sought by the Productivity Commission through its veterans-centric reform and feel that DVA should be allowed to complete implementation and have it tested before such a - any radical structural reform is initiated.

We feel that the proposed structure of the Veterans Services Commission suggested as part of the restructure, particularly the loss of a dedicated Minister of Veterans' Affairs, could result in a crucial loss of focus away from your stated core aim. Likewise, we worry that the transfer of veteran policy development into the Department of Defence will create a fundamental and irreconcilable conflict of interest. As we see it, Defence cannot be expected to train for and fight the nation's wars while concurrently having to manage issues like rehabilitation and workers' compensation.

To expect military leaders to be focussed on anything other than their war fighting role will compromise their primary objective and put the lives of their soldiers at risk. We do not believe that by applying a real budget constraint you will improve the long-term performance and sustainability of the veterans' support system.

A second point relates to the unique nature of military service. We are particularly concerned about the Commission's understanding of the nature of military service because, in a very real sense, this underpins any system designed to support veterans and their families. We acknowledge the Commission's perspective, but with respect, we don't think it captures

the true spirit of sacrifice that is accepted and lived by those in our Defence Forces.

The profession of arms is truly unique. While we can talk about and from your report the requirement to follow orders, frequent relocations, long and irregular hours and high risk situations, that really does not capture the totality and mindset of the men and women who have, as we often say, signed a cheque to the nation. The amount payable written on that cheque is up to and including my life.

The depth of commitment and that follows afterwards is absolutely unique and fundamentally different to almost every other career in our nation. The system of support that underpins it we believe should be likewise. Members of our Defence Forces willingly and knowingly put themselves in harm's way in the execution of government policy, making their circumstances substantially different to a civilian worker's compensation arrangements or similar. Moreover, ADF service is the only employment in the nation where the employee is willingly prepared to accept and live by a separate disciplinary code, able to punish by imprisonment, such is the depth of commitment expected of and offered by those who enlist.

We do not agree that the current system, the description of the current system of compensation as being unduly generous and feel the word fair would be more appropriate. There might be issues of application and eligibility to be addressed in some areas, but this is more a process of refinement rather than anything else. We remain loyal to the Gold Card system. The Federal Government created the Gold Card system. They did so because they closed repatriation general hospitals and this was seen as the most efficient way to ensure that those who needed medical treatment received it. We believe that a Gold Card system, or something very similar to it, remains the best way to ensure that those who have suffered in the service of their nation are adequately cared for.

Likewise, we strongly support the retention of the Veterans' Review Board in its current guise. We can understand the temptation to adopt the recommended model, but from decades of close personal experience, both as a member as in the case of Dr Black, or as someone who has appeared before it, myself, we know just how important it is and how it truly helps get to and understand the totality and the truth of a veteran's claim. It follows that we see the VRB as a great enabler and that it value-adds whenever its services are required.

Finally, we offer our support for the retention of two standards of proof. We accept that the nature of some injuries will be no different whether they are suffered at peace or at war, but this does not apply in all cases.

We believe that the circumstances under which a wound or injury is incurred is important. Things happen in war that don't happen in peace time and accepting two standards of proof is a moral and equitable way of accommodating this.

Commissioners, that concludes our opening address. Thank you for your patience. I hope I kept to the 10 minutes and we now stand ready to answer any questions you may have. Now, a large number of veterans contributed to our submission, so we may not have detailed answers to all your questions, but we'll definitely try. Thank you.

COMMISSIONER FITZGERALD: Thank you very much, and we've read the submission and it's very detailed, and thank you for going through and commenting on all the recommendations.

Can I just raise a couple of issues. In your oral submission just then you referred to the removal of a dedicated Minister. In fact, our recommendation is that there be a Minister for Defence Personnel and Veterans, in fact a strengthened position. At the moment they come together. We think it actually should have one Minister, but can I ask this question. We've looked at the veteran throughout their life, both in service and out service, and the remuneration and the benefits and services they receive in service, and the benefits and remuneration and support they receive post service, are not unrelated.

There's a continuum, and yet at the moment we have policy here and policy there, and there's no connection, and so one of the things we've been trying to say is, how do you actually have policy that actually deals with the whole person throughout their life? What do you pay people in service, recognising their commitment, their deployment overseas is important. The way in which you compensate where there's injury or illness is important. The way you compensate people through services is important like rehabilitation, both in service and out service.

So one of the challenges we've been facing is, how do you actually get a continuity rather than this disconnect between the two, and I'm just wondering whether you have a view about that, and you may not.

MR DENNEY: Well, you make a valid point, Commissioner. I guess what we've been talking about Veterans' Affairs which does sort of focus on the latter rather than the serving personnel. What do we think about that?

DR BLACK: If I might comment, I'm not sure that many of those who have served and leave the services regard it as a continuum, and it may be

that the Commissioner was a bit constrained by trying to make it a continuum. Certainly was a continuous life, but it's not a continuous career or set of circumstances, and I think that that, you might be making it a bit difficult for yourselves in trying to do so.

COMMISSIONER FITZGERALD: You'd acknowledge, and I think in your submission, for example, in relation to transition, there's great improvements that can and need to be made. We've made some suggestions and you've indicated that they have some merit in relation to the transition command and so on. Do you think that the planning, the policies that relate to veterans generally, are being well-served in the current structure? I mean, you've indicated that DVA has many problems, and there have been many improvements in recent times, and we've acknowledged both of those, both the problems and the improvements, but are you satisfied at the moment with the quality of policy-making that's occurred in relation to veterans generally?

MR DENNEY: I think generally we are, and I think that's reflected by - statistically by all those that are part of the DVA catchment. This doesn't say, as I said before, there's not room for improvement, but I think generally speaking what I think is the satisfaction rate is somewhere around 82, 80 - in the 80 per cent mark.

COMMISSIONER FITZGERALD: So in relation to that, that varies according to age.

MR DENNEY: Yes, it does.

COMMISSIONER FITZGERALD: Those sorts of figures?

MR DENNEY: Yes, it does go down for the younger ones.

COMMISSIONER FITZGERALD: For those under 50 there's a high level of dissatisfaction.

MR DENNEY: Yes.

COMMISSIONER FITZGERALD: For those over 50 there's a high level of satisfaction. So we're conscious that the veterans' community is very diverse. We don't appreciate it as well as you do, but we understand it better than we did at the beginning, and it does seem to be different expectations for younger veterans and older veterans. Would you agree with that?

MR DENNEY: I would, and I think that reinforces Robert's point that it might be very hard to bring them together like that, the difference between 68 per cent of your veterans who are over 65 years of age now and to have one structure for them, and to have the 46 per cent of veterans who - younger veterans who aren't happy with DVA, have another structure for them. I think it's very hard to try and pull them together as Robert said earlier on.

COMMISSIONER FITZGERALD: So if I could just - Richard will raise some questions, but if you ask this question, I - - -

DR BLACK: Could I just go back, sorry, Commissioner, you brought up the question of transition and a very important issue because, as you've identified some of those being discharged, and I would use that word rather than transition, I see transition as a euphemism for sometimes the processes of leaving the Defence Force and going out into the wild world. You had to deal with the question of a very significantly high incidence of suicide in a group of individuals and that group I think can be identified as those leaving the service, being discharged, let's use that word, that active verb, rather than the non-specific noun of 'transition'. That that group of people are leaving a career path which they had intended involuntarily, often because they've been broken during their service. That seems to me an extremely important group for, if there is going to be any Joint Transition Command or some structure, that seems to be a very important group to handle and look after, and I would hope that that structure might, rather than enable discharge, prevent discharge until the claims and problems of that group are dealt with and I suspect that a lot of those people would feel more comfortable, would feel contented or feel proud if they were retained in the Defence Force.

I think I did point out in my earlier submission that one of the problems that the Defence Force has is that there are not many positions that aren't close to the sharp end these days, and things like security and drivers and transport and so on, and people in the mess, stewards and so on, they're all civilianised now and that's a problem that I don't think that is going to be part of your remit but those people are in trouble if they are discharged against their will.

COMMISSIONER FITZGERALD: And we've concentrated on that particular group, particularly the 20 per cent that are discharged on medical backgrounds. Can I ask this question, just in relation to that. The proposal we put forward is a Joint Transition Command which would be able to provide support services for people post-discharge for a period of time. We've indicated an indicative period of six months. I think your submission goes for a longer period, is that correct?

DR BLACK: Indeed.

MR DENNEY: I think two years I think is what we were talking about.

DR BLACK: Yes.

COMMISSIONER FITZGERALD: Could you just talk me through why you think two years is an appropriate figure? I know there's no science in this but what do you think is reasonable?

MR DENNEY: I think, personal experience, is one of the issues, and it will depend a lot upon whether other aspects of your recommendations are adopted, they're talking about getting people to start thinking about their discharge, in some cases almost the day they enlist. I think with that to be brought to fruition people are better placed when they transit out of the services and you might be able to reduce the time, but I think from experience and discussion the general feeling is particularly longer term members will take a lot longer to adjust than six months. Yeah.

COMMISSIONER SPENCER: Thanks very much, Robert. And look I just wanted to add my word of thanks to everybody for coming today, and clearly the amount of thoughtfulness and preparation that's gone into assisting us with this inquiry, so thank you very much for that. The second point is, as you know we're trying to look maybe 20 to 30 years out, to see what is a scheme - aspects of the scheme that will work well in the future. And as Robert suggested earlier, we've put forward some bold changes, some of which you disagree with and others do and - but it's created a conversation which is really important about how we best go about this.

One of the issues we're grappling with, and many others before us have, is the current complexity of the three acts and multiple different arrangements which everybody agrees is not in the best interests of veterans and of people trying to administer the scheme. So our proposed solution is to move to what we describe as that two scheme model over time, where VEA would be largely preserved as it is at the moment. DRCA would be rolled in MRCA and that would become ultimately the scheme of the future. So I just want to - if you have any comments on both what we're proposing around that approach and the timing of that approach.

DR BLACK: Yes, I can - we can agree with a lot of those suggestions. Harmonising the Acts, not just easier for veterans and advocates but easier for delegates making decisions. We can certainly applaud that and we can

applaud the common use of statements of principle, those wonderful legislative instruments that have been around for over 20 years, since the Bone report I think, and which enabled two standards of proof, which we would hope to be preserved, leaving a fairly open transparent prospect of success.

What I'm worried about, what we are worried about is the downgrading of the common review pathway, which is applauded - the common review pathway is applauded, but to downgrade the VRB's position is not something that we can applaud, particularly because there is a suggestion in the draft report that more decisions would go to the AAT, the Administrative Appeals Tribunal. Now that is a scary place. That is a place where the stress is going to increase, and the expense for veterans. In the VRB it's cheap, there is no adversarial approach. The people on the other side of the table are - members of the Veterans' Review Board are there to find out, to search for additional information and its aim, its mission if you like is to find the correct and preferable decision, and if there is a claim that can be granted, then that claim should be granted and that award given if there is a framework that can be seen. So the VRB in its present situation is something that we hope will be preserved.

You did report on the success of single person decisions, the alternative dispute resolution processes that I would suspect have been a success, certainly shortening some of the processes, but to have single persons making these decisions they have to be very clever or very experienced and they will only get their experience with three person tribunals and hearings within the Veterans' Review Board. So three person tribunals and the sort of interrogation and information gathering that the VRB does is something that I hope that will be preserved.

Now the AAT as I mentioned, expensive, adversarial. The veteran who claims there will for the first time see a lawyer representing the department or the commission really. That lawyer is defending the delegates' decision. It's the first time the person will see that "it's me against them". That is going to be - increase the stress. One of the principal aims I suppose of the Commission's task was to find out about the stress of the claims process and the fact that suicide is around the corner, and it may be exacerbated by the claims process and the stresses of it. There's a good body of literature and an expert in South Australia in the form of Alexander McFarlane - Sandy McFarlane, showing that those who have stresses in this claims process will have worse lives, worse health outcomes subsequently. But in terms of reducing stress, pushing more to the AAT will certainly not do that and in my opinion will increase the stress immeasurably.

COMMISSIONER SPENCER: Thank you for that observation. As you're probably aware, there's the actually the Senate inquiry back in 2016/17 which led to our inquiry, so part of what we're trying to explore here through a number of different changes is how to reduce the stress of that process. So part of what we're trying to explore with the VRB is how could more of the ADR type process, the earlier determination and certainty for everybody be brought back more to the initial claims system. Rather than it having to be something which subsequently veterans have to engage with after perhaps frustration and difficulty through the early stage of that process. So your thoughts about how to do that in any submission you put in would be very helpful.

Could I just go to a different issue now and this relates to ESOs. We said in our draft report that - we did not say a lot about that because Robert Cornall, as you know, was running an inquiry around that particular issue and his report I think it's - it has been released yet, or it's about to be released, I believe. But what struck us is that the ESOs represent an extraordinary valuable hidden asset within the system and how can that be made better use of in the future? Now, our view would be that's largely up to ESOs. We in government have no place to inform ESOs as to what their role should be. However, on the other hand, government can assist, can help to fund certain efforts, certain possibilities and opportunities, and so we're interested in, once again, any submission that you would – in your comments today, but any submission you put in subsequently about how can the role of ESOs be more utilised to enhance the system as a whole, and that's beyond the advocacy role. That's about, I'd suggest, around about services and other ways to support veterans that's not possible through a more formal system.

MR HIGNETT: Yes, we're grappling with that at the moment, and of course, with South Australia, we're much smaller than the other states, and so there's got to be much higher levels of cooperation between the ESOs.

That (indistinct) we're exploring the content of a community of practice for advocates, and there are – unfortunately, there are a number of restrictions that DVA have got. For example, on an earlier report that DVA had, I think in 2010, showed that I think only 24 per cent of veterans making a claim in South Australia in the country regions were actually supported by an advocate, whereas mostly around the country, it's in the order of over 90 per cent.

But DVAs got a restriction on the travel, for example, so that you can only – your advocates can only get reimbursed for their local travel. So, when we're actually travelling around the country, we're lucky in South Australia, we got a grant from the South Australian government.

We actually raised this issue with the Minister for Veterans' Affairs when he was here for last week. But I think we realise there needs to be much, much greater levels of cooperation. They're an advocacy. Certainly, in terms of supporting the veterans, it is really our key focus at the moment to make sure that they actually are able to put their (indistinct) forward with any claims or any appeals or representation. Thank you.

MR DENNEY: Advocacy is that one requirements that seems to cross the generations entirely. You know, welfare may not, and other support services provided by ESOs, but advocacy is the one that you'll get the young soldier, sailor (indistinct) and a woman who's only been in a few years needs support right through to the older World War II veteran.

COMMISSIONER FITZGERALD: So we'll be looking at the Robert Cornall report. What we will be doing is distinguishing between advocacy in relation to claims, and then the very important work that you do, which is generally the advocacy and support, the wellbeing side of it.

The question that Richard's raised is, putting aside the advocacy in relation to claims, because that's – we'll specifically look at that issue, and that's really what Robert Cornall's been looking at.

But we are interested from the ESOs what is their role going forward in the general wellbeing area. But the most important issue what is the role of government in supporting you in that? And that's the part of the work that we'll be looking at in the final report, which we didn't look at in the draft. Now, it might be minimal, it might be almost nothing, other than a few grants. But if you have considerations, that would be good.

Can I just go back to Richard's first question? I just want to understand, as Richard's indicated, we decided to keep the VEA and we – I'll go back. We couldn't work out how to bring it all together in one Act, in one scheme, and we looked at all that very hard.

So the VEA continues on with some modifications, and then, as Richard said, the DRCA and MRCA come together and they effectively deal with different people from different eras, as you know.

From what I understand from what you've said in your submission, and just then, you're relatively supportive in principle that that's okay. A two-stream approach is an appropriate way to go. Is that correct?

MR HIGNETT: Yes.

COMMISSIONER FITZGERALD: Okay. Can I just go back a little bit? If I can just test out a couple of issues. In relation to the VSC, the Veterans Services Commission, this is a work in progress.

A couple of the people have indicated that we put in all of this into the Department of Defence, and as you know, that's not the case. DVA is part of the Defence portfolio already. So the Defence portfolio is not the department.

So the VSC, if you had it, would have its own Board of Commissioners made up of veterans and expertise. It would take the very best principles in relation to the way in which you run compensation schemes. It wouldn't be involved in policy and all those other areas. But it would be a best practice, efficiently run administer of compensation, rehabilitation and health services.

As we now do in every other part of government, we never have compensation schemes run through departments, and there's very good reasons why that doesn't happen anymore. It used to, doesn't now.

So, is the great concern that the Commission would still be veterans only? It would have a veterans centric. It would have the best practices available to you. Taking the Veteran Centric Reforms, and as you know, our timetable says 'don't do anything until they're completed.' So we completely agree with you.

Is there a fundamental problem with that, or is the real issue about what we've said in relation to planning, policy, those sorts of issues? So could I just clarify. Because at first instance, the Commission actually delivers heaps to veterans, and it's all about veterans. Nobody else. It's not about workers' compensation, or about anything else. It's about veterans. So you get the best of both worlds.

So could I just understand clearly, is it that concept, or is it actually around the policy and those sorts of issues?

DR BLACK: I think, Commissioner, it's about the splitting of the policy under Defence. The splitting of the two, and I think that's what's sort of enabled – disabled it to a large degree. That's, I think, the way we've viewed it. Putting the Defence policy group over under Defence to us is difficult to accept as being as good as we'd like it to be.

COMMISSIONER FITZGERALD: And if you didn't have it in Defence, let me just give a proposition. Let's say you did have a Commission which is only about the administering of compensation,

rehabilitation and health services. It's not about policy. Your fall back position is there would be still a DVA?

DR BLACK: Yes.

COMMISSIONER FITZGERALD: And that DVA would have a number of functions, including policy, and I presume, liaison and coordination with ESOs. Those sorts of roles and functions. Is that correct?

DR BLACK: That's our view.

MR HIGNETT: And continuing with the commemorations and war graves functions as well.

DR BLACK: We see problems with the AWM dealing with that, because there's no AWM in various parts of the country. There's just one.

COMMISSIONER FITZGERALD: The second one, can I just test out? You've indicated in your opening statement, and in your submission, that you prefer to keep the two standards of proof that apply. So let's go back. We agreed with the statement of principles. Very good. Excellent. We think they should be retained, and as you know, New Zealand is going to adopt them, so that's good.

So the standards of proof. We've got these two standards. We've got this reasonable hypothesis, and then we've got this very generous, you know, it's called beneficial balance of probabilities.

Logically, you would only have one, so and in simplifying the system, you'd only have one. So what are you worry – sorry, not what are you worried about, but why do you think we should not go down that path? Why do you think we should keep two standards of proof, which are quite close. They look very different, but in practice, they're quite close. So what's the argument that you think we should be most mindful of in that area?

DR BLACK: Well, I think that part of the reason is, and perhaps the difficulty that the Commission has had is adoption of this definition of veteran. Because that definition is not something that people would accept. That the veteran goes from one extreme to the other, and although it's a continuum, there is a line that is drawn, usually by the Minister of Defence, as to what is operational, hazardous, peacekeeping, warlike, qualifying service, and what is peacetime service.

And on one side of the line, we can see no reason why it should have a standard of proof other than the civil standard of proof of the balance of probabilities.

The other standard of proof, however, originally, and the earlier legislation preceding the Veterans' Entitlements Act, and including it, and (indistinct), what it used to be, that the benefit of doubt was given to the claimant, the veteran. He wasn't a veteran then, he was a returned serviceman.

COMMISSIONER FITZGERALD: Yes.

DR BLACK: Didn't regard himself as a veteran. What did that mean, the benefit of the doubt? Well, the definition came following the High Court determination in the O'Brien case in the 80s. One of the learned judges used the expression, "reasonable hypothesis", and he referred to it, described it. That was further defined, in fact, by a three-person panel of the Veterans' Review Board, you'd be interested to know, and that has been quoted repeatedly in judicial decisions, as to what a reasonable hypothesis is.

And as you say, it is a very generous – it's perhaps as low as a one in 20 probability. But nevertheless, it isn't the benefit of all reasonable doubt. So it's a defined benefit and perhaps the so-called beneficial legislation refers not just to that, but some of the words in the various acts in saying that a claim related to service can be because of an occurrence because of the conditions of service relating to service would not have occurred but for service, those words I think are what is referred to as "beneficial legislation" as opposed to just the standard of proof that we're talking about.

COMMISSIONER FITZGERALD: Could I ask this question. Do you think that that double standard, the two standards, is this - do you think only needs to stay in place for a period of time, or do you think it's a permanent fixture that has to stay forever? So you were what Richard indicated, that we try to think 20 years out. Do you think that it is actually an essential feature that needs to stay in perpetuity?

DR BLACK: I do, and I think that for 100 years now that is what the nation has expected, the way it should treat its war veterans. So I think that that should stay. There may be some future definition which is more easily clarified, but until then I think that should stay.

COMMISSIONER FITZGERALD: One of the previous inquiries actually talked about a single standard but a midpoint; that you actually

put a stab at somewhere between the two. We'll look at that and explore that a bit further but that has certain added complications, I have to say.

DR BLACK: Well I believe that - I'd certainly be against that and we understand that that's been looked at by Bruce Topperwein and looked at if the standard was the balance of probabilities that perhaps 30 per cent of veterans would not have got anyway. So, that we don't think is a good thing.

COMMISSIONER FITZGERALD: Okay. We will look at that. Is there any further - a final comment that you'd like to make before we conclude?

DR BLACK: Could I just refer to one aspect of the Gold Card.

COMMISSIONER FITZGERALD: Yes.

DR BLACK: Because one of the recommendations is that no future group should be considered for the Gold Card.

COMMISSIONER FITZGERALD: Correct.

DR BLACK: I'm not sure whether that is at age 70 or other circumstances. This recommendation has already been pre-empted by a decision by the Federal Government to grant the Gold Card to members of the civilian surgical teams in Vietnam.

COMMISSIONER FITZGERALD: Yes. Indeed, we're aware of that.

DR BLACK: And I think it would be unwise to say that we've got a clear vision of the future. There are other groups of people that perhaps the government might feel were worthy. We can think of a few examples; for example, a terrorist attack in Australia and servicemen were involved in this. They didn't overseas service, they didn't have war service, but maybe a government might feel that that is a group that could be similarly thought of.

For many years Legacy and I'm sure the War Widows' Guild would agree with this, that Legacy has been looking to ensure that World War II widows all receive the widows' pension and with it the Gold Card. There are not many now and probably 70 per cent - 60 per cent certainly of war widows from World War II do have the widows' pension and Gold Card. But Legacy has got two groups of Legacy widows; those with and those without the Gold Card, and they talk to each other, not necessarily happily. And some resent it because their husbands may have had more

meritorious service than the one who's got the Gold Card. And I can perhaps envisage a day where the government in its beneficence might decide that there are sufficiently few of these widows that they will in fact give them all the Gold Card. And there are some who, I should say that looking at the criteria that [indistinct] used, that is those who'd suffered most and those who deserved most, there are some widows who when they lose their husband they lose a service pension and a disability pension, and is now left with just one service pension, that is an old age pension. That is a means tested pension. That widow is in trouble financially and I would hope that one day the government will decide that that is a group that might be worthy of the Gold Card.

COMMISSIONER FITZGERALD: Okay, look thank you very much for that. That's much appreciated. I know it's only a short presentation but your submission is very detailed and we're very grateful for it.

MR DENNEY: Commissioner, could I just acknowledge a person, Mr Paul Tyson from the Veterans Centre at Plympton. He was very instrumental in getting this off the ground and helping us with the submission.

COMMISSIONER FITZGERALD: Thanks. Could I just make the comment. Given that you've come together in a way that's not normal, that you said at the beginning, this is an integrative process, we want the submissions. We will be further considering all of the issues and if further issues, concepts, thoughts come to you during this process certainly for the next couple of months we would be grateful for those. And as you know, and I've made this offer previously, we're happy to engage with organisations, independent of this public hearing, to clarify parts of our report if that would be beneficial to you. Because understanding it is half the battle and then us understanding your responses. So again, thank you very much.

DR BLACK: Thank you.

MR HIGNETT: Commissioner, I've got one question to ask and that relates to in the report you indicate you're going to be waiting for the scoping study for advocacy to come down before you make some final recommendations relating to that area. Given that you've got to report by June, I think the end of June, I'm just wondering, once that report's down will there be an opportunity for us to make comments on that?

COMMISSIONER FITZGERALD: Well that's a very good point. The answer to that should be yes. I should say to you, the report has been delivered to government. The question is only when it's going to be made

public, which is the government's responsibility. But we would hope that happens soon and, yes, absolutely. If that comes forward with particular recommendations that you're either in favour of or against, we'd be very keen to hear from you about that, so that will inform our thinking. So, yes, thank you very much for that, we would be grateful.

Could I have the next participant, Mr Robert Manton please.

Thanks very much. If you could give me your full name and the organisation that you represent.

MR MANTON: Robert Manton, Director of Veterans SA, representing the Veterans' Advisory Council.

COMMISSIONER FITZGERALD: Could you just move the microphone closer. Good, thanks Robert, we've met before.

MR MANTON: We have.

COMMISSIONER FITZGERALD: Good. So over to you.

MR MANTON: Thank you for convening this public hearing today and for the opportunity to appear before you on behalf of South Australia's Veterans' Advisory Council. By way of introduction, I'm Rob Manton, Director of Veterans SA, a South Australian government agency responsible for matters affecting the veteran community in South Australia. I transitioned from the Australian Army in April 2011 after 30 years of service, including operational service in Iraq and the Middle East.

The Veterans' Advisory Council South Australia considered the Productivity Commission's draft report, "A better way to support veterans", at an extraordinary meeting on 24 January 2019 and unanimously determined to provide a submission relating to the draft report that is currently under development and you have been provided with a synopsis of the submission. The synopsis does provide the key areas that the VAC submission will address and I will, with your indulgence, provide an overview of those areas in my statement, and accordingly some of the words I use this morning you may already have read in the synopsis provided.

There is an overarching comment, the broad demographic of veterans or those considered part of a veteran community in South Australia are ranging in age between 18 and 102, although I'm told there's a war widow who is 109, and comprising and serving and ex-serving Defence Force members across multiple conflicts from World War II to Iraq and

Afghanistan. Spouses, partners, children, parents, extended families, carers and service providers offer significant challenges to anyone involved in either developing a veteran support system or executing its functions. However, the efforts underway by the Commonwealth Department of Veterans' Affairs in its Veteran Centric Reform program are encouraging our support and should continue to be supported.

The VAC considers the uniqueness of military service cannot be overstated. No other calling requires the surrendering of liberties to the extent that military service requires in both peace time and in war. In addition and often overlooked, servicemen and women are subject to the Defence Force Discipline Act 1982, 24 hours a day, seven days a week, when serving. No other form of employment that I'm aware of subjects its employees to separate jurisdictional processes to the same extent as the military.

Further, the war fighting culture of defence requires the mindset to legitimately apply lethal force in pursuit of state based, and often against other equally trained and supported forces. The scale and scope of service of defence members' work is not replicated in any other state based services. No of part of the state can plausibly lay claim to a role that exists to purposefully kill, wound, and/or destroy life and property.

Accordingly, the Council is firmly of the view that the existing veterans' compensation and rehabilitation system ought not be compared to other workers' compensation schemes. The task of defending the country against aggressors, foreign or domestic, is unique, under any interpretation of the word.

The VAC is united in its view that any changes adopted following the Commission's work must not be detrimental to veterans or the veteran community, and the Council unanimously endorses the Commission's view that a wellbeing focus should underpin the veteran support system.

The Council agrees that the veteran support system requires, in some areas, fundamental reform. However, the Council counsels against radical reform. This observation stems from its deep understanding of the culture and norms of military service, and the Veteran community.

By its very nature, the veteran community is traditional and conservative, and while trained to be flexible and able to react and deal with change, radical reform proposals are unlikely to attract broad support.

The VAC agrees the legislative changes required, ideally, ultimately result in a single piece of legislation, and the VAC has advocated for this

approach for some time. Accordingly, the Commission's recommendation of a two-scheme approach is supported in principle, but more detail would be welcome.

The recommendation to disestablish the Department of Veterans' Affairs was unanimously opposed by the Council. The Council considers the loss of a department of state would seriously diminish the standing of veterans and the recognition of their service.

The commensurate loss of a department secretary was considered disadvantageous to the veteran community, removing an advocate at department secretary level with a seat at the Commonwealth secretary's table.

The establishment of a Veterans Services Commission is considered worthy of consideration, within the context of a departmental structure, not at its expense.

The recommendation to transfer DVA's policy responsibility to the Department of Defence was unanimously opposed by the VAC. Indeed, from a personal perspective, this was the recommendation that caused me the most concern, due to the potential for subordination of veteran policy to other high priority Defence department tasks, and a real potential for conflict of interest.

The Council believes that the role of Defence is, in its most strategic sense, to fight and win the nation's wars. Accordingly, its focus is, and must remain, on its national security responsibility that is arguably the highest priority of any government.

The men and women who executive this fundamental and vital role should be afforded a dedicated focus policy development organisation within a department of state.

While the VAC is divided regarding the recommendation to levy defence to the cover the costs of future claims by veterans, it endorses the recommendation of a single Minister for Defence Personnel and Veterans.

The VAC considers the single minister concept nests the responsibility for the health and wellbeing of those who serve with that minister, both during and after their service. It would ensure a single minister would seek to engage with Defence on best practice management of serving men and women, and remain responsible for them when they transition from the military.

The VAC agrees that transition is a key issue that must be addressed. Accordingly, transition awareness and planning should be incorporated into the annual reporting, and/or induction regime of military commands.

The VAC considers the establishment of the Joint Transition Command within the Department of Defence is one potential model that should be examined further, and while the majority of Council members supported the model, there was consensus that further detail is required.

A variation on this model for consideration is the creation of a single coordinative function for all transition services into one branch under the Vice Chief of the Defence Force, a step down from the establishment of a joint transition command.

The Council is of the view that the Commissioner's highlighting of a hub model is also worthy of close examination as an aid to successful transition. The partnership hub of the Jamie Larkin Centre in Adelaide is an excellent example of a single location offering a variety of services, including advocacy, employment assistance, welfare, health and wellbeing, financial counselling, et cetera.

A hub model is likely to address some of the ex-service organisation challenges currently being experienced, and under review in the Cornall Review.

The VAC opposes any changes to the DVA Health Card – All Conditions Australia, or the Gold Card, and unreservedly rejects the notion offered in one submission that DVA's health card system encourages a view of the system of a contest to be won with the Gold Card as the prize.

In these days of technological advancement, consideration could be given to a single chipped health card, that as conditions are accepted, can be updated. Serving personnel should be issued a card at enlistment that supports DVAs relatively recent approval of non-liability mental health care, and that can be amended through an individual's career to acknowledge any further accepted injuries or illnesses. This would avoid the need for a coloured multi card system.

The establishment of a Veterans' Advisory Council was unanimously supported. However, the VOC believed that state and territory membership should strongly be considered to provide a federal minister ground truth at the local level.

The VOC unanimously opposed the recommendation to transfer commemorations and war graves to the Australian War Memorial.

Council considers that, internationally, the soft diplomacy opportunities offered by commemorating our war dead in overseas locations is not something that the Australian War Memorial could support.

I am happy to discuss any of the aspects raised in this statement, or the synopsis provided, and where I'm able to provide an answer, I will, and where I can't, I will take a question on notice and respond at a later time.

COMMISSIONER FITZGERALD: Thank you very much for that, and we appreciate your participation in the consultational processes on behalf of the Veterans' Advisory Council.

Just a couple of quick ones, and then Richard may have some, and I'll come back. Can I just go to this issue about not wanting policy in Defence, and we understand that this is a fairly consistent theme in many of the submissions.

Are you satisfied, and I asked this of the first group, that policy in relation to veterans is currently being handled in the best appropriate way, and if it isn't, what do you think needs to be done about that?

And I go back to the point that I made early in the conversation, is there is a disconnect between policy that takes place for serving personnel, and personnel that then leave, and so the question is, if our recommendation around policy isn't appropriate, how do we improve policy generally in this space?

MR MANTON: I think that if you're talking a process, there is certainly room for improvement with regard to the development of veterans' policy within the existing department.

My view is, in the same way that government encourages ex-service organisations to come together and speak with one voice as much as possible, and that's what the last group that you saw here, and that's what the Veterans' Advisory Council attempts to do.

In the same way, I think government should be encouraging the two departments responsible for those who wear a uniform to come together and respond in the same way. I don't view, however, that that – and I don't believe that the Council views, however, that that policy element should sit in a department that potentially will subordinate the importance of the development of policy for people once they have left, to other, here and now, this is my primary task if I can win the nation's wars. That is the greatest concern.

Equally, there is the potential, and this is where the conflict of interest, I think, comes in for commanders at all levels to be encouraged to go careful with your people. Because there is a potential here that they could be impacted post service.

COMMISSIONER FITZGERALD: Yes. If I can just explore that a little bit further. The government itself determined that a veteran was any person that served more than one day in military service. Now that's not our determination, that's government, and so the whole notion over recent years has been that Veterans are seen as once continuous group of people from the earliest times in defence right through until end of life.

And yet, you and others have indicated that the policy, nevertheless, needs to be split in order that it doesn't get sublimated to the other issues. Do you think in any way that the government approach is inconsistent, therefore, or sorry, or do you think your approach, that of your advisory council, is inconsistent with where the government is trying to go with the way in which it deals with Veterans? Or do you think it can be accommodated through the way (indistinct).

MR MANTON: I think it can be accommodated. I don't believe it's inconsistent, and the reason I say that is simply that whilst in uniform, the individual member, whilst they may be classified, and I don't believe it's in legislation, I believe the determination of the revised definition of veteran was determined at the Veterans' Minister's Round Table and was promulgated, for want of a better word, in a media release. I don't believe it's enshrined in legislation. It may be, I don't – I can't confirm that.

COMMISSIONER FITZGERALD: I don't either.

MR MANTON: The reality, though, is that despite the fact that those people in uniform serving now may well be classed as veterans under that definition, they are the responsibility of the Chief of the Defence Force and the Secretary of the Department of Defence whilst they are serving in that uniform.

And when they transition from the service, they become – they lose that department of state advocacy element that exists when they are in uniform, and it is that bit where people leave Defence and say, "I've had enough, I'm leaving", they really don't want to be relying on Defence to go back to them and say "Your policy is rubbish", as far as ex-serving people is concerned because they don't want anything to do with Defence anymore, and so I think you do need that separate entity.

COMMISSIONER FITZGERALD: I'll come back with a couple of questions later, Richard.

MR MANTON: Sure.

COMMISSIONER SPENCER: Thanks Robert. I just want to go to p.7 of the summary that you gave us because the - and this is to do with the Statements of Principles. Generally speaking we've heard widespread support for that and, as Robert said earlier, we believe that the Statements of Principle works well, could always be improved but is a good feature and a number of submissions were received in support of that. You seem to be suggesting here that there are major issues from your point of view. I am just wondering if you can clarify; is it the Statements of Principles, is it the way in which it's applied, what are your concerns around the SOPs?

MR MANTON: I am by no means an expert and hence in my - in the submission that was provided to you we indicated that we would come back to you in the full submission - sorry, in the synopsis, we'd come back to you in a full submission with a detailed analysis of the concerns. So I don't want to go too far down that path. What I will say is that talking to - the Commission - the Council, rather, is divided in whether probability or likelihood are the best conditions to be applied. There is not a consensus yet amongst the council as to which of the two criteria ought to be adopted, if one needs to be adopted.

But I think, secondly, and this came from a discussion I had, not with a veteran but with someone who advocates - or who is a lawyer and has been engaged by veterans previously, who said that - and he went into some detail at the time which not being a lawyer went a wee bit over my head, notwithstanding, his point was that if you don't satisfy precise - exactly what happens in some of those Statements of Principles you get nothing. And that is the challenge I think. And I was interested in the Commissioner's comment earlier and indeed to the group earlier where it may well be that there is a middle road that can be found here and whilst that is challenging I guess that's the job of those in your position, to come up with some options for government to consider. I really don't want to go beyond that, only because I have yet to get a consensus opinion from the Council.

COMMISSIONER SPENCER: We would welcome those further thoughts on the SOPs. Can I just add one other comment that you made about cards. I mean clearly there's a very strong defence of the current Gold Card system. What we've been wrestling with here is how to ensure that those who need specific healthcare conditions which are related to service do get what they need, and particularly those in greatest need. Do

I understand correctly, so I just want to clarify this, that I think you were describing something like a smart card, and remember we're talking about what is going to be best over the next, you know, ten, 20, 30 years, technology and better data and systems are moving us in this direction. Did I hear you suggesting there can be a smart card which during the lifetime of a person's service can capture those incidents and those injuries or illnesses that relate to service, which can be reflected in some sort of smart card. Is that what you were suggesting?

MR MANTON: I certainly think it's an option that could be explored. If there is a concern about gold, silver, bronze or whatever the case may be, then perhaps - and I think one of the requests for information, further information that your report had was is there a need for a coloured card system and, if not, what is an option. So it's an option that could be explored. At the end of the day the eligibility criteria is the eligibility criteria and ought not change. However, my biggest concern is, just as a personal example, when I transitioned from Defence, and I am a client of DVA but I've not claimed anything, notwithstanding that, if serving members, particularly current serving members tend to be ten foot tall and bullet proof, and say "I'm all right. Leave me alone, I'll soldier on, I'll carry on with an injury or an illness and what have you," and then when they get out they've got other priorities. So coming back and making a claim that then gives them a White Card for specific conditions or something else is another bit of administration that they'll get to eventually but not necessarily now.

Where if, and it comes back to this point about the two departments working more closely together, if the individual is issued with a card at enlistment and that card already reflects, as DVA does, that nil liability health care for mental health is available, and that as the knee is done or repaired, or the shoulder or the back or whatever, that condition is then chipped onto that card, then that is theirs, that is their white card for that particular accepted condition, once accepted. It also goes to the point about transition. The view of transition - and the Veterans' Advisory Council has been looking at transition for two or three years now and indeed promoted it as the theme for the last couple of veterans' ministers roundtables and indeed at the Invictus Games it was taken on as an international forum - if you - part of the successful transition is - the idea of a successful transition to me ought to be, on the day you depart you are farewelled by a member in uniform who says, "Thank you for your service. Can I have your ID card please, and let me introduce you to your post-service family" and that's the DVA representative with the White Card or whatever card it is that has your accepted conditions on it. Because Defence have looked after you up to the point that they pass you over to a different department that will now take up the treatment of those

accepted conditions. If there is a card that follows you through and is chipped as you go, then that's an automatic transfer and a much more seamless way of doing it.

COMMISSIONER FITZGERALD: Just following on from the health area, we are looking at the whole health area. The Gold Card is an important part of that and we understand that, but it's only a part of a much broader consideration around health. Are there concerns by the council, it's not in your submission, about other aspects of the health supports or services? We are looking at that smart card idea by the way, but the health issue is much larger. Do you have any other comments that you think we should take into account when looking at this health area, beyond the Gold Card itself?

MR MANTON: I think it's, as I said in my statement, and the synopsis also says and I think there'll be more to say in the submission, is the focus on wellbeing is critically important. I say that from the point of view that - I'll go back to the initial point I made about the demographic the veteran community spans, 18 to 102 and older in some places. There is a significant number of contemporary younger veterans who have now seen service since - really since Timor-Leste in 1999 right through to ongoing operations in Iraq and Afghanistan - who have deployed on multiple occasions and who are now transitioning off to do other things. But they still have an entire lifetime of value-add to a community in terms of work, in terms of their own wellbeing. And so, therefore, I think the submission will have more to say about the point that you've raised, about the focus on wellbeing and about the overall health matter that needs to be addressed, particularly as we look forward through the next 50 years. You're looking 20 years, we sort of advocate for a period of what's the next 50 years look like.

COMMISSIONER FITZGERALD: Can I just get a clarification from you. Your advisory council has indicated some support for the VSC, the Veteran Services Commission, but as you say in your submission the terms - in the context of a departmental structure not at its expense, can I just understand that. Does that mean, provided a department, the Department of Veterans' Affairs was to remain in some form, there may be some merit in looking at a specific commission to deal with the administration of compensation, rehabilitation and related matters?

MR MANTON: As an ex-military person I can tell you that the - every slide that ever goes up when we give a presentation is a Y diagram. So if I were to equate it to a Y diagram it would be a dotted line.

COMMISSIONER FITZGERALD: Sure.

MR MANTON: As opposed to a solid line.

COMMISSIONER FITZGERALD: Yes, sure.

MR MANTON: Where does authority sit I guess is something that needs to be grappled with.

COMMISSIONER FITZGERALD: Sure.

MR MANTON: And I wouldn't want to go any further at this point.

COMMISSIONER FITZGERALD: No, that's fine. Well just so that there's an absolute clarity at the moment, the VSC would report to the minister, and that would be the Minister for Defence Personnel and Veterans, so that remains. It is a government statutory agency.

Can I just ask one other question and just to clarify your comments. We have recommended a ministerial advisory council. Your point, however, is that's okay, except it needs state representation on it. Can you just explain to me why that is a necessary model in this space?

MR MANTON: Sure. The experience that we have here in South Australia is that the Veterans' Advisory Council, and this is the first state that established one of those back in about 2009, the membership of that council, and it's appointed council by – currently by the Premier, or if not the Premier then whichever minister is responsible, and whilst it is advisory it also has a representational component to it too. So it represents various constituents. It's not unreasonable that the VAC will always have an RSL representative, a Legacy representative. It may not be the president or the board member but it will be a representative of someone who can take the information back to those bodies and bring their concerns forward.

The challenge for a ministerial advisory council, and I'll give you the example of the Prime Minister's employment initiative, and I can't remember the group that sits over that. That is a group of people that out here in the provinces there is no visibility of that – of the outcomes of that employment initiative at all, other than an award ceremony in Canberra and we're convinced that that is because at the coalface out here in the provinces the information is not getting back to either Canberra or the eastern states or whatever the case may be.

I would strongly, and it's a personal view as well as the Council's view, advocate that if you want – the Minister was – sorry I'll just go back a

step. The Minister was in regional South Australia last week and did an interview on ABC regional radio in which he made the point that this is where you find out what is going on when you actually get out and get boots on the ground and we understand the ministers can't do that on a constant basis.

And that is why state and territory representation is absolutely critical to provide the Minister with what is happening in South Australia with regard to advocacy services. What is happening the Northern Territory with regard to what DVA is doing, whatever the case may be, and it will be different depending on where the veteran community resides.

COMMISSIONER FITZGERALD: My last question then, Richard may have a final one. Our report is very light in relation to the responsibilities of state and territory governments, and that's largely because many have very little involvement and some have more. It wasn't clear to us what the role of state and territory governments should be. Maybe it should be what they're doing, maybe it should be more. Do you have a particular view as to whether our final report needs to be more explicit about the role of state and territory governments in this space?

MR MANTON: South Australia I believe was the first state to establish a state level Minister for Veterans' Affairs, and that's now been adopted nationally. In every state and territory there is now a minister who is responsible for veterans' affairs by name. It may well be a lower level minister reporting to another minister. In a number of states and territories, Queensland and South Australia particularly, the Premier is that person, with someone working to them to provide that day to day, week to week interface.

My view is that – and it was – you say it was light on, and I looked at the book and went not very light.

COMMISSIONER FITZGERALD: The book is not but the part about state governments is.

MR MANTON: Yes it is, and it – you're right it is light on it and I think there is room in there for consideration and for what state and territory governments ought to do. Essentially in South Australia the role of the Minister for Veterans' Affairs and the agency is to be that interface between the veteran community and the cabinet table, and then to encourage, through the Veterans' Advisory Council, that minister at state and territory level to advocate, raise matters, respond to issues that are raised at a federal level that do have an impact.

Because at the end of the day the Commonwealth pays and the state delivers. So the Commonwealth, from a Veterans' Affairs perspective, can develop a wonderful health care system but if it can't be executed at state level then it's not a particularly good system and so it's really that – getting that dynamic between those two. In the same way we want ex-service organisations to work together, departments to work together, we'd like too state and territory governments to work together as well. However, understanding that it's the Commonwealth government that deploys these people and ultimately has responsibility to pay for them, but the states are the ones who actually have to execute and deliver that.

COMMISSIONER FITZGERALD: Okay. Richard, any final questions?

COMMISSIONER SPENCER: I just have a very quick comment. You mentioned Joint Transition Command and that you're in principle supportive of that idea. There may be alternatives which we're going to explore.

MR MANTON: Yes.

COMMISSIONER SPENCER: And we'd welcome you putting forward any alternatives to that model.

MR MANTON: Sure.

COMMISSIONER SPENCER: Once again I think everybody is in agreement. The need for transition to be far better handled than perhaps it is at the moment, or that it is at the moment. So alternative models perhaps to what we're suggesting would be much welcome. Thank you.

COMMISSIONER FITZGERALD: Okay. Thank you very much for that.

MR MANTON: Thank you.

COMMISSIONER FITZGERALD: That's terrific. Good. Thanks Robert. (Indistinct words). Thanks very much (indistinct words). Thanks. I should just explain the opportunity for anybody else to stand up and make a comment a little later is after lunch. Does that work for you?

MR SCHAHINGER: Unfortunately, no.

COMMISSIONER FITZGERALD: All right. How long is your comment that you'd like to make?

MR SCHAHINGER: There's a comment in respect of (indistinct).

COMMISSIONER FITZGERALD: Okay. So if you do this now, but it's only for two minutes. Is that right?

MR SCHAHINGER: Yes, sir.

COMMISSIONER FITZGERALD: So you'll have to come and give your – you'll have to go on the record. So if you just come across, give me your name and then just give us the comment and then we'll move on to the next participant. Otherwise we're going to be in troubles. So if you could give me your name and any organisation you represent or in your own capacity.

MR SCHAHINGER: Commissioners, my name is Robert Schahinger. I'm the President of the Vietnam Veterans' Association of South Australia.

COMMISSIONER FITZGERALD: Good.

MR SCHAHINGER: My comment is to do with the expectations, technology and attitudes of the presentation today. I understand there is need to harmonise aged veterans as to current veterans, and I see a big void in that respect. We've very little representation for younger veterans, as I noticed here. I could be wrong but that's the way we see it, and we have difficulty in the harmonising of the two groups and that's represented – because we're dealing with the future, we're not dealing with the past.

And so, therefore, there are converting views but our views are a little bit different to the current views because if you're talking about the chip, you know the card to carry on the information that we're going to carry on through our whole life. It is a concern with me that we don't have that connection. We experienced that. We've got 85 per cent of older veterans happy with DVA, a lower number of veterans – the contemporary veterans – are not happy. I want to know why.

I think it's because of our changing society, our technology, expectations. There's no lack of communication for younger people to talk to older veterans, which we have the experience. They're the situations that concern the Vietnam Veterans' Association and myself. Thank you, Commissioner.

COMMISSIONER FITZGERALD: Good. Thank you very much.

MR SCHAHINGER: Thank you, Commissioner.

COMMISSIONER FITZGERALD: Thank you very much. Could I now call Returned and Services League SA/NT. I think we're still in order. Hi Steven.

MR CEISSMANN: Good morning.

COMMISSIONER FITZGERALD: And Kim, isn't it?

MR HENSHAW: Yes.

COMMISSIONER FITZGERALD: Thank you very much.

MR CEISSMANN: You're welcome.

COMMISSIONER FITZGERALD: Good. Could you both give your full names and the organisation you represent.

MR CEISSMANN: Yes, Steve Ceissmann. I'm the Senior Advocate at the Torrens Parade Ground, RSL state branch.

COMMISSIONER FITZGERALD: Thank you.

MR HENSHAW: Kim Henshaw, CEO of RSL SA/NT.

COMMISSIONER FITZGERALD: Good, thank you very much, and just your opening statement.

MR HENSHAW: Yes, Commissioner, as I – I think the best way for us to introduce what – how we feel about the potential for change is to say that we 100 per cent agree with the submission that the eight ESOs have put in. We don't see rehabilitation and compensation schemes for veterans and ex-service people to be very similar to workers' compensation, mainly on the grounds that the object of a workers' compensation scheme is to get people back to work. The object of a rehabilitation scheme for ex-service people is to get them back to a reasonable lifestyle, and I think those two things are very, very different and the object is, therefore – sorry, the means to get to that has to be very different. Steve.

MR CEISSMANN: Yes, and the areas we need to look at we believe is with the transitioning of our veterans. The other area we need to look at is the advocacy side of the house for veterans, both older veterans and new veterans. In that area we need to look at, and the other area is also combining the welfare side and the advocacy side for veterans, which needs to be looked as well.

MR HENSHAW: I think we're in a fortunate position of seeing the whole range, age range of veterans from very young veterans who are transitioning out for whatever reason, through to the older vets who may have transitioned out some many years ago, and the one thing I will say is our experience is that, particularly where veterans are medically discharged, they are usually angry. They chose a profession and a career of being in the services, and that's been taken away from them.

So the ability for them to transition into a useful member of society, and even useful for themselves, is limited by that factor.

COMMISSIONER FITZGERALD: Thank you very much for that. Can I just raise a couple of questions, and I appreciate that you're supportive of the submission that we heard at the opening of today.

You made the point that workers' compensation arrangements and the compensation arrangements for veterans is different because of that return to work and, in fact, return to a (indistinct) meaning for life.

Nevertheless, there are elements in relation to the way in which you run a scheme. A compensation scheme is made up of – they're all different. They're all over the place, whether they're workers' compensation, dust injury, all sorts of compensation schemes operate in Australia, and they're all different legislation, different purposes.

So when we looked around Australia, we tried to say how do you run a modern compensation scheme? Not the benefits, not the legislation, but how do you actually administer it?

And so, at the end of the day, we looked at the best models. So would there be a view that, if you can come up with a better model of administering this unique scheme, but taking the best practice from some of those other schemes, then that's an appropriate way forward if you're trying to design it.

So we acknowledge absolutely that it's not a workers' compensation scheme in the normal nature, but it has a lot of characteristics that are similar to the way in which you administer that scheme, and so that's what we were trying to get at.

MR HENSHAW: I think efficiency is something, particularly in government services, that we should all aim for, absolutely, and best practice in the administration side of any scheme and any project that the government runs is very important.

I think what we would stress though is that these are unique people who have come from unique circumstances. This is the only job in the world where your manager asks you to go and put yourself in a position where you could be killed, and that is absolutely unique to these folks.

And so while we are very supportive of any administrative efficiencies, we must never forget that these people are absolutely unique in our working environment.

COMMISSIONER FITZGERALD: Sir, as I asked the earlier participants this morning, is your major concern with our recommendation that moving or shifting policy out of DVA and removing that department, is that the major concern as distinct from creating a mechanism by which you better administer the scheme?

MR HENSHAW: Indeed. I think, as has been mentioned, DVA is very well thought of by the vast majority of veterans, particularly the older veterans, and I think the comment was just made that part of that is perhaps because of their years of experience with DVA, and knowing a little bit better how to navigate that department.

I think the department itself has done a great job of becoming more veteran centric, and so anything that would detract from that concept of having a single department that is very veteran centric and intent on doing nothing other than providing for the betterment of veterans, we would not support.

If there was a way to keep that and, as you say, improve the administrative back office processes, for example, then we would agree with that.

COMMISSIONER FITZGERALD: So, at the moment, DVA and Defence have entered into large outsourcing arrangements, and previous reviews have indicated that most of the DVA functions could go into the Department of Human Services. We don't believe that, as you know. We believe some back office should – we actually believe there should be a veteran centric commission. Now, some in government don't think that's right, that most of the functions should go to DHS.

So you could keep DVA but have nearly all of it done in DHS. That's where we're heading. Ours is actually doing something quite substantially different, but absolutely maintaining that veteran focus on it.

So has there been much thought given to the current direction of outsourcing within the department?

MR HENSHAW: Yes, there has. As late as last Friday, I was talking to DVA about the concept of DHS officers becoming the point of contact in many circumstances for veterans, and that's something we do not agree with. We think that there is a different dynamic amongst the other clients of DHS that is not helpful to veterans, and it's not helpful to their mental health.

So we certainly would not support DHS becoming the point of personal contact between Veterans and the government. If DHS was able to take over back office functions in a more efficient fashion, I think we would be happy with that.

COMMISSIONER FITZGERALD: Can I just go to a couple of other comments you made, and then Richard, and then I'll come back to a couple of issues.

The difference between older veterans and newer veterans I think is clear, and you acknowledge that, and certainly that's what we've seen. We've tried to accommodate that by keeping the VEA, by having a different scheme for younger or newer veterans. We've tried to maintain that difference for a couple of areas, but – and including in the health area, there are different views about those particular arrangements.

So given that there are different expectations of the older community and younger veterans, what do you think, fundamentally, is that difference? What do you think, from what you're seeing, is the fundamental difference between the expectations of older veterans, many of whom have had their benefits well and truly settled, and younger veterans who – a lot of it is about returning to work, to family life, to community life, in a very proactive way, which is not encouraged in the VEA, but is encouraged in MRCA, for example.

So I'm just wondering, can you tell me what you see in the difference between those two groups are?

MR HENSHAW: I'll let Steve answer that.

MR CEISSMAN: The contemporary veteran nowadays are currently doing three and four rotations overseas on operations, coming back. Within that time, that generally lose at least 70 people who want to get out and discharge from the Army because they've had enough.

The ones that want to soldier on are the ones that want a career. However, they've come back injured and they start their processes through the chains

of command which you have, your welfare boards, which are done quarterly. They get downgraded to J31. They're given six months at the welfare board to do the best they can to get them back to a J2 or a J1.

If they're going along processing, and remember, in this welfare board you have psychiatrists, doctors, rehabs, everybody's there, and they discuss the veteran right through, and if they consider that he's going well and they believe he can get back to where he needs to soldier on, they'll give him another six months, and that's really good.

Where it comes to the punch is when the turn around after that and say, well, you're not going to get back, mate. We're going to have to downgrade you to J51. Straight away, there goes his career in his Army. He loses faith in everything. He's not listening properly, and then starts to (indistinct) the transition from there, and that's where it all starts to fall apart.

Army's doing a very good job at this point of time, because they're transitioning, they now have a member that's coordinated who represents Canberra, from the APAC, and he assists all – attends all welfare boards, and assists a lot of the veterans to process through.

The transition itself now has a warrant officer and a major in there for the Army side, and once they've been downgraded they then have to pertain to the transition itself, where they are actually talked through their procedures for discharge.

Well and good, but again, because they're angry, they're cranky, and they're not listening, half their stuff doesn't get done properly, and this is where we're falling down a little bit in that area.

The rehabilitation side within Defence is very good. They have their resource team within the med centre. They outsource to the rehab people outside. Those rehab people do a plan for the Veteran to get him back to where he can go. Now, if he's J51, they'll sit him down and they'll discuss what they can do for him and what types of job he can get, and they'll process him through and get him qualified to do a job when he gets out, which is a really good thing for him.

They've also got the new section now, where they head upstairs to the civilian side of transitions, and they solely operate on what jobs are available for that veteran, and what he can look at to transfer out to get a job.

Now if he decides that I used to be a truck driver. Due to my knees, right and left knee, I can no longer do that job. I need to do something where I can have a desk job and I can get up and walk around", so he might decide to be a, say, a clerk in an office. So he'll go up there and he'll say, "Look, this is a job I believe I can get". They'll look at what he can do and they'll say, "Well, you've served this long and we can allow you to do these courses to get you qualified". So Army and their side of it are doing a pretty good job. The areas that are letting people down are RAAF and Navy.

The RAF have an MSC, but that MSC can only intervene when given permission by the hierarchy of the RAAF base and that's stupid because there's people in the RAF that need assistance and they're not getting it, where that person, you could direct them to the people they need to see, like advocates, and which they do when they're allowed to. Navy hardly do anything. When they come to us I'll say, "Did you do this?". "No. No, I just got up here and signed this and I'm out, that's the end of it", so it's not just the Defence side that's not talking. It's the actual (indistinct) of Navy, and they need to get together and start talking and come up with a system that can be in place to assist these veterans to get out in a proper manner.

The other side of it they look at and they're not told enough about is compensation, Comsuper. They got to the Comsuper things once they're downgraded, and they'll sit there and they'll hear all these days' worth of bloody interviews, and they only take in what they want. The rest of it they're not - they don't hear, and when they walk out there it goes in there and out this side. They have a data dump. They're good, however we still need to process them from there. They need to go back to their units and the units need to say, "Right, this is what you were told, this is what you were told. This is where you need to go now", start directing them to those things. There's not enough places and positions for that.

MR HENSHAW: So I think, Commissioners, one of the questions of us is what's the difference between older veterans and younger veterans and Steve's given a pretty good example of how a younger veteran may be transitioned. I think there's a different expectation from younger folks about how they should be treated and that's - I'm not trying to be disparaging, but I think it's just different from the era of, say, the Vietnam veterans who were brought up in a different - with a different ethos, and however did a service that was at least equal to anything that anybody's ever done.

So it's a societal shift, I think, in attitudes as much as anything. Young people tend to feel, or should I say they tend to be less patient than the

older folks, and because of that they are less - seem to be less resilient through the process.

COMMISSIONER SPENCER: Yes, I just wanted to go back to some of the discussion we were having earlier about this idea of workers' compensation schemes, and I think a concern that's been expressed by many people that they feel that what we're talking about is just picking up a workers' compensation scheme from civilian circumstances and applying it in the military context, and look, as Robert was mentioning earlier, that's certainly not what we're suggesting. What we have done is to look at what are the best practices, what gets the best outcomes from other workers' compensation schemes as we were required to do by terms of reference but we were happy to do that.

I think what we've observed is, some of the things that you've actually been alluding to or discussing that you see very prominently in the best schemes elsewhere, that is very pro-active engagement with the individual, what is described often as case management. That is very quickly, "What's the issue for this particular individual?", rather than treating people pretty much the same or cohorts the same, and sometimes civilian schemes are characterised as a return to work, but what we saw was that the best schemes are, yes, return to work if that's possible, but return to meaningful life. That's the other possibility.

So I think there are parallels where we can learn, but as Robert also said, we think that that scheme absolutely has to be military and in a sense veteran-centric so wherever it sits it should be in an organisation that does represent that. Look, the other thing that we observed in really excellent schemes is that they really track outcomes, they really track the data and we've commented a lot on that in our report and we think that should be a feature in the future.

One of the things we hear quite often, and I just wanted to pose the question to you about the South Australian context is, it's all very well having various health services, access to various services, but when you go to get them, they're not there, and that is challenging generally in Australia. I mean, generally speaking, in a city context, you're probably going to have more success than if you're rural and remote, but a comment was made in one of the submissions we received today that there are particularly unique aspects in South Australia to actually getting access to the services that people need and I'm just wondering if you can comment on that from your experience.

MR HENSHAW: I think the certainly low population and very large land mass, remote communities right throughout that land mass makes it

difficult from a geographic point of view to access some of the services, but there's also some other issues. If you read the positions vacant in South Australia a vast majority of - well, not a vast majority, but a large majority of them are for skilled medical people, so there's clearly a very severe shortage of skilled medical people in the state which makes it difficult.

Anecdotally we know of, for example, some practices that, whilst they advertise they will accept a veteran's Gold Card, for example, put caps on the numbers, and so if you happen to be one or two over the cap for the day then you'll be sent somewhere else and we don't think that's acceptable, and so I think the whole issue of health care, as you say, rightly say in Australia is a very difficult one. I think in South Australia it's made more difficult for two reasons. One is small population, very large land mass, and the second is a lack of skilled personnel within the system at the moment.

COMMISSIONER FITZGERALD: Thank you. Just in relation to health, just following on from that, I presume from the earlier submission that you're endorsing, can I just clarify your view in relation to this issue. We've heard from some veterans that they would like to be able to use health practitioners, but those health practitioners all require a gap payment and Veterans' Affairs, as you know, won't allow that. Do you believe that veterans should have the right to be able to go to a medical practitioner who does, in fact, charge a gap if they're willing to pay the gap? And is it right that that choice is denied to veterans currently?

MR HENSHAW: I think in a general sense choice should never be denied to anybody, particular in health care. I've got to be honest and say I have not heard at all the argument that some veterans would like to go to a different medical practitioner and pay a gap. I've certainly heard the opposite, and that is that they don't want to pay a gap because most of these people are on fixed incomes and certainly are not wealthy people, and therefore health - and have health care concerns.

So if they were to go to a health practitioner where they had to pay a gap, my fear would be that that would reduce the amount of times that they may be able to see a practitioner, and anecdotally, I don't have any data to back it up, but anecdotally I have not heard that there are veterans in South Australia who would prefer to go somewhere where they pay a gap.

COMMISSIONER FITZGERALD: And just to follow up from Richard's point, accessibility of the health care system, we've heard that, and again we're going to look at this in more detail, but some of the payment arrangements by DVA fall well below market rates that's

impacting on access. That may or may not be the case in South Australia. Is that a problem here or are you able to access services relatively reasonably, at least in the Adelaide context?

MR CEISSMAN: Yes, it does, especially with psychiatrists. If you need a report from a psychiatrist, standard report from a psychiatrist that a veteran's got to pay is around $2,000-odd. If DVA pay it's around $1,500, and a psychiatrist won't write a report unless DVA have requested it for the fact that the veteran cannot afford to pay it, so yes, it does have an effect.

COMMISSIONER FITZGERALD: In relation to the health area, just in relation to mental health, you've mentioned psychiatrists. The White Cards are now being universally available effectively for all ex-service personnel. Is that working out well in the state of South Australia?

MR CEISSMAN: Yes, it does. The White Card for mental health, we fill out forms and send it off. Generally within two weeks they've got a White Card and the White Card's presented and, yes, it works wonderful. Got no qualms about that.

COMMISSIONER FITZGERALD: Are there any final comments you'd like to make, or Richard?

MR HENSHAW: No, we have nothing more.

COMMISSIONER FITZGERALD: Any other final comments?

MR CEISSMAN: No.

COMMISSIONER FITZGERALD: All right. Thank you very much. That's good.

MR HENSHAW: Thank you.

MR CEISSMAN: Thank you, Commissioners.

COMMISSIONER FITZGERALD: Thank you for that. So could I have Michael Longford. Good, welcome, Michael.

MR LONGFORD: Thank you. It'll take me a while to sit down.

COMMISSIONER FITZGERALD: M'mm?

MR LONGFORD: It'll take me a little while to sit down.

COMMISSIONER FITZGERALD: That's all right. Not a problem. Well, it may be for you. Michael, if you can give us your full name, and if you are representing an organisation, that organisation.

MR LONGFORD: My name's Michael Longford. I'm just representing myself and other veterans.

COMMISSIONER FITZGERALD: Terrific. Thank you. Michael, would you just like to make an opening statement?

MR LONGFORD: Me?

COMMISSIONER FITZGERALD: Yes.

MR LONGFORD: Yes, okay. I served for 22 years in the military. I served 10 years in infantry and 13 years in catering corps. I've had my knee replaced twice. I've got ankylosing spondylitis in my neck, I've got lower lumbar spondylitis and I'm on 80 per cent pension with Department of Veterans' Affairs. So I get a wage of $200 a week and I haven't worked for three years, so. I've got some dot points if I want to go through them.

COMMISSIONER FITZGERALD: Please.

MR LONGFORD: The first one is doctors, how many doctors have I seen over the years. How long is a bit of string? I've seen quite a few. My experience with the Department of Veterans' Affairs have been going for eight years and I've got no satisfaction whatsoever. I've had 25 doctors' appointments, specialists, filled out forms, claim forms. I've filled out 25 claim forms and it takes so long for the process to go through that I feel like giving up sometimes but I can't. The claim forms, why are there so many? Why are there so many claim forms we have to fill out? I come under three different acts I think it is, MRCA, SRCA and VEA, I assume.

To be honest, Veterans' Affairs and the VRB is not working in my case. In other cases it probably is, but in my case it's not. There's an outreach system now that they've brought in to help veterans. The outreach system isn't working either. I went to the Review Board November last year and they overturned my decision through the outreach and it took them 13 weeks to get back to me saying that, "Yes, we've overturned the decision into my favour", and I went to see my advocate last week and I said, "How long will this take?", and he said, "Well, how long's a bit of string?". So he couldn't tell me.

So eight years I've had claims in with DVA. Every time I've put in a claim, I've put in 12 claims, I've had 12 different people come back with a letterhead and it's just not good enough the way that I'm being treated, and I know other veterans, some of them are in the same boat, and my wife works five days a week from 9 until 6 at night, and I can't do much at all now because of my back and and my neck, and all I want is what I'm entitled to.

I've been struggling for a long time now, for three years with no work. I get $200 a week and if I can say that last year I had my prostate scraped and it cost me $900, and I get $200 a week off the Department of Veterans' Affairs. That's a little story that, it's just I can't afford to do anything, and luckily my wife is working, so she supports me, and my other friends support me as veterans, so, but that's, you can ask me some questions if you like.

COMMISSIONER FITZGERALD: Michael, could I ask you a couple of questions?

MR LONGFORD: Sure.

COMMISSIONER FITZGERALD: When was the first time you put in a claim to DVA?

MR LONGFORD: Roughly eight years ago.

COMMISSIONER FITZGERALD: And were you still in service or had you left the service?

MR LONGFORD: No, I've been out for 20 years.

COMMISSIONER FITZGERALD: You've been out for 20 years?

MR LONGFORD: Yes.

COMMISSIONER FITZGERALD: You've said that one of the great frustrations is these multiple claims.

MR LONGFORD: Yes.

COMMISSIONER FITZGERALD: What's driving the number of multiple claims? Is it that your injuries are becoming apparent over time?

MR LONGFORD: Worse, yes.

COMMISSIONER FITZGERALD: Or is there something else at play that's causing you to have to put in so many claims?

MR LONGFORD: Well, now I'm getting older, the injuries are getting worse as - and they're turning into arthritis sort of thing.

COMMISSIONER FITZGERALD: Sure, and so do those eight claims covered different conditions.

MR LONGFORD: Yes.

COMMISSIONER FITZGERALD: And can I ask this question, and again, you don't have to answer any of this, how many of those claims have been successfully found in your favour?

MR LONGFORD: I've got eight recognised conditions.

COMMISSIONER FITZGERALD: Right. You've indicated that you're frustrated by the Department and we've heard that many, many times.

MR LONGFORD: Yes.

COMMISSIONER FITZGERALD: And you fall into that terrible category of being under three acts.

MR LONGFORD: Yes.

COMMISSIONER FITZGERALD: Which we hope to change.

MR LONGFORD: Yes.

COMMISSIONER FITZGERALD: But what do you think would have been the things or the steps that would have made that claims journey better for you? So what, if you look back on that eight years, and I know it's a complex period of time and you're still going through it, but do you think were the two or three things that would have made that process much better for you?

MR LONGFORD: I think number 1 would be advocates, better advocate service, because they have poor advocates. Mine only work once a week. They're volunteers, so every time I want to ring somebody the advocates are not there or he's unavailable.

COMMISSIONER FITZGERALD: Right.

MR LONGFORD: Number 2 is paperwork. I brought in some paperwork here that says that I've injured my back 10 times in the military and that's only 1 per cent of what, the paperwork I've got at home. It's sits high, the paperwork. And number 3 is time, and really, the Department of Veterans' Affairs is wasting money on other veterans and to go to see doctors, paperwork, so they need to fix up their system to speed the claims up.

COMMISSIONER FITZGERALD: In relation to the advocates, did you use advocates from a particular organisation or did you use - have you used several different advocates during the process?

MR LONGFORD: They're from the RSL.

COMMISSIONER FITZGERALD: M'mm?

MR LONGFORD: RSL.

COMMISSIONER FITZGERALD: And as you know, there's been a review of advocates being done by Robert Cornall.

MR LONGFORD: Yes.

COMMISSIONER FITZGERALD: And the government will release that report at some stage, hopefully soon. What do you think could have improved in the advocacy space for you?

MR LONGFORD: I think we need paid advocates to - full-time, are there five days a week, because at the moment they're just there once a week which is - they're all volunteers. They don't - they do a good job, but you don't really want to be somewhere if you're not getting paid, do you? I don't.

COMMISSIONER FITZGERALD: Did you find the advocates, and I want to be careful here, but were they well-trained and knowledgeable and it was just simply they weren't available, or were you concerned about the quality of advocacy generally?

MR LONGFORD: Can I be honest with what I'm saying or - - -

COMMISSIONER FITZGERALD: Well, that's generally the purpose of these hearings.

MR LONGFORD: Okay. I just don't want to bag too many people.

COMMISSIONER FITZGERALD: No, well, you have to make that judgment call.

MR LONGFORD: Okay. At the start, no, they weren't very good at all, but now I think the system's working a bit better with the veterans, but it's time to see them that - when I first started this eight years ago, the advocacy wasn't very good at all. I'd ring them and they'd say, "Oh, I'm busy today", or, "Come into town and sign this bit of paper", and - but it's improving. It is getting, but first off it wasn't very good.

COMMISSIONER FITZGERALD: So can I ask this question, the DVA as you know has this Veteran Centric Reform program on, and we have supported that in the report, and most of the changes we've recommended should take place after that has been completed, by 2021. There are some changes that should happen immediately, of course. Have you noticed significant or any improvements, and if so what, in the last two to three years?

MR LONGFORD: None. No improvements. It's gotten worse.

COMMISSIONER FITZGERALD: Okay.

MR LONGFORD: Can I say that my dispute is still going. Last year I put in for my lower lumbar spondylitis and in January last year of my lower back which I injured in 1983 in the army, so the Department of Veterans' Affairs turned around and said, "No, well, you're outside the 25 years, the onset". I said, "No, I got diagnosed again in 1993, so that's 10 years", and they said, "No, we don't think you did", so they knocked it back in June. It took them that long to do that case. So from June, I put in a - I reviewed it straight away, and November they came back and said, "Yes, we've overturned it in your favour", and now they've overturned - I've had my knee recognised as service-related, but the Veterans' Review Board has overturned that now into their favour for no reason.

COMMISSIONER FITZGERALD: Well, could I just take that last point if I can.

MR LONGFORD: Sure.

COMMISSIONER FITZGERALD: You've been critical of the VRB in your short statement. Can I just deal with that last one. When you say "for no reason", did they give you a reason?

MR LONGFORD: No, they just said it wasn't service-related.

COMMISSIONER FITZGERALD: You've had matters previously which have gone to the VRB and proven in - - -

MR LONGFORD: Yes.

COMMISSIONER FITZGERALD: And had decisions reversed in your favour?

MR LONGFORD: Yes.

COMMISSIONER FITZGERALD: So can I just ask this question, is your view of VRB determined on what the decision is, or is it the process itself and the way in which they make decisions that you think is flawed?

MR LONGFORD: I think the decision-making, I don't think it's correct. It's - they give you with one hand and take from the other. When my knee first got - I put in for it for five years straight. It wasn't service-related, and then last year it was, so that's good, I didn't work for two years, but my knee has stopped me from working, but I'm on $200 a week. So then my back gets found not service-related and then it is service-related. So that's fine, my back's fine. And then now, my knee's not service-related. So I don't know what's going on.

COMMISSIONER FITZGERALD: All right. And would you take that decision to the AAT or what will you do?

MR LONGFORD: No, I'll keep going. I can't give up.

COMMISSIONER FITZGERALD: Do you take that through to the AAT?

MR LONGFORD: Yes. It all depends on the outcome of this next - I've already been to the VRB and they've - if it comes back positive with the Gold Card TPI or whatever, I'll accept that, but if it doesn't I'll go - - -

COMMISSIONER FITZGERALD: Go for another claim?

MR LONGFORD: Yes.

COMMISSIONER FITZGERALD: Okay. I'll come back to a couple of things.

MR LONGFORD: Okay.

COMMISSIONER FITZGERALD: Richard.

COMMISSIONER SPENCER: Yes, just going back, I mean, it's 20 years since you discharged, and presumably when you had to go back and get information or your records to actually establish when some of the injuries occurred, can you tell us a bit about that? Was that easy, was it difficult?

MR LONGFORD: No, it was quite easy.

COMMISSIONER SPENCER: It was quite easy to get those records?

MR LONGFORD: Yes.

COMMISSIONER SPENCER: So were the injuries recorded at the time?

MR LONGFORD: They are, yes, I've got them here actually.

COMMISSIONER SPENCER: Okay, so they were in the records.

MR LONGFORD: Okay, that's good. The - - -

MR LONGFORD: The point is with that, sorry.

COMMISSIONER SPENCER: Yes, yes, sure.

MR LONGFORD: I've got here eight times, nine times when I injured my knee in service, but DVA just wrote back and said, "Well, they were minor injuries", and I said, "Well, not at the time. They were pretty serious to me. In infantry, it's not a normal job. It's heavy, it's hard", and they said, "Well, we don't think it is". See, the problem is that nobody in DVA has ever been in the army and never been in infantry. It's a hard job, so, but after that it was quite good. The documents came back quite quickly. They sent me a disk, so, but when you've got all this information here and they criticise you as a person, sort of thing.

COMMISSIONER SPENCER: So, and can I just, with your VRB experience, is your advocate - are you self-represented, or has your advocate been there with you through that process when you've appeared before them?

MR LONGFORD: Yes, the first, I've been to the VRB twice. Five years ago, didn't get anything at all.

COMMISSIONER SPENCER: Did you just go alone or did you have an advocate?

MR LONGFORD: No, I took my advocate.

COMMISSIONER SPENCER: You had an advocate with you, yes.

MR LONGFORD: And the second time we went November last year. I didn't go to the VRB, they had the outreach and the outreach overturned the decision in my favour, but that took 13 weeks to come back as in my favour. The system just takes too long.

COMMISSIONER SPENCER: And you mentioned in answering a question to Robert that you hadn't observed any changes as a result of the transformation project underway within DVA. When you say changes, is that about the outcomes you're seeking or the way in which you're going treated? Do you see yourself being treated differently in terms of the communication, in terms of explanations about what's happening and why? Do you detect any difference?

MR LONGFORD: Yes, it's - I don't know if I'm being targeted or it's - other veterans are being targeted as in, my conditions are service-related, but you're only on 80 per cent pension, and I can't work for three years, and I said before, earlier on that I get $200 a week. If I could go back to work I would, and I did try to go back to work, but my back and my knee have just, I couldn't - I couldn't do it.

COMMISSIONER FITZGERALD: What support do you think that the ESO community needs to provide to veterans in your circumstances? They've obviously provided the advocates, the volunteer advocates currently.

MR LONGFORD: Yes.

COMMISSIONER FITZGERALD: And that system is under review. Do you believe that the ESO community generally should, in fact, be more supportive of injured veterans or in your case would that not have made any difference to the way in which you were dealing with life?

MR LONGFORD: I don't think it would have made a difference in my case. I feel like we're - I'm in a boat where there's a war and there's non-war. If I'd have gone to war I'd be on a Gold Card TPI, because I've been told lots of times, "Michael, did you go to war?". I said, "No, I haven't been to war. Why?", and the said, "Well, your claim would be so much

easier", so we're under two umbrellas. We have to get away from that, and I'm under too many acts.

COMMISSIONER FITZGERALD: Sure.

MR LONGFORD: One of the acts, sorry, one of the acts that I was under was in 1971. They need to change the acts.

COMMISSIONER FITZGERALD: So you may or may not be familiar, Michael, that we're recommending two schemes where there'll be the VEA and the one single act which will be a combination of DRCA and MRCA, and you can elect from the VEA into that, so eventually veterans will be able to be under one act entirely for all their claims if they so choose. Would that sort of system, without going to the technicalities of that, have made a significant difference to the way in which your claims have been dealt with?

MR LONGFORD: I don't think so, no. It's - I don't know if it, I don't think it's that complicated. I was injured in the military and - - -

COMMISSIONER FITZGERALD: They should just deal with it.

MR LONGFORD: Yes, and they should deal with it.

COMMISSIONER FITZGERALD: But the being under three acts has its own complications.

MR LONGFORD: It does, yes, definitely.

COMMISSIONER FITZGERALD: Sure. Michael, just a couple of other questions. You've got a claim in at the moment which I presume is assessing whether or not you need a permanent incapacity or impairment which would give you access to lifetime benefits and pensions.

MR LONGFORD: Yes

COMMISSIONER FITZGERALD: And that claim is the last one that you've put in.

MR LONGFORD: Is that lower lumbar spondylitis?

COMMISSIONER FITZGERALD: M'mm?

MR LONGFORD: Is that about my back, lower lumbar?

COMMISSIONER FITZGERALD: I'm not quite sure.

MR LONGFORD: Yes, I've put in a claim.

COMMISSIONER FITZGERALD: Right, and that particular claim, can I just ask this question, is that being dealt with under VEA or under MRCA or DRCA or you don't know?

MR LONGFORD: I thought it was under something or other, I don't know. No, it's under VEA.

COMMISSIONER FITZGERALD: Right, okay.

MR LONGFORD: When I first - this is a claim I put in in January last year and it's still not finalised, so it's - - -

COMMISSIONER FITZGERALD: And just if I can just take that, why do you think it's not finalised? Whether the decision's in your favour or not is an issue.

MR LONGFORD: Yes.

COMMISSIONER FITZGERALD: But why do you think it's taking so long? Is there a problem with information or is there - - -

MR LONGFORD: Yes, it's - well, they've got computers and they keep sending me paperwork.

COMMISSIONER FITZGERALD: Giving you stuff or asking for stuff?

MR LONGFORD: Just giving me information and when - they took from January last year to June to overturn, or to say no about my back, it's not service-related, yet I had either medical certificates here saying that I've injured my back. See, it's outside the onset of the 25 years of the, when I injured my back. You've got 25 years to put in a claim, and get diagnosed, so I did that in 1993, and Veterans' Affairs said, "Well, no, you didn't". I said, "Yes, here it is, I've got it here, the report".

COMMISSIONER FITZGERALD: Right.

MR LONGFORD: So then in June I appealed it straight away and then it took to November.

COMMISSIONER FITZGERALD: And its state at the moment? Where is it now?

MR LONGFORD: I don't know.

COMMISSIONER FITZGERALD: Is it with VRB or is it with DVA?

MR LONGFORD: It's gone back to DVA.

COMMISSIONER FITZGERALD: Gone back to DVA?

MR LONGFORD: Yes.

COMMISSIONER FITZGERALD: Okay.

MR LONGFORD: And they could make a decision again and overturn it again and in their favour, so.

COMMISSIONER FITZGERALD: Sure. Richard? Anything you want to - - -

COMMISSIONER SPENCER: No.

COMMISSIONER FITZGERALD: Is there any other final comment you'd like to make, Michael?

MR LONGFORD: No, not really. I think I've got my point across**.**

COMMISSIONER FITZGERALD: I've got your point, and we've heard that many times. I know that people are supportive of DVA at the moment, but we are aware - we've heard from dozens and dozens of people they've had difficult circumstances in the process.

MR LONGFORD: Can I say that it's very frustrating, you know, it's - I'm the sort of person that, I did 22 years in the military and I've worked just about all my life, and I'm sitting at home in a lounge chair trying to get up and I'm not, sort of, old as such, you know, but I feel like I'm about 80, but I'm just frustrated to find out what's going to go on with me in the future, sort of thing.

COMMISSIONER FITZGERALD: Sure.

MR LONGFORD: Am I going to get any help from anybody?

COMMISSIONER FITZGERALD: Good. All right. Thank you very much, Michael.

MR LONGFORD: Thanks very much.

COMMISSIONER FITZGERALD: We'll take a five minute break and then Mr Kerry Lampard will be the next up, so just a five minute break. We'll start precisely in five minutes.

SHORT ADJOURNMENT **[10.30 am]**

RESUMED **[10.40 am]**

COMMISSIONER FITZGERALD: So Kerry Lampard, please. The technician's just going to add some loudspeakers so it's easier to hear. We'll just ignore him. Good, thank you very much. Welcome.

MR LAMPARD: First, can I thank you gentlemen for hearing us. I appreciate it.

COMMISSIONER FITZGERALD: Just a second. They're all talking. Can we just, no talk at the back please. Thanks. So that's right. Welcome. If you'd like to make a statement. Just firstly you have to give your full name and if you represent an organisation, the name of that organisation.

MR LAMPARD: My name's Kerry Lampard. I don't represent any organisation but I'm an ex-veteran and member of the SAS Association and the RAR Association, so.

COMMISSIONER FITZGERALD: That's fine, but you're here in your own capacity? Good. Please, just an opening statement.

MR LAMPARD: Okay. I put in a brief submission to the Commission. No doubt you guys have got a copy of it.

COMMISSIONER FITZGERALD: Yes.

MR LAMPARD: I'd just like to mention a couple of things, and I heard you mention in order to before about the Veterans' Entitlement Act perhaps going back to one act. In my first comment or suggestion, there are three acts at the moment covering veterans. What I think the Veterans'

Affairs Department should do is go back to one act so that it's no worse off for veterans, and not subject of political interference at any stage. How you do that, I don't know, but that's for smarter people than me. This should also make it a lot easier for training of advocates, future advocates, future pension officers.

The three acts at the moment are an absolute bloody nightmare for blokes who are volunteers. The second point that I made to the Commission is, it's difficult for a claimant to access his records once they leave the ADF. Now, it might be a bit better now. I left the ADF back in the 70's, and members may not present to DVA for quite a number of years before their injury becomes apparent, i.e., the gentleman before us with the bad back.

One of those things, and I think the Commission's already looking at it, is digital history of the soldier and that can be done by a little card and that could be borne by the cost by the member so that when he turns up to DVA office some 10, 15 years after he's out of the army, in goes the card, computer brings up his medical history and his service history. This would eliminate lots of disputes. So I think that you guys are already looking at digital history records.

The third one, third submission I put in, in box 9 and 10 of the draft report mentions transition and mental health. If we go down to amalgamating DVA with the ADF, then the ADF needs to be properly resourced, properly funded and seriously about it. So I don't know how that's going to play out so I leave that up to you. On page 52 of the review, if accurate records are kept by the Department of Defence, it would eliminate a lot of issues, in my book, that pensions officers have to deal with. Veterans' Review Board would be less, so it needs to be addressed so that life is made simple.

Just a comment, that's my submissions. Just a comment, I don't know if you know of John Burrowes from Victoria who's a pensions officer and advocate. Been doing it for a long time. He's also mentioned about the erosion of TPI and pension rates. In 1974 they were 75 per cent of average male weekly earnings, and that's been eroded. Now it's 40 per cent. So the Commission needs to have a look at that if they can. The Department of Veterans' Affairs are dealing with less and less veterans as the older guys fall off the perch, so that needs to be addressed, in my opinion, and I probably think you guys are going to get a fair bit of that when you go to Victoria.

But otherwise I appreciate that this has got to be the first time the DVA's had a Commission for a long time looking at ways that they operate, but they're not operating very efficiently at the moment. It's 30 or 40 years

old. We've got computers and digital stuff now which is terrific, so that's all I'd like to say.

COMMISSIONER FITZGERALD: So thank you very much, Kerry. Can we go back a little bit. In relation to the digitalisation of medical records and what have you, that's under way to some degree. Your own personal experience, you're a client of DVA?

MR LAMPARD: Sorry?

COMMISSIONER FITZGERALD: You were a client or are a client of DVA?

MR LAMPARD: Yes, I am a client. My first dealings with DVA as an infantryman, two tours of Vietnam, I got knocked back and had to go to the Veterans' Review Board, and I notice with the review board, and I don't know if it's changed, I was not allowed to have legal representation. The Veterans' Review Board had a lawyer, a doctor and a psych guy, plus another ex-officer which to me was a bit one-sided. So maybe that's changed now, I don't know, but I had to deal with DVA on a couple of occasions and it was difficult, but now I've got to say, you know, I'm satisfied 90 per cent of the time with DVA, but if you're a new guy coming through the system under the three acts, I think it'd be a bloody nightmare.

COMMISSIONER FITZGERALD: Can I just deal with the three acts. We've looked at the three acts in detail.

MR LAMPARD: Yes.

COMMISSIONER FITZGERALD: And tried to work out what is desirable and then tried to work out what is feasible. They're different. You'd probably be aware, we've come down to the view that the only feasible way forward is to keep VEA but to create a new single act for those that are not within the VEA, and then the option for people to move from VEA to those new acts if they so choose. Your own claims, were they under the three acts, if I could ask?

MR LAMPARD: No, I was only under the Veterans' Entitlement Act.

COMMISSIONER FITZGERALD: Veterans' Entitlement Act.

MR LAMPARD: Yes.

COMMISSIONER FITZGERALD: And have you been an advocate or a supporter of people that have been putting claims in recently?

MR LAMPARD: No, initially I looked at being an advocate but when they brought in the three acts I just couldn't hack it, so, but I know other pensions officers and advocates do find it difficult.

COMMISSIONER FITZGERALD: Yes, it is difficult. The three acts themselves, they have different purposes. One is very much about lifetime income support. The other one is much more about a pro-active return to either work or referred to a meaningful life. Do you think in your experience that those sorts of approaches for older veterans, which is really about certainty of income support, whereas for younger ones it's about some different things in terms of, you know, getting back into work and activities. Do you think that is a fair description of how veterans operate?

MR LAMPARD: Yes, more or less, but I - I keep coming back to the three acts just make life difficult for everybody involved.

COMMISSIONER FITZGERALD: They do. Your comments about VRB, have you had recent experience with the VRB?

MR LAMPARD: No, no.

COMMISSIONER FITZGERALD: All right. So when was the last time you would have had involvement with the VRB?

MR LAMPARD: A long time ago. Probably 20 years ago. I had to front the VRB Board and I thought the way it was loaded, if I can use that word, I was not allowed to be represented by - I could have an advocate there but not a lawyer, whereas the VRB Board were loaded up with lawyers, so it's a bit intimidating.

COMMISSIONER FITZGERALD: Robert Cornall's report, I think, will deal with those issues so we'll look at it in time. Do you believe you were disadvantaged by not being able to have a lawyer at the VRB?

MR LAMPARD: At the time I think so. Ultimately I was, you know, I was approved for TPI, but initially I was knocked back which took a lot of time. I was still working, and to front the VRB Board takes time and effort, time off work, et cetera, et cetera, so it needs to be simplified, and I think with the digital history, service history and medical history of a veteran, you put it in the bloody computer and up comes all the

information and it's there in two seconds so there can be no disputes and it would probably mean the VRB Board is used a lot less than it is now.

COMMISSIONER FITZGERALD: And you indicated that we're looking at that and we are looking at how to further enhance, how to further improve information collection. DVA and others tell us that that's been significant improvements and hopefully people will give us some practical feedback about that.

MR LAMPARD: Yes.

COMMISSIONER FITZGERALD: Richard?

COMMISSIONER SPENCER: Yes. No, thanks very much for raising these issues. Just a couple of observations which may be of some reassurance that things are happening. We think things should probably go a lot further, but in terms of the digital records, as Robert mentioned, the – currently, it's the Sentinel system within services captures injuries.

And also there's an electronic health system. We've made various recommendations about how they should be joined up to give a more comprehensive record about what's happened during service.

But maybe you could comment on this, because we've heard from a number of Veterans that there's a reluctance to report injuries because that can be – it can be perceived to work against you for deployment.

MR LAMPARD: Yes.

COMMISSIONER SPENCER: Or also against the culture, which is one of you should sort of toughen up and get on with it. Was that a feature during your period of service, and do you want to comment on that?

MR LAMPARD: My service, if I sent to the RAP, and I was sick or injured, or thought I had a twisted ankle or something, then it would be written in my records, medical records, you know, dislocated shoulder, or twisted ankle. But it wasn't always, what's the word I'm looking for? It wasn't always authenticated. So, you know, 20 years on when you come to get your medical records, it may not be there.

But with the digital history, electronic history, you go to the RAP now, and especially in the infantry, you put your card in and it's recorded digitally, so it's there forever.

So a lot of the times, the RAP would be your first port of call for an infantryman to go to if he was injured or sick, and sometimes it wouldn't be recorded. Because it was written by hand on your medical notes, so if you had a card with your digital medical issues, then there's – it's authenticated. It can be done at the local level.

But you're right about the infantry. If you're not 100 per cent fit, you're reluctant to go to – because you may not be ready for deployment. So it's a bit of a Catch 22, and I'm – back in my time in the Army, if we had someone injured, then the CO could put that guy on light duties for a while. But now, if you're injured, you may not even – you may be posted out of the unit, because you're not fit enough to be deployed

COMMISSIONER FITZGERALD: Could I ask a question about the proposal we're putting forward about transition, and the Joint Transition Command? And just to give a bit of background to this. DVA and Defence are doing some very interesting work.

There's a particular trial that's been underway for some time with the Holsworthy Army Base in Sydney about better preparing members during service for their transition. So I just want to acknowledge that there are some good initiatives underway, but we think some of those good initiatives need to go further.

So I'm not sure if you had a chance to look at our proposal around the focus on, and how that might be best done with the Joint Transition Command. Do you have any comments on that?

MR LAMPARD: No. I'm not familiar with all that.

COMMISSIONER FITZGERALD: Yes.

MR LAMPARD: But I think anything's better than what's happening at the moment. In mental health transition, it needs to be focused more so that the soldier who's taking a discharge knows exactly his – he can get this information or he can get this help.

In my time, it was pretty well off the cuff, you know. You'd done your nine years, see you later.

COMMISSIONER FITZGERALD: Just a question in relation to ESOs. Can you just go back? When you started, you indicated an organisation that you were associated with. Could you just repeat that organisation's name for me?

MR LAMPARD: Say again?

COMMISSIONER FITZGERALD: You mentioned an organisation that you were involved with.

MR LAMPARD: Yes.

COMMISSIONER FITZGERALD: Which one was that?

MR LAMPARD: Well, I was President of the SAS Association for 18 years in Adelaide.

COMMISSIONER FITZGERALD: Yes.

MR LAMPARD: But the ESOs, I see too many ESOs springing up, which means, you know, we don't have a collective voice, in my opinion. We need to go through like the alliance, which is Navy, Army, Air Force alliance, which is very good and that talks at the Prime Minister's Round Table, which I think's a good move. That way, we're all under the one umbrella.

COMMISSIONER FITZGERALD: So, could I just ask that question? You might want to explore that a little bit further. What do you think we should say about the ex-service organisation community, and they way in which governments should deal with that into the future?

Now, Richard indicated very early in the morning that, at the end of the day, ESOs could do whatever they like, and they will, they should. That's civil society.

But do you believe that there is a better way of coordinating the activities of the ESOs, and if so, what should we say about that? And you may not have a view about that.

MR LAMPARD: No. Well, I don't really, but the alliance that we formed - the RAR Association, the SAS Association, the Navy Association. Some years ago we called it the alliance, and that's been working well, because we have an office in Canberra represented, and we get to the actuaries when we need it.

So I think the ESOs, in my opinion, get too fragmented sometimes, and sometimes it's, you know, can't be helped. People go off and start their associations, like you said. But, you know, the more under one umbrella, I think the more politicians will listen to us.

COMMISSIONER FITZGERALD: This alliance, how long's that been in operation, to your knowledge?

MR LAMPARD: Quite a long time now. I think it was probably mid-90s it was formed. It's still going and it works pretty well, as far as I'm concerned.

COMMISSIONER FITZGERALD: Could I ask this question? Were you aware that there are many, many ESO organisations? Why do you think there are so many that are being formed? Is it just simply the nature of individuals coming out, forming groups, people of like circumstances? Or is there a fundamental problem with the way in which ESOs operate, especially for younger veterans?

MR LAMPARD: Well, there was a problem with the RSL history. You know, some of the Vietnam Vets were not treated well by the RSL, so the RAR Association formed, and so on and so forth.

So, these splinters groups, own interest groups, own unit groups, that decide to have – set up their own association. So I don't think there's any one reason for it, but it just seems, with a fragmented voice, the veterans' community doesn't always get it right.

COMMISSIONER FITZGERALD: And finally, can I just ask, and again, you may have no view on this. We are looking at the health services, and we've asked this question a couple of times, from your own personal experience, or that of information from colleagues and friends of yours, are veterans able to access health services in South Australia reasonably well, particularly in Adelaide?

MR LAMPARD: Well, from my personal experience, and I can only talk for myself and a couple of close mates, most of them are pretty happy with it. One of the doctors I go to whinges sometimes that the Veterans don't pay enough for their reimbursement, especially the dentists.

COMMISSIONER FITZGERALD: Right. Okay. Any other final comments or questions? Thank you very much, Kerry. That's terrific.

MR LAMPARD: All right. Thank you for the opportunity.

COMMISSIONER FITZGERALD: Yes. Thanks very much for that. And if we could have Daniel Foley, please. Thanks.

MR FOLEY: How are you?

COMMISSIONER FITZGERALD: We'll keep it painless.

MR FOLEY: I hope so. If I start stuttering, don't worry. I'll get over it.

COMMISSIONER FITZGERALD: Daniel, if you could give your full name, and if you represent an organisation, its name as well.

MR FOLEY: My name's Daniel Joseph Foley. I'm just representing myself, no organisation, and my background's Royal Australian Navy as a supply officer, in the end.

COMMISSIONER FITZGERALD: Yes. Can you pull the middle microphone just a little bit closer to you? Thanks. That's the one that's amplifying. Thank you.

MR FOLEY: Is that better?

COMMISSIONER FITZGERALD: Yes. Please.

MR FOLEY: Okay. Firstly, I'd like to thank yourselves and your support staff for doing this. It's been a long time, and it's given a few of us a bit of hope that something might actually change, which is a good thing.

The first part I'd like to talk about is compensation disparity between the two compensation systems. So not the VEA, but the DRCA and the MRCA.

At the moment, there are two distinct classes of veterans receiving compensation payments today. The second class veterans are paid under the SRCA, now the DRCA, and receive tens of thousands of dollars less each year, and this is factually – you can see this quite easily if you look at the rates, than their MRCA counterparts.

The monetary gap grows bigger with every year, as it's actually compounding each time. So when the rates do go up, SRCA gets a lot less than MRCA people.

This wasn't the case up until October 2001. MRCA – sorry, SRCA actually was paid via military pay scales, and it was only in 2001, an amendment came through and linked it to the WPI, Wage Price Index, and that – at the time, no one seems to have put their hand up and said, oh whoops, this could be costing people money, which was a very sad thing.

Since 2001, military pay rises have outstripped the WPA rises by, in some cases, up to two per cent a year, and that is a huge difference when you compound it since 2001. That initial rise of, say, two per cent over would compound it over 17 years. It's a huge difference.

The 2001 amendment gave no benefit to veterans at all. It didn't introduce anything good. We had no need for it. We had a fixed pay scale and we should have stuck with that. There was no reason to change it.

However, I believe it was brought in under the – because it affected other people under the actual Act who were on non-fixed wage benefits, and the like. But we should have either been grandfathered or it just not applied to us. However, that wasn't the case. So yes, it was totally unsatisfactory.

In contrast, MRCA payments have always been based on the military pay scales since 2004, when it came in, and this keeps the people level with the people they can no longer work with, and it's considered best practice, as far as I know. But they don't get a reduced rate just because they can no longer work due to a military exception injury.

Now, the other problem is, under the SRCA, you cannot reconcile what your pay - with your entitlements. To do so, you have to get every Wage Price Index for the last 17 years and apply it to the amount, either in 2001, or the amount when you left the Navy after 2001.

And most people cannot do that. It took me about three letters and I don't now how many emails to get that information, and I'm an ex-supply officer. I know how to do the figures. It's impossible for the average Joe Blow to work out whether he was being paid the right amount or not. He just has to go to DVA and ask nicely, to see if he's right.

Now, the other big one is that the MRCA recipients receive a Defence Force loading of $7,900 a year at the moment. Now, this is a Defence Force loading for the amenities they've lost from leaving the military, either injured, or later receiving money under MRCA.

Now, I can't see a guy who was injured on, you know, before the MRCA came in by one week, and a guy who was injured one week after the MRCA coming in, having any difference in amenities. So why is it only paid to one group of people?

Now, when you add that to the difference in the pay, you're literally looking at tens of thousands of dollars a year, and for someone on a – say a younger military veteran, that can be a huge difference in his life.

The next one is AAT costs for – the Arbitration Commission, sorry. Costs, bother financial and psychological. Challenging a DVA decision requires lawyers, doctors, and other expert witnesses, which can result in many tens of thousands of dollars expense to the veteran. Even if you do win, DVA will only reimburse expenses they consider appropriate. So they will cherry pick some of the expenses.

During the hearing, the veteran has their past dredged up, a past they may be trying to forget, in front of complete strangers, and this is not a nice feeling at all.

In my case, the defence costs, my defence, my lawyer's fees and that, came to over $46,000. Now, DVA decided they'd pay back $26,000 of that when I won, because they cherry picked and set rates, which I wasn't informed of before the event, and this was my first time, really, using a lawyer in my life.

I had no idea where to go or what to do, and there was no assistance for anybody. So I wore a $46,000 bill, with $26,000 back. If I'd lost, I would have worn the whole bill. That's totally unfair. I mean, they made the wrong decision, I get to pay. Thank you very much.

DART. I can't remember what the acronym stands for.

COMMISSIONER FITZGERALD: Yes, I'm familiar with it.

MR FOLEY: I believe DART was a fantastic idea, because it actually looked at people, junior recruits. I was one of them as well. And it actually brought into the open some of the mistreatment that went on with very young people.

The problem that I see is that a person who was horrifically abused in some cases in these situations, and he couldn't get away, because it was illegal. You would be arrested by police should you leave Leeuwin, if you ran off. These people were even returned to Leeuwin, and yet the maximum payout's $30,000 for some of these people. That's ridiculous.

You know, you had – if you can see my notes there, I put in that $60,000 was given to a MP who fell off a pushbike in Canberra after being told not to ride it. You know, and that was way back in the 90s. Yet now, we're giving $30,000 to a guy who legally couldn't leave where he was being abused, and he was being abused under the care of the government as a 15, 16, or 17 year old person.

So I think that needs to be looked at, the rate of compensation that is given out to veterans over many different areas. We always seem to get the bottom of the stick. Politicians seem to get the top of the stick.

SRCA health care changes. A change went through in about 2014, which basically means that if you had a Gold Card under the VEA, or you had accepted conditions under the SRCA, and say you needed antacid. You would go to the chemist, buy your antacid, the one that worked for you. There are many in the system. And then you send in the receipt and you'd be fully reversed – reimbursed.

At the moment, thanks to this amendment, you have to go to a doctor, you have to have a full doctor's run up, they have to ring up VEA or SRCA, get a script. You then take the script to the chemist, pay the difference, the fee, the six dollar fee, and then receive what they can get out of the VEA or SRCA, and they only list certain items. And that's it.

So you don't get exactly what you need, and you have a trip to the doctor for no reason, for antacid, and this could be for stump bandages. It could be for anything, you know, and it's ridiculous. But supposedly, it was to help us again.

The big one for me is compensation payments and being cut by 25 per cent after one year. This is across both the compensation schemes, MRCA and SRCA.

At the moment, DVA pays specialist doctors to assess veterans' work capability, and then give work rehabilitation release where appropriate. So you go see a doctor, they – the DVA state, and they're the ones that say, yes, you can work or no you can't. Or yes, you can go to rehabilitation, no you can't.

Now, if the doctor has said that and you don't go to rehabilitation, or you don't go to work, or attempt to find work, they will cut your compensation because you're not fulfilling your part of the contract. Fair enough.

However, if your doctors says you cannot work, and you cannot go to rehabilitation, and you're still that way after one year, they will cut 25 per cent of your money straight out. What, it's cheaper to – by 25 per cent. My electricity bill doesn't go down. My mortgage doesn't go down. My school fees for my kids don't go down, and it's just a mandatory 25 per cent after one year. Why?

It leaves you in the position that you have a choice. Do I go to work against my doctor's orders, which would not be advisable, and which

could actually exacerbate your condition. Or do I not pay the mortgage, and lose my house? Or do I not send, you know, take my kid out of the school I want to send her to and put her in somewhere a lot cheaper? Or maybe I sell the car.

But why should I have to make those decisions after one year, when I'm probably in a very sad way, either medically or physically or psychologically. And this just hits you real hard. It hits your family as well, because all of a sudden they're having to tighten their belts by a huge amount of money.

The next one is advancement. If Able Seaman Blogs gets hurt, he will remain on the Able Seaman pay rate for the rest of his life if he cannot work again. And that, you could be talking of an 18 year old kid here. Is that fair? It's not his fault he cannot get progression. So he could be on $30,000, plus Wage Price Index, for the rest of his life. It doesn't really give him much of a start.

Now, why can we not put in where a person gets the pay side of the promotion up to a certain length. So maybe the average person would get promoted to sergeant, say, in Army terms. Why can that not happen?

Because these kids, they're left with nothing, and it doesn't have to be all the way to the top, because not everybody gets there, and it would just give them a little bit more to live their life. And that's a hell of a lot of a difference, someone to look forward to something financially than to be left in the gutter.

Superannuation. That same 18 year old bloke will have no superannuation payments for the rest of his life, if he cannot work. Now, the rest of Australia, it's in your PAYE. If you're a Pay As You Earn customer, you get superannuation from your employer. Most people who sign up with contracts get some sort of superannuation.

Now what the DVA, (indistinct) has done has classed us as PAYE for tax purposes, for Medicare purposes, and for Centrelink purposes. But when it comes to superannuation, we're not classed that way, and so they get out of paying any superannuation at all.

So you've got young blokes coming out who, by the time they're 60, will have nothing. Well, just about nothing. And again, I think that's totally unfair. The government is cherry picking certain parts out of what is a person's – it's a conditions of service and their employment package covers that, and the DVA is just ignoring that.

Another one that really irks me is when the government spends 100 million dollars on a museum in France, 150 million dollars on Centenary celebrations, and yet we've still got people living in the streets who are veterans. Why can't we prioritise the living over the dead, and I say that with all due respect to those who went before us, but I would rather see people who come out of Afghanistan now put in a house than some people traipsing through some place in France that we paid for, and I understand some of you may disagree with that.

Impairment payment recovery. Under the SRCA and VEA, as far as I understand it, you pay it for life. You know, if you took that early, say that 18 year old bloke again, and he's under the VEA or the SRCA, he pays that for life, as far as I understand. I may be wrong there, but I don't think there's any cap on it when it's finished. So it's like a loan that you never give back, which is a bit unfair.

My last bit, and I'm sorry I've taken a bit longer than I thought I would.

COMMISSIONER FITZGERALD: It's all right.

MR FOLEY: I'll read this if I can. Last but not least, I believe depression and suicide rates are increased in veterans who are financially threatened or insecure, when they feel mismanaged or ill-treated by DVA, and when they are ignored by the politicians that place them in harm's way. Financial problems cause a loss of self-worth. They cause families to breakup, and in doing so, deny veterans much needed family support.

When DVA knocks back a claim or pays some veterans' at lower rates than others, and continually makes changes to legislation that erode the entitlements of Veterans, you can get an even greater lowering of self-worth, increasing depression, family breakup, and finally, suicide.

When the politicians ignore veterans' pleas for equitable compensation, pensions, and superannuation, yet still pose for war zone opportunities, and continue to improve their own benefits, veterans feel dirty and used.

When Ministers spend money on commemorations and museums in far lands whilst we still have homeless veterans here in Australia, we can only wonder at the Ministers' actual commitment to us.

Please take action to rectify the areas I have mentioned, but especially the financial discrimination shown to SRCA recipients.

Thanks for your time and consideration.

COMMISSIONER FITZGERALD: Thanks very much, Daniel, and thanks for your submissions, both the recent one and previously.

Just a couple of quick ones if I can to start with. The difference between SRCA and MRCA, for those in the know, are significant. You're aware that we are recommending that, for most SRCA and DRCA – sorry, SRCA – sorry, DRCA and MRCA be merged into one Act, at a particular point in time.

The question for us clearly is, at what rate does the impairment payments get paid? So at the moment, you've got the DRCA rates, which are low. You've got the higher rates, which is under MRCA, and then you've got a midpoint.

So I can guess what you're going to tell me, but I'd like to know from you what do you think the rate for impairment should be if there is a merge of that going forward?

MR FOLEY: By impairment, do you mean compensation?

COMMISSIONER FITZGERALD: Yes. For injury, not incapacity to work, but impairment payments. So they're the lump sum payments that are available.

MR FOLEY: The lump sum payments are very rarely taken, as far as I know, and I would – honestly, it's the compensation side that's the big question for - - -

COMMISSIONER FITZGERALD: Incapacity side?

MR FOLEY: Incapacity side. It's people who cannot work. In most cases, you'd be mad to take the impairment amount if it impacts on your compensation side, because you may be off work for 20 years, 15 years, or partial work, or whatever. So I'm not really - - -

COMMISSIONER FITZGERALD: No, that's okay. I think you can. In fact, you get the lump sum payments and then there's the separate issue in relation to incapacity.

MR FOLEY: You may be right, sir.

COMMISSIONER FITZGERALD: But that's okay. No, that's fine. You've raised the differential between the MRCA and SRCA, and we're looking at that, and so thank you for raising that with us. But that

(indistinct) the question that we have to now actually answer, if we are going to go forward and have these merged Acts.

Your comments about two things. One is DART. I'm very familiar with DART, and DART was scheme that was established for those that were abused within the military, and I've met with many of those in the previous – I was the Royal Commissioner on the Commission into Child Sexual Abuse in Institutions, including in relation to the Defence Force.

Your point there is that some receive maximum payments, and I think it's up to $50,000. Some got $30,000, some got $20,000. Your point is that that's inadequate.

Those that were in fact victims of sexual abuse within the military were able to claim under the normal DVA arrangements as well, if there was, you know, incapacity – if there was impairment.

But we have heard that many that were successful under DART have been denied claims under DVA. You weren't referring to that in your - - -

MR FOLEY: No.

COMMISSIONER FITZGERALD: You were simply referring to the payments that were made under DART itself. Is that right?

MR FOLEY: That's correct.

COMMISSIONER FITZGERALD: Okay, because there is another issue that's in relation to that.

I should make the comment that we will look a little bit more about those that were sexually abused within the Defence Force in the final report. Not a lot, because it's been done by other inquiries, but we have had a number of submissions indicating people think that we have not paid sufficient attention to that group of people that suffered injury and harm as a consequence of their time in service.

The health care, can I just understand, because I'm not completely understanding. In 2014, you've indicated that SRCA was changed to help Veterans get non-prescription health aids and medicines. Your point there is it's the process by which you access is the problem? Not the actual benefit that's entitled.

MR FOLEY: Three things really, sir. First one's the process. They've added in steps that were never there before. I mean, to get antacid, you have to go to a doctor.

COMMISSIONER FITZGERALD: So they've got to be under a prescription instead of under purchase. Yes.

MR FOLEY: Yes. But the second one is, there's only limited choices. So, in some cases, different medicines work for different people. So one brand of antacid may work on – I'm using that – it may be one type of amputee sock is different to another sock, and doesn't rub for that person, or it doesn't give them an allergy. They have to go with the one that the Vet – is on the Veterans' scheme, because it's coming through as a script.

And the third part is, they have to now pay for the script, and that may not be much for each script, but over a period of time it can add up, and it's an amount, that especially if you're not earning that much, can add up, and you never had to pay before.

So there's three areas there, and it was supposed to help us so we didn't have to send receipts in, which you can actually scan and email.

COMMISSIONER SPENCER: All right. Thanks very much. Look, just a couple of questions. First of all, the point that you've made about the significant expense that you incurred as a result of appealing various decisions, and as we've commented several times this morning, Robert Cornall's report may or may not have something to say about that impact.

To give it a bit of context though, I think one of the things we're really trying to address is that, and I think everybody will be in agreement with this, that ultimately the only decisions that go to an AAT are those that are really clarifying points of interpretation or judgment, rather than mistakes or errors that have been made in an earlier part of the process, and this can always be improved no doubt with other suggestions. But part of what we're trying to do is to shift better decision making earlier in the process. Clearly it's going to be more effective. Clearly reduces stress. So some of the comments we've made this morning about ADR, alternative dispute resolution, bringing that forward is part of that.

The other point I just wanted to probe a bit further was the advancement point, and this may or may not have been brought to our attention before, I'm not sure. We have a team of about 18 working in the Productivity Commission, so there may be more, but it's a very interesting proposal you've made, that when people, particularly on low ranks they get, in the sense, quarantined into that for the future, and your suggestion about how

that might rise over time. I just want to clarify, it's always hard to predict what would've happened but I think you've suggested maybe in your longer document that in certain areas of the service there would be a predictable, reasonably predictable promotion path at certain levels in service and your suggestion is that be reflected in adjusted benefits over time. Am I understanding that correctly?

MR FOLEY: Correct. In the military to become, say, from able seaman to leading seaman would take between two and - when I was there, between two and four years, and most people would have been promoted to that rank in that time, and if they weren't then they probably wouldn't get signed back on again. That's the way it worked. Now I'm not suggesting that that person who was damaged, in recruits we'll say, would have become a leading seaman. What I'm suggesting is he had the chance to and that has been stopped by his injury. It hasn't been stopped because he didn't want to do it. It was stopped because of an injury. And I find that he'd been left on the able seaman rate, because I believe that's what they put him on, or the minimum wage under SRCA, and being left there for the rest of your life is - it just doesn't make sense. If he'd got out of the military normally or stayed in the military he would've progressed, whether it be outside, inside or whatever. And just because your life is put on hold by an injury doesn't mean that it would've been put on hold had you not had an injury. And I find it, especially for the young blokes, it's really - it must be so hard for them to know that, "Geez, I've had a major accident and I'm going to be on this amount of money for the rest of my life, plus wage price index, and they're going to take 75 per cent off me, and I'm not going to get any superannuation".

COMMISSIONER SPENCER: Thanks Daniel.

COMMISSIONER FITZGERALD: Just in relation to your point about mental health, can you just tell me what you believe or what your experience, both personally and dealing with other people, in relation to the mental health supports in the DVA space. In fact from your comments, your very last comments that you made, you've raised a whole range of issues and we're very acutely aware that mental health in veterans, particularly in the first five years of leaving the services, is much higher than in the general community and we're aware that there's been a lot of action to try to deal with that, including the white card being extended into service. Just anybody leaving service can access mental health services for the rest of their life if they so need it. But do you have any specific views about what we should be looking at in this space?

MR FOLEY: I will just tell you my background on this.

COMMISSIONER FITZGERALD: Sure.

MR FOLEY: When I left the military I had no idea about DVA at all and I was a lieutenant at the time and I'd gone through the ranks. No idea about any of it. It wasn't until I became incapacitated pretty well a few years later that someone, an RSL person, pointed me in the right direction. Now, from that, it still took another three months to get me into see a psychologist but I believe that was more the local area than DVA. DVA were happy to pay and all that, and you know that side was very good, and since then they kept paying and all along those lines. However, it's very hard to organise things when you're not really there, if you have an understanding. So as much assistance that can be given to a person, not just "Yes, you can go find someone to go" but "Here's a few recommended people", or, "Here's someone to help guide you on the way", or "I'll make the phone call for you", because some people are in a very bad way by the time they work out they're sick. And it's very hard for them to actually get out and do things like that, and so they might procrastinate and not do it for a while and things just get worse.

COMMISSIONER FITZGERALD: So what do you think practically would've helped you and would help a veteran that's leaving now that is likely to suffer or may suffer some mental health conditions in those transition periods? What do you think is of practical support or assistance to you or those people?

MR FOLEY: I think every establishment, unit, what have you, should have someone who pulls them aside and gives them the full rundown of what is available and how to access that. That's the first thing before they leave the actual - the military, because they really need that. Because when I left I knew nothing. The next step is, when they do front up at DVA - actually, no, I'll even go one further back. I think they should get a phone call one month afterwards, two months afterwards, and maybe one month and then six months, just to have them check in. Now maybe not DVA, someone they don't know, maybe someone from their unit. Maybe that same officer who told them about DVA, just to see how they're going, because if they can relate to someone they might actually give a few clues, "Well I'm not handling it quite as well as I thought". And then from there, if they do front up to DVA and say, "I need help", they're walked through the process. Now some people won't require it but there will be some people who do. And it's not always the guy who looks like he can do it is the guy who can do it. Some people go home and procrastinate, look through the phone book and three months later nothing's happened.

COMMISSIONER FITZGERALD: Any other final comments or questions, Richard?

COMMISSIONER SPENCER: No.

COMMISSIONER FITZGERALD: You've given us a detailed submission both previously I think and now you're talking to us today.

MR FOLEY: So just about every review that's been done, yeah.

COMMISSIONER FITZGERALD: Yes, well, there's been a lot of them. I should just say one other thing. This is the most comprehensive review that's ever been carried out. We are conscious of the enormous number of reviews that have happened. What we have deliberately tried to do in this is actually look at strict structures and systems. Everybody has looked at benefits or services, but actually it's the structure and the systems that allow good programs, good benefits, good anything else to be delivered. So we've taken a very different approach than some of the previous inquiries, but your comments are wide-ranging and we welcome them. Most importantly, I just want to pick up, as you are aware we have made the determination that people that are injured, whether they are in war or warlike or non-warlike or peacetime should be treated the same in relation to that injury to the extent possible going forward. I think from your thinking you would be supportive of that approach.

MR FOLEY: Definitely. I mean the people in the Black Hawk disaster in 1990 deserve the same as somebody anywhere else. They were wearing night vision - just as an example. Or the people on Voyager.

COMMISSIONER FITZGERALD: So the challenge for us is how do you achieve that, and that's a great challenge. Thank you very much for that. Thanks Daniel.

MR FOLEY: Thank you for listening.

COMMISSIONER FITZGERALD: And if we could have Rod Murray please. Good. Rod, if you could please give me your full name and any organisation that you represent, its name as well.

MR MURRAY: Rodney John Murray and I represent myself.

COMMISSIONER FITZGERALD: Thank you very much. If you'd just give us an opening statement.

MR MURRAY: Yes, from my submission, as you can see from my submission I've had a reasonable lengthy time within the Defence Forces and perhaps unusually I've been on the medical side of things for over 40

years and also a period of seven or eight years at the end of my career in occupational health and safety, particularly as safety manager at the Royal Adelaide Hospital and also as a SafeWork inspector.

With regards to Defence being responsible for rehab compensation and the levy to fund it, obviously I've pointed out a couple of things in there which I think are relevant, but most importantly I think is the fact that there will always be casualties with regards to war service or active service, and also for that matter with people who are actually doing the role of containing with the peace processes. But realistically, as far as I'm concerned I recommend that a veterans' department must be maintained, whether it be DVA or whatever name you like to call it. Certainly from my point of view I've had a very reasonable and relatively straightforward dealings with DVA, but Defence cannot be responsible for the total rehabilitation of their personnel, I think that's going too far. Yes, contrary to the principle, defence must wage war if and when necessary and continue to do so without distraction. And on that basis I believe that there must be a Minister for Veterans' Affairs and not subsumed into defence overall.

On p.2 of the overview the PC - sorry, I'll refer to use the PC if - - -

COMMISSIONER FITZGERALD: That's all right.

COMMISSIONER SPENCER: We're used to it, that's fine.

MR MURRAY: Between 17 and 18 the Department of Veterans' Affairs spent 13.2 billion supporting about 166,000 veterans and 117,000 dependants, which works out to 47,000 per client. What I've come to look at is how this cost comes about and its comparison to the civilian entitlements regime. Therefore, I've suggested that perhaps this overall cost really should be adjusted downwards to reflect such items as aged pension versus service pension, which is exactly the same thing, and so on down the line and, therefore, that will then bring you to what is the true cost of a veteran. So, therefore, there would be obviously most probably some slight or meaningful disparity between the civilian cost and the veteran cost but that would give a true picture of the extra money most probably being spent between the civilian-type compensation schemes and obviously veteran schemes.

The Gold Card. With regard to the Gold Card, obviously it's considered to be generous. I don’t believe it is but one of the things that you pointed out is that the cost of the Gold Card per person reflects the aging cohort, in that this reflects the older profile of VEA clients that are more or less all Gold Card holders, about 98 per cent are under the VEA. And the most common eligibility pathways for the Gold Card are via qualifying service

and age and being a dependant of a deceased veteran under various circumstances. Each of these are concentrated older cohorts of DVA. Now, once again however, when you look at the cost of the Gold Card, the Gold Card figures on the advice that I received from DVA are not adjusted downwards by the amount which would've been met by Medicare or the pharmaceutical benefit scheme and other obvious entitlements.

So my recommendation that the Productivity Commission should look at the appropriate data from Medicare to ascertain comparison to a similar cohort, and I think that's very important, a similar cohort, so that an accurate figure of the real cost of the Gold Card be obtained. And once that data has been realised, one of the recommendations that I have been putting forward for a number of years is that every veteran with qualifying service, and obviously that means that they will have been on operational service or active service, be given a Gold Card on discharge. Now, I don't think that overall cost may be that much different but, however, I think my bottom line on that would be, and this is an indication of what has happened with White Card and the ability to get post-traumatic stress actioned immediately, is perhaps that the bottom line should be when you leave with qualifying service you should have a White Card immediately, with the ability to go to a psychologist. But more importantly, I think, to also cover your GP expenses. You will find that the difference between accessing a GP in some areas, a lot of GPs do bulk bill but a lot of GPs don't. Now, for somebody who's come out of the service and is on a minimum payment or whatever system, perhaps that fact that they are going to have to pay another $40 or $50 to go and see a GP may prevent them, because of their resilience, in saying, "No, no, I'll keep on soldiering on".

Now, realistically I don't believe that that cost would be that much overall with regards to that, but I believe it would have some major benefits in that every person with their own GP, their selected GP, actually builds up a trust and obviously that GP gets to know that client very well. Now, I believe that certainly in this day and age GPs are much more better informed with regards to mental health and, therefore, they could potentially pick up on the fact that the person they're dealing with obviously has - possibly post-traumatic stress and, therefore, recommend to them that they actually go and get some help.

Now, if that in itself, by introducing that cost of carrying the GP is introduced saves just one person's life, I think it would be well worthwhile. And more importantly, I think in many ways is that, as I've pointed out, we do not know how many Australian veterans there are, and this applies not only here in Australia but also around the world. There is, I believe, going to be a question on the 2021 Census, as I was advised that

by the Premier of South Australia, and I would suggest that the Productivity Commission and DVA certainly have input into what question - what subsets of that question be put to the Australian public. But more importantly, the census however will not be accurate as there are many veterans who live overseas. There are, of course, many British citizens who were residing in Australia at the time of the first and the second national service, who served and may have returned to the UK or live in other countries. I recommend the government, by use of the UK media and the internet, try to reach out to those persons who are entitled to benefits. And this is one thing that I believe DVA and Defence have not done very well in the past, is to actually ascertain their client base, and there must be ways and means of advertising et cetera and getting in contact with more people. On that basis also I would suggest that in other countries where a person contacts an Australian embassy or consulate they could be asked whether they are a veteran. It's a simple one question that can be asked when somebody approaches a consulate or an embassy and obviously from that we can obtain more data and find out exactly how - as close as possible, as to how many veterans there are out there.

I have noted that obviously the transition process now is getting much better with regards to Defence and DVA actually sharing information and obviously that needs to improve greatly.

With regards to the comments about VCO and ESO cooperation and coordination, I've made a statement there about a particular incident but in my role as RSL Regional Coordinator I look after two regions, 15 sub-branches over 1,500 service members and there's a lot of cooperation out there. You'll find, like myself, I'm not only a member of the RSL but I'm also a member of the Vietnam Veterans' Association and also the TPI Association. There is a lot of cooperation, as you've already noted, and I was one of the contributors to the submission that was done first thing this morning. There are ESOs out there as well who are purely, as was stated previously, just unit associations and also I belong to one of those unit associations. And I think that's particularly a problem that we face, in that I am unaware myself of any unit association that has advocates. I'm aware of unit associations that do do a little bit of welfare, but how the Commission and how DVA and the government get all of these ESO's to concentrate perhaps more on advocacy and welfare, of course, is always going to be difficult, but realistically there are some major ex-service organisations out there and I think government would be wise obviously, where possible, to direct a lot of their efforts through those major organisations. Thank you.

COMMISSIONER FITZGERALD: Good. Thanks very much for that. Just a couple before Richard. In relation to, you're absolutely right that

the spend of $13.2 billion is a gross figure. It's not netted off against others. We would love to have those figures by the way, and if we're able to find the net cost then we would be very pleased because that's actually- you're actually right, that's exactly the point.

The second point I just want to make because I'm sure it's unclear is, our schemes will actually cost more. I've said to many veterans' groups, this is not a cost-cutting exercise. It's an efficiency exercise absolutely, but actually our proposals will cost more to government, not less. So anyone who is out there saying, "Oh, this is about cutting costs", I wish it were, it isn't, and it will cost more because we're including additional benefits for a whole group of people in the schemes.

But can I just deal with this issue, if I might. The Gold Card, we now have a White Card. The White Card picks up those conditions that have been agreed by DVA as having been service-related and it covers universally mental health. Some might say that in fact that is exactly the right way to approach this, that if there is a connection between ill health that should be compensated not only in terms of compensation but services. We agree, absolutely. So that's a well-targeted scheme. It identifies the problem, it provides the funding for the services and the hopefully you could actually access those services and we have other comments.

Gold Card doesn't do any of those things. It's very different in concept. It came out of a totally different era. Now, we're not recommending that anyone who currently has a Gold Card should lose it, absolutely not, but actually it's a design of a system when we didn't have Medicare, we didn't have robust health care systems. It's of a different era. So our view is at the moment is, is there better way of delivering targeted health services for those in need throughout their whole life. Our view would be the Gold Card is not an effectively, you know, it's not a well-targeted way of delivering health services, particularly for new veterans going forward.

So I understand where Gold Card came from. I fully understand why people are very loyal to it and are passionate about its maintenance, but actually it doesn't meet any good principles going forward. So can I just ask your experience in this. I'm not trying to devalue the importance of the Gold Card, but honestly, when you look at it, it doesn't meet the normal principles of supporting people based on any form of need including ill health or injury going forward.

MR MURRAY: I agree to a certain extent. The differential, however, I think is that when you're in the Defence Forces your health and your dental is covered all the time, no matter what. When you leave, you're

suddenly confronted with the fact, well, hang on, I'm going to have to take out private health insurance, you know. Who is my local GP? So this is one of the reasons why I stated previously that give the Defence personnel a card, the epitome obviously would be the Gold Card but the White Card in itself, why not that give that to them as soon as they leave so that the day that they walk out, they walk out with a card in their hand.

They can immediately then find out who their GP is and say to them, "Do you accept DVA charges for GPCs?". Then they can make a proper choice as to which GP. They may choose to stay with that GP because of other recommendations, even though that GP may not take the White Card, shall we say, for GP services, but I firmly believe that by giving just that little bit extra we will prevent certainly hopefully some of these suicides, and certainly make their transition into civilian life that little bit easier, just by having the GP content on a White Card.

COMMISSIONER FITZGERALD: And just to be clear, from what you're saying is, you can access a GP who bulk bills.

MR MURRAY: Yes.

COMMISSIONER FITZGERALD: But it's where a GP charges a gap or an additional fee that is the problem.

MR MURRAY: Well, it could be. It can be.

COMMISSIONER FITZGERALD: But that's the issue that you think should be resolved?

MR MURRAY: Yes, well, if you take the GP component out of the Gold Card, so in other words whatever the differential is. I've got no idea what that differential is. That's what I think needs to be put into the White Card.

COMMISSIONER FITZGERALD: The White Card. Okay. Can I ask the second question but it's related to that. You have to be able to access services whether you get the Gold Card or the White Card or anything else, and we've asked several participants about accessibility to services. You've indicated the issue about the price differential in GPs.

MR MURRAY: M'mm.

COMMISSIONER FITZGERALD: More broadly than that in South Australia, for example, are there serious issues in relation to being able to access other services, mental health or other services, or do you think that

in the South Australian landscape accessibility is not a huge problem? Or you may not have a view.

MR MURRAY: From my own personal experience, but this of course could be due to the fact that I've worked within the South Australian health system for a considerable period of time, I have never had a problem with the acceptance of the Gold Card. However, I do know of others who have had problems and this is through my position as regional coordinator.

I have heard directly from people who have been asked for gap payments, et cetera, and of course, I haven't asked the obvious question which is, "Did you actually make that gap payment?", because that's something that obviously DVA should be looking at properly, but there will always be a need for more services, particularly out in the regional areas. A lot of specialists do travel out to the regional areas, et cetera, but of course this is sporadic. They're not there on a permanent basis. Obviously it might only be once a week or once a fortnight that they're travelling out to the country areas.

COMMISSIONER FITZGERALD: Richard.

COMMISSIONER SPENCER: Yes, thanks, Robert. Rod, I just want to go back to your opening comments about the role of Defence, and this has come up several times today so I just want you to comment a little bit more on that and our thinking, and then put a question to you about that.

We would all agree, I think, that preventing injuries in the first place is a significant and important part of any responsibility of an organisation or an entity, and that usually is referred to as the duty of care, so in the civilian workplace that's the duty of care an employer has.

In talking to the representatives of another country's military system, they talked about the tension and the balance of duty of care but duty to prepare, and for what you and others have really referred to as the role that we ask the members, the men and women of the military to do on our behalf. So that's an acute tension that they're conscious of, that duty to prepare and duty of care.

So we have been trying to think of ways in which we can both provide incentives, but also help Defence, if you like, achieve a better balance. Now, there are things in place that do that. First and foremost is the capability to actually go to war, so clearly defence has an interest in maintaining health and welfare for that reason. The other incentive - sorry, I just lost my train of thought on that, but let me just come back to

that issue of where we're going and saying that unless defence understands the long-term consequences of injuries and what caused that injury it's very difficult for it to take action. It's well-meaning in trying to minimise injuries, but it may not be aware of what happens in certain training incidents and other training circumstances which can create that long-term injury.

So what we are suggesting clearly this morning, people are very clear they think Defence should just be simply focussed on their preparation for war. Are there other ways, do you have any other thoughts on ways in which defence could be assisting to strike that balance between what I've described as duty of care and duty to prepare?

MR MURRAY: One of the significant problems we face, both within Defence, but also in the civil area, this is from my experience on the rehab side of Royal Adelaide Hospital, is that no matter which organisation you have, you will always get under-reported, and if we can achieve a near to 100 per cent reporting of incidents then we will have a much better database on which to be able to establish which regimes will work better and which won't.

So therefore I think it's inherent on Defence to encourage all personnel to report any incident no matter how trivial it may seem because that can be a trigger of something else at a later date. It might be months later, years later, but it also may be the next day or the day after that they exacerbate that entry purely and simply because of the fact that they've reported it in the first place.

COMMISSIONER SPENCER: So is that a cultural shift that's needed, do you think, in order to encourage reporting?

MR MURRAY: Definitely a cultural shift to be achieved because one of the things is, obviously, resilience is the biggest factor with regards to how a Defence Force operates. You gain that resilience by discipline and by preparation, physical preparation, et cetera, but then that is carried over once you leave the Defence Force and that resilience itself is a barrier to trying to access appropriate treatment they will research and all that sort of thing.

So how we achieve that, we've got to change our culture a little bit. The culture of the Defence Force has certainly changed since my time in it. I've now been out since 2001, although retired, so technically I'm still in, but its culture has changed and its constantly evolving, but if we can get people to report, well, then, we get the data and therefore we can make changes.

COMMISSIONER SPENCER: Thank you. Just another quick comment on that and then a quick question. I think most people are aware that workplace health & safety legislation came into effect back in about 2012 and what struck us is, there was a fair amount of concern at the time that this would compromise the issue that's been raised here this morning about will that inhibit Defence's primary responsibility of defending the nation, but I think what we hear these days is that, no, it hasn't, but it's had a significant impact on reducing injuries in service and in training, so that was a - that's an interesting example of how defence can be assisted to try and strike that right balance.

I just wanted to go to the last comment you made about ESOs, and thank you for that story about how a woman who was in need or a widow in need was assisted because I think that that highlights something we're conscious of. Both Robert and I have extensive experience in volunteer organisations and we're acutely aware of what ESOs can do that government can't do for all kinds of reasons. Trust is a big part of that, and also people who know the experience and can come from that point of view which is extremely difficult for government.

So I think, once again, for those of you who are here representing ESOs, we would really encourage you to think about what kinds of services, what kinds of assistance along the lines you describe here would be beneficial for the whole system, and what could government do to help to assist or leverage the value that ESO's bring to that kind of support, and I just wanted to thank you for that story because I think it's a great illustration of something that can happen, cannot happen through a government intervention but it can happen through volunteer efforts that really concern people. So, thank you.

MR MURRAY: May I just add to that in that, I do Meals on Wheels as well, and one of the things that I've noticed in doing Meals on Wheels is that, in actual fact, we come into contact with a lot of veterans, and it's not because of what they are, but it's the memorabilia they've got around in their house, and therefore I speak to them not just as a deliverer from Meals on Wheels. I speak to them also from a veteran point of view.

Now, Meals on Wheels is one of those classic organisations, I think, which could help to find out how many veterans we have out there. It's just one of those simple little things that really Meals on Wheels do have the possibility of supplying us with more contacts we'll pay for.

Mate, and may I just comment on some of the things that I've heard today now rather than later or - - -

COMMISSIONER FITZGERALD: We're running out of time, so just if it's two minutes, yes. Beyond that, no.

MR MURRAY: All right. My transition out of, like many national servicemen at the time, mine was delayed somewhat because I've stayed in for a while, but most nonetheless servicemen of the second national service, the Vietnam mob, they got off the plane and, "We'll see you later, mate". Transition is the most vital part that we can do for the future of our contemporary service personnel.

Secondly, as far as the two systems are concerned that you're recommending, I absolutely agree with what you're trying to do. My argument would obviously be that you take the best of the DRCA and MRCA and that's what you should hold. With regards to under-reporting, I've already covered that. Yes, so, community obviously there is overlap, and just one personal touch as the previous speaker said, I go to the podiatrist. I have occasional tinea pedis. It's a common complaint throughout all services. Would you believe that the podiatrist, and this I believe is a problem because of the Podiatrists' Association and DVA, a podiatrist cannot prescribe Lamisil which is one of the treatment ointments, all right? I had to then go to the GP. Now, there's money being wasted every time a Defence Force personnel goes to the podiatrist with tinea pedis. All right?

COMMISSIONER FITZGERALD: Yes. Thank you for that.

MR MURRAY: Thank you.

COMMISSIONER FITZGERALD: Okay, thank you very much for that. We appreciate those personal experiences as well, so thanks very much, Rob. That's good. And if we have Ms Chloe Field, please. Cleo, you coming? You right? Have a seat there.

MS FIELD: Thank you.

COMMISSIONER FITZGERALD: Good, Cleo, if you could just please give me your full name and if you represent an organisation, the name of that organisation.

MS FIELD: Yes. My name is Cleo Field. I'm with the Partners of Veterans' Association. I'm the secretary of the South Australian branch and I'm also the South Australia representative on the National Board.

COMMISSIONER FITZGERALD: Okay, thank you very much, if you'd like to just make an opening statement that would be terrific.

MS FIELD: Go ahead? Thank you. Firstly, I don't know if everybody does realise that PVA is an ESO, and it is very essential that as partners we have a voice. I'm representing partners and families. First I'd like to say that we stand beside them, the veterans, and we'll fight for the respect and dignity that the veteran deserves.

I have given you an outline of the PVA submission which lists three points. I would like to bring to your attention the final point which is the recognition of partners. Can you please define "and families". "The widow and dependent child of a deceased veteran" is well-defined. The partner, while caring for a veteran, while they are suffering from a stress-related illness, is left to the public health system if they cannot afford private health. We feel if you use "and families" that should include the families of the living veteran.

The recognition of partners is about not only the mental or emotional health which is given help through Open Arms, but also the physical or clinical health issues caused by looking after the veteran. It is documented the depression, anxiety and stress that partners are under so it is logical that this leads to numerous stress-related illnesses such as Parkinson's, shingles, auto-immune diseases and secondary PTS.

Besides older studies most recently The Road Home has financed studies relating to the health and wellbeing of carers of serving and ex-serving veterans of our younger or newer veterans' partners. The results show that nothing has changed in regards to living with a veteran suffering from mental health issues. Stress-related issues are also documented in the female and family forums. We are thankful for Open Arms which is available to us for counselling but assistance is needed to keep the partner well so that they can continue to look after the veteran, hence saving the government a great deal of money.

Having a card, and we don't care what colour it is, would be used for stress-related illnesses. The aim is to keep the partner will, and in doing so will also benefit the veteran, and of course DVA, but to do any of this you firstly need to recognise the partner. Thank you.

COMMISSIONER FITZGERALD: Thank you very much, and thank you for your submission. So if I can just come to a couple of the other issues that you have mentioned.

MS FIELD: Yes.

COMMISSIONER FITZGERALD: Can you just talk to me a little bit about, you've mentioned here a veterans' children education scheme.

MS FIELD: Yes.

COMMISSIONER FITZGERALD: So do you just want to make a comment in relation to that?

MS FIELD: Well, at the present time the veteran's child, their rate changes when they turn 16. First of all, schooling these days, we feel that this is very antiquated. Not many children leave school at 16 any more, whereas when this was originally started that was the norm. Now that that's happened, when they reach the age of 16, the child then is taxed on that income that they receive, and this is purely a discrimination to the veteran, so we're asking that that be changed and we've been trying, fighting that for about 20 years now. So we think that now with this Commission it's a good time for change to happen, and that whole scheme, which I do believe was part of your review, is being looked at.

COMMISSIONER FITZGERALD: It is part of the review, and so is the second set of issues that you've raised which is home care services. Do you just want to, for the record, just indicate what you'd like to happen there?

MS FIELD: Well, we feel that there is no need for the two separate services which is the Veterans' Home Care and Household Services, and the Veterans and Home Care Entitlements. So we just feel that combining those, every veteran or every person that is entitled to home care services should have an OT come in and assess their home, whereas at the present time, the one has an OT that comes and assesses what their needs are. The other one is purely done over the phone, and so we feel that there is a lot that can be helped to keep the people in their home purely by having an OT come and assess the house.

And I can speak from a personal point of view from that one. When my husband had first approached with Home Care Services and we did have an OT come out, we were only asking for one thing. When they went through the house he was entitled to about six or seven different devices that we had no idea were even available, and it certainly helped to improve his value of life at the time.

COMMISSIONER FITZGERALD: The two schemes, as you say, the Home Care operates under the three acts, and the Household Services operate under two, and we are looking at this, but just clarify for me,

what's the difference in the purposes between the Home Care and the Household Services?

MS FIELD: The difference is that with the Veterans' Home Care and Household which is the one where they get the OT, that is to keep them in the home with whatever is available to them. The other service is more a house cleaning and gardening, and speaking about that, we'd like to see that gardening increased because it's at the moment very vague and we think that there are health issues such as people, if they only get very, very limited gardening, then they will do the gardening themselves which will cause extra injury to themselves, or if they can't - or they might need something done and it's a slippery area, they, you know, they can slip up and injuries. So we feel that it's a health issue to increase that gardening.

COMMISSIONER FITZGERALD: All right. Thank you very much for that. Richard?

COMMISSIONER SPENCER: Yes, just on the third point that you raised there, you mentioned Open Arms and the VVCS.

MS FIELD: Yes.

COMMISSIONER SPENCER: That's obviously just had that recent change of name, and from your comment I think you were very complementary about that, but do you have suggestions or any further recommendations about how Open Arms can be more responsive to the needs of carers and families and partners?

MS FIELD: Well, we fought for the Open Arms, it was VVCS then, to have a lifetime for our children to get counselling, and that's been very beneficial. Even now some of them are only going there now after many in their 40's and 50's, and we think that the newer veterans, I think they're only getting limited counselling for their children and for their families. So if that could be increased, I think, or included as to a lifetime, I think that that would be very beneficial.

We've also just recently had where separated and divorced partners, especially if they have dual custody with their children, can now receive that counselling, and why I say we're thankful, because it's the emotional side, but what we are asking for here is to be taken care of through a card for physical, the stress-related, and that's all we're asking for is the stress-related illnesses.

I can give you an example of one - the veteran who was not well at all had to go into hospital. His wife as also suffering from Parkinson's and

numerous she rattled, she was taking so many pills, but she had to be hospitalised as well. When it came time, when he was released, they were setting up, because she was in hospital, they were trying to set up for him, for a carer for him. He absolutely refused. He said, "No, my wife is my carer". So, she had no other option but to sign herself out of hospital and go home and look after him. That's just totally unfair that that sort of situation can happen. She got worse, but she was still caring for him because he was being looked after, he was the DVA client, so he was being looked after, but nobody was looking after her. So, this is our point, is that we need that card that is going to give us the assistance so that we can better and longer look after the veteran, look after our husbands or partners.

COMMISSIONER FITZGERALD: All right, thanks Cleo. If you were to do that, you extend the compensation scheme in a way that was ultimately never intended.

MS FIELD: Yes.

COMMISSIONER FITZGERALD: And so I just want to push it because you will see from our draft report that we're not enthusiastic about that.

MS FIELD: Yes, I got that.

COMMISSIONER FITZGERALD: And I know that I'm going to get savaged in a couple of the public hearings coming up.

MS FIELD: I think you might.

COMMISSIONER FITZGERALD: But for us it's an extremely important issue, as it is for you. But it's very important because if you extend the benefits under the veteran support scheme, as we're calling it, there has to be a really strong rationale and there is huge cost implications on everything we do, notwithstanding the comment before which was actually valid, but it's the net cost. So, the question for us is whether or not you increase the level of services available, as Richard's indicated, through Open Arms and other means, which we're very open to, or you open up this entitlement to a wide range of new participants, partners.

So, what is it in the veterans' space that differentiates partners from other people, and I'm not trying to diminish the position but I want to just make it clear. Many people who have partners that are suffering psychological illness as a result of their work, that has enormous impacts on the partners and children and others and we know that many people in workers

compensation and other schemes when they're not able to work, particularly, suffer very high levels of mental health and that impacts on the whole family. So I'm not trying to say they're the same but I'm saying they're similar.

As a society we don't provide universal access to payments for mental health services. We simply say you access the normal services that are available in the community. So the question is this, and you may think that I'm naïve in asking it, but what is it that actually distinguishes the partners' stress, the partner's ill-health that needs a special card to support that? I understand stress exists, absolutely. You know, I had a long history of dealing with people that are in very vulnerable circumstances, including ex-veterans and their families, so I understand that. But does it warrant an actual card, a new entitlement, or does it mean that we have to improve the services that are available and the support mechanisms and, frankly, improve our mental health systems more generally, and as you know, the Productivity Commission is reviewing the whole of Australia's mental health system.

MS FIELD: Yes.

COMMISSIONER FITZGERALD: So that's taking place as we speak. So I just really want to sort of push it back to you a little bit, not to dismiss your arguments but to get a very clear reason as to why we would extend it this far.

MS FIELD: Well, your last point, I think if partners were included in that I think that that would be suitable. We could cope with that. But I think at the moment, at the moment a very big issue is "and families" because for the living veteran we don't feel that "and families" is - should be included because we're not benefitting, we're not giving any benefit, so don't say "and families" if you don't mean it, or make it clear, because at the - you know, once the veteran is deceased - and I'm a war widow - so I understand, the widow is looked after. You know, there's areas, let's - yeah - but, you know, when my husband passed away it was they were there for me and I received benefits and it was very good. But for the living veteran, the partner doesn't have any support so we just feel like, except for Open Arms and we fought for that.

COMMISSIONER FITZGERALD: Sure.

MS FIELD: So, you know, we're thankful for it and for our children. But we just are feeling that "and families" needs to be defined and if you can define that somewhere then at least you have some structure to go by.

COMMISSIONER FITZGERALD: So let me be very clear. We include living partners in our definition of families. There's no question about that. But having said that, then you have to define the sorts of benefits or supports that you provide to members of that family.

MS FIELD: Yes.

COMMISSIONER FITZGERALD: And that's where the rubber hits the road.

MS FIELD: Yes.

COMMISSIONER FITZGERALD: And what you're asking for I understand. The question for us is, does it meet a threshold which warrants a significant increase in the level of benefits to an additional group of people within the veteran community? And that's the question. You understand that fully.

MS FIELD: Yes.

COMMISSIONER FITZGERALD: So that's where we're struggling and we have struggled in the draft, and that's why it's so important that this next part we look at that more fully.

MS FIELD: Yes. And what we're looking for is that you just recognise what we're saying and we would like to be included in that new structure. If there's going to be a new structure, I think that we need to be included in that, and well defined where we are in that structure.

COMMISSIONER FITZGERALD: Could I just ask one other question. When you are the partner of an active service person and when you then - when the partner leaves service, discharges from service, do you and your members experience a really significant change in the level of support? Do you feel partners are well supported whilst their partner is serving and unsupported when they're not, or do you think, as some people have said, you're pretty unsupported the whole way through? I was just wondering whether you see that defining moment when the partner is discharged changes radically, the supports for the partner.

MS FIELD: Yes, it does.

COMMISSIONER FITZGERALD: And if so, how?

MS FIELD: Yes, it does, and it depends on how they are transitioned out. You know, if it's a voluntary transition that's a bit different because

they go through that. If they've been transitioned out through a mental or physical disability that is a whole different kettle of fish. And we speak to the spouses of the people who are doing the PTS program and they feel like they have just had their total rug pulled out from underneath them. They can't find support, they don't know where to look for support. These are the partners I'm talking about.

COMMISSIONER FITZGERALD: Sure.

MS FIELD: The veteran is being guided to a certain extent. I feel very much that Defence is getting it right. You know, they're taking these things into consideration now, whereas they weren't before. But it still means that the partner has to know where to go. She's left with her children who are struggling. She's not getting any support in any way. Most of them don't even realise that they can go to Open Arms; they've never even heard of that. So what was said before about the transitioning is very important and we strongly advise that during that transition process to make sure that the partner is there and hears what's going on because it doesn't always get - - -

COMMISSIONER FITZGERALD: In relation to that, we're at one, absolutely. We have made a number of comments about a radical change to transitioning but one of those has to be the inclusion of partners and family members much more actively and much earlier. So we fully support that.

MS FIELD: Yes.

COMMISSIONER FITZGERALD: In relation to services generally, we've talked about Open Arms and Richard has indicated that, you know, that we've looked at that and as you say they're increasing a lot of the services. Is there anything in that space that you think they should be doing that they're currently not doing?

MS FIELD: Yes, but I couldn't give you any examples off the top of my head. This is something that we do speak about at our national conferences and recommend, and we have a representative on their board. So they're well aware of how we feel.

COMMISSIONER FITZGERALD: In relation to the ESOs, the Veterans' Affairs has this ESORT.

MS FIELD: Yes.

COMMISSIONER FITZGERALD: Do you feel that partners and

families generally are well represented in the policy forums of government?

MS FIELD: We make certain that we are.

COMMISSIONER FITZGERALD: Sorry?

MS FIELD: We make certain that we are. We're part of ESORT.

COMMISSIONER FITZGERALD: Right.

MS FIELD: And ADSO as well. And that's what we're there for. We're there to represent the partners. And we also think differently, which is a - - -

COMMISSIONER FITZGERALD: Sure.

MS FIELD: And sometimes we're swept under the carpet. Other times it depends on the issue; the issue and we feel strongly enough about it we'll hammer away at it with our velvet gloves and make certain that we get our voice heard. But we are very strong within ESORT and we find that they do listen to us and we're part of them.

COMMISSIONER FITZGERALD: Any final questions Richard?

COMMISSIONER SPENCER: No, that's good, thanks.

COMMISSIONER FITZGERALD: Any final comments, Cleo?

MS FIELD: I'm fine with everything.

COMMISSIONER FITZGERALD: All right, thank you very much for that.

MS FIELD: Thank you for - - -

COMMISSIONER FITZGERALD: We will now just adjourn for 30 minutes for a lunch break, it's an early lunch break I know, and then we'll go through the rest of the proceedings. Thank you. I should just say, we will be finishing at four, no matter what.

LUNCHEON ADJOURNMENT

RESUMED **[12.52 pm]**

COMMISSIONER FITZGERALD: Okay, we might start. Thanks very much for coming back, and Raymond Kemp. Yes, thanks, very much, Raymond. If you can give your full name and any organisations that you represent.

MR KEMP: Raymond John Kemp. I'm representing myself.

COMMISSIONER FITZGERALD: Terrific. Thank you very much. And if you could just give us an opening statement that would be great.

MR KEMP: Good afternoon, thank you for letting me talk here. On the key points, I honestly don't think the system is totally broken. Yes, it does need some fixing and that's in the liability side of the system. Once a veteran has completed that journey through the claims process, I believe the system works well.

I also believe the department itself is understaffed with full-time staff. There's just too many contractors there and they move in and move out of the department at their leisure which has caused us problems with doing claims, and the computer systems are totally updated. I've been on the phone with delegates and they might have eight or nine systems open just to answer a basic question.

I don't believe that the department should be moved to Defence. I believe it should stay with its own minister and own secretary. If we love the Secretary of Veteran Affairs and they become the Deputy Secretary in some department, we'll lose the impetus we have now and we won't get as much done for our veterans.

Also I don't agree with Defence being limited to premium. I totally agree with a Joint Transition Command. Transition is a problem, especially, I believe, with the Navy. I had an occurrence where a friend was just phoned up and asked to go to the front gate and hand his ID card in and that was his transitioning.

The Veteran Centric Reform should continue to be rolled out. I just think that there's a loss of interest in the online claims portal which advocates use to lodge their claims online. An applicant can't lodge for online service. He needs the client to be able to log on, so you can't do anything remotely if the client's not there. I personally believe if we're going to

move to two acts, which I like the idea of, we should be doing it sooner rather than later.

On draft recommendation 8.1, which is about the two SOPs. Initially I was for getting rid of one of them. However, I now believe, after hearing that, to move to the RH SOP, reasonable hypothesis, it's going to cost around about a billion dollars I was told by someone in the department. Therefore in all likelihood we'd move to the balance of probability because that's obviously going to save money. By going to one - if we go to the balance of probability it's going to knock a lot of veterans out of, especially serving, that had served overseas, out of getting compensation. For example, 25 year rules, 15 year rules for osteoarthritis, cancers, blood-related cancers where benzene's involved. So I'm now in favour of keeping both SOPs, and I changed my mind in the last couple of days after having a good think about it.

I don't believe we should get rid of the VRB. The VRB works well. There is a couple of problems with the VRB. One is they don't - the information isn't fed back to the department when a decision's overturned, and for instance, I've had five or six decisions overturned in the last 12 months in relation to submariners' and sinus barotrauma. Barotrauma is where you have sudden increases and decreases in pressure. Submarines have that happen all the time, and the SOP was changed in December '17 to include submarine service. Since I've been putting the claims in they all get rejected at a primary level and they're overturned at the VRB because once you explain to the VRB how a submarine operates they fully understand, but the delegates, they just overturn it.

I've got one at section 31 at the moment and they're seeking doctors' reports and that was an incident on the HMAS Onslow where a sailor was killed and the engine run on and sucked most of the air out of the submarine, so a massive barotrauma. I can't understand why, and I've sent the incident report through as well, so it shouldn't be just overturned.

I personally believe that a delegate, when he's about to reject a claim, he should ring the advocate and discuss with the advocate why he's rejecting the claim. Maybe there might be some more information we can get. Another medical report or something like that saves all the angst of going through the VRB and that.

The outreach program is excellent. Very few of my appeals now go through to a full VRB hearing. They're settled at outreach by just discussing it, and I've had a couple where I've withdrawn claims because I know it's not winnable once we start discussing it, but in general they're overturned and it's a good system.

That's basically my submission.

COMMISSIONER FITZGERALD: Thanks, very much, Ray for that. We very much appreciate it. Can I just, a couple of things, just the VRB experience, as you know, we're not getting rid of the VRB, but we are suggesting that it be changed in relation to its decision-making abilities, but can I just go back. In your more recent claims with VRB, you experienced some of their alternative dispute resolution procedures.

MR KEMP: Yes, that's correct

COMMISSIONER FITZGERALD: Can you just tell me about that experience and how good, bad or indifferent that was?

MR KEMP: Well, one of them took a phone call at half past 9. But within one minute we'd agreed and his comment was, "What do you want?". I said, "I want him to have 70 per cent, not 60 per cent disability". He said, "I've already worked to that he should be on 70 per cent disability by looking at the GARP", so we didn't even have to go through the whole procedure.

COMMISSIONER FITZGERALD: So look, one of the issues we've been looking at with the VRB is not whether or not it does a good job, that's not the issue, but the issue was for us to try and improve the original decision-making process. That's what this is all designed to do, and then to have a review process both through the VRB and the AAT, the more complex and difficult matters. But can I just use your example as a submariner. You talk about the incidents that happened. When it gets to the VRB it's accepted pretty readily.

MR KEMP: Yes.

COMMISSIONER FITZGERALD: Yet at the delegate level that's not happening.

MR KEMP: It's not happening.

COMMISSIONER FITZGERALD: So what do you think is wrong, what's going wrong in that?

MR KEMP: Well, they're reading the SOP and they're looking for the - and the factors in there, submarine, service in submarines which, before I got - I put the submission to get that changed, that had ascending or descending from a submerged casing, and when I spoke to the RMA said,

"Well, it's in there - the factor for a submarine's in there". I said, "No, we don't actually ascend or descend from the submerged casing. We're in a tube that has changes in pressures imposed on us by how we operate.

So they then say, "Oh, yeah, we understand that", so I put in a submission and it now says service in Australian submarines, but when it gets to the delegates, I don't understand why they reject it. You don't get a reason. They just say, "There's no medical evidence that you've had a barotrauma". Well, one of the problems is, on a submarine there's no, hardly any time would there have been medical documents kept. There was no doctor on board, no medic. There's a coxswain who had done a two-day course in how to apply a Band-Aid and generally a Band-Aid with a Panadol stuck underneath it, and that's - the paperwork wasn't kept, and everyone, especially if you've got a head cold, you would experience a pretty severe barotrauma (indistinct). You only have to have a minor head cold, but they want to see the paperwork.

COMMISSIONER FITZGERALD: So if the VRB makes a determination in your favour, you mention that one of the problems at the moment is the slowness by which that information gets put back to DVA?

MR KEMP: Well, all the materials go back to the delegate, so you may have - say you've got six overturned decisions for the same disability, it could go back to six different delegates, so there's no central repository that says, "All these disabilities are being overturned at the VRB. We need to look at why and what we're doing wrong", but because this person's not talking to this person, - - -

COMMISSIONER FITZGERALD: So one of the issues that we've identified is there's not a learning from the decisions of the VRB, and what you've just said basically indicates that's the case.

MR KEMP: That's correct.

COMMISSIONER FITZGERALD: But how do you think you can better educate delegates so that the initiating decision, the first decisions are likely to be more accurate because we've been looking at the rates of reviews and those sorts of things, so what do you think is the one or two things that you think at the delegate level needs to be attended to?

MR KEMP: Well, most of MRCA and VEA initial liabilities are in Melbourne. If a ship or submarine goes into Melbourne, then the department should be taking people down to have a look and see what these people are operating in. By the same token, take them up to Puckapunyal or whatever tanks are or aircraft and - Janice is not here, but

I've arranged for people here before they moved all the initial liability out of Adelaide to go down to ASC when a submarine's going out on refit and to get an idea what happens on it.

COMMISSIONER FITZGERALD: So it's really about that better understanding of the environment?

MR KEMP: A better understanding of the environment would be - and all delegates should go through maybe some little training course on that.

COMMISSIONER FITZGERALD: So you've mentioned the issue of Outreach which is really to seek additional information and talking to you about it.

MR KEMP: Yes.

COMMISSIONER FITZGERALD: I have to say, we think that's pretty stock-standard stuff that should happen much earlier than the VRB and we've recommended that. Why do you think that doesn't occur at a much lower level?

MR KEMP: Probably their workload. They've got a huge workload, some of these delegates.

COMMISSIONER FITZGERALD: Right, because we've heard that the outreach actually does resolve quite a lot of issues very quickly.

MR KEMP: It does.

COMMISSIONER FITZGERALD: Our view is that that should be internalised into DVA, as well as being done by the VRB. In your cases, that may have facilitated much earlier and different decisions.

MR KEMP: Probably would have saved six to 12 months in messing around with an - and also it's not that, it's the stress on the client.

COMMISSIONER FITZGERALD: That's right. Did you use an advocate during these processes?

MR KEMP: Yes, I did.

COMMISSIONER FITZGERALD: And how did you find that?

MR KEMP: I wouldn't have got where I was without an advocate.

COMMISSIONER FITZGERALD: And do you have a current claim at the moment?

MR KEMP: No.

COMMISSIONER FITZGERALD: You've had them all settled at this stage.

MS KEMP: Yes.

COMMISSIONER FITZGERALD: Okay, that's good.

MR KEMP: Mine have been settled since 2014.

COMMISSIONER FITZGERALD: 2000 and?

MR KEMP: Fourteen.

COMMISSIONER FITZGERALD: Fourteen, all right. Thank you very much.

COMMISSIONER SPENCER: Yes, just a couple of questions, Ray. What you're describing with DVA is in a sense, I'm not saying he's responsible for it, but it doesn't sound like it's fit for purpose in the sense that the delegates, there aren't enough delegates, lack of training, lack of awareness about issues, and you also raise this issue about contractors coming in and out. So is that a - so am I understanding that correctly, all of those factors are combining in a very complex system to be a bit of a recipe for confusion.

MR KEMP: Yes.

COMMISSIONER FITZGERALD: Stress, tension.

MR KEMP: I've found the permanent delegates do a far better job than the contractors. The incidence of rejected claims are less with the permanent delegates than - - -

COMMISSIONER FITZGERALD: You may not be able to answer this one, but do you have any - do you understand the reason why there are so many contractors or why there seem to be so many - - -

MR KEMP: I assume it's the government policy of staffing levels.

COMMISSIONER FITZGERALD: Right, okay.

MR KEMP: I've got no idea why the - that's just my assumption.

COMMISSIONER FITZGERALD: Right. Perhaps I can just go to something else and that is the - you've made the comment about the Veteran Centric Reform, it should continue to be rolled out. Your experience, because you've been dealing with DVA for how long now?

MR KEMP: As a client or as an advocate?

COMMISSIONER FITZGERALD: In both. Could you - - -

MR KEMP: Right, as a client since 2003 and as an advocate since 2011.

COMMISSIONER FITZGERALD: Right, okay, so are you seeing changes? Are you experiencing changes or significant improvements?

MR KEMP: I've seen one change and that happened last April where they changed the medical impairment forms and I put a submission in but it was too late for the review where doctors have actually refused it for that, that medical impairments because they're triple app forms, they're complicated. Instead of having four or five pages, they're now 30-page forms. That is a real problem that even the delegates are complaining about it saying that it's slowing the process down.

COMMISSIONER FITZGERALD: Right.

MR KEMP: And they repeat themselves. They'll ask the same question on each page because you're doing a different injury, instead of lumping the things together and that.

COMMISSIONER SPENCER: Right, and Ray, do you intend to continue to be an advocate or what's your - - -

MR KEMP: I'm planning to go until I'm 70.

COMMISSIONER SPENCER: Right. I won't ask when that is.

MR KEMP: Six years.

COMMISSIONER SPENCER: Okay. There we go. Thanks.

MR KEMP: Five and a half.

COMMISSIONER SPENCER: Right. So can I turn your mind to the question of the future of advocacy? It was mentioned several times today. Robert Cornall's report will be hopefully due out shortly so we'll see what his inquiry is going to recommend, but from your point of view what needs to improve, change, be different around the advocacy system in the future, and I just think, initially just thinking about advocacy for claims.

MR KEMP: Well, on a region-free implementation group, so that's a group of advocates, so ATDP, and I know there's a lot of people that don't like it, but personally I think it's training a better advocate. It's just some of the workload it's putting on the advocates so for mentoring and that's a bit of a problem, but the outcome, we could better train volunteers. I see a need for volunteers. You know, if you have all paid advocates then I don't know if you're going to get the passion that volunteers have. You know, if you have all paid advocates then I don't know if you're going to get the passion that volunteers have towards advocacy.

COMMISSIONER SPENCER: How do you think that should be addressed though? Because we've heard from a number of ESOs that are involved in advocacy that the number of advocates who are volunteers are diminishing and we're not seeing the younger ones come through, so - - -

MR KEMP: Well, that's a problem. I don't know how we're going to do that, but I'm a volunteer and I'm very passionate about it. The only reason I'm saying I'll go on to seventy is I think by then I'll be starting to lose the edge, you know, and there's people out there I think are too old to be doing it, and, yes, I don't know how we're going to get the younger people in. I honestly don't.

COMMISSIONER SPENCER: No.

MR KEMP: The only time you see the young people is when they've done a claim and they've stuffed it up and they want your help with it, VRB. They'll go off and do their claim and I see them come to me with 20 or 30 injuries where, you know, you're claiming for a broken fingernail sort of thing where you don't need to claim all that stuff. You know, you go for, I believe, the big stuff that's going to hurt you later on in life, but a broken finger is maybe give you a bit of arthritis or something but it's not big, and they then come to me ask me to help them get them out of trouble because they mess up the whole claim.

COMMISSIONER SPENCER: So do you think they've been well advised before leaving, before discharging?

MR KEMP: I don't think they've been well advised at all.

COMMISSIONER SPENCER: Okay. So sometimes we hear it's a little bit of in a generational issue. Veterans want to do their own thing, but your experience is they don't seem to be fully aware of what their rights are, how advocacy can assist, and so they tend to come to you when there are problems.

MR KEMP: Yes.

COMMISSIONER SPENCER: Okay.

MR KEMP: Now, I've been told this by some people, when they deploy they have a – meant to have a one-on-one psychological, you know, talk and then when they come back they then have a one-on-one, but I believe it's all in a room, and whose got psychological problems. Well, none of them are going to say they've got psychological problems, so when it gets to a claim the department has got this form saying that, "You went to Afghanistan but you come back with no problems". Well, it could take years to come on but they're not going to own up because they could end up getting discharged as well.

COMMISSIONER SPENCER: Yes. Yes.

MR KEMP: I think the Army, from what I understand, has got a better transition system than definitely the navy. The Navy system, from what - - -

COMMISSIONER SPENCER: Right. Right.

MR KEMP: And from my experience 20 years it's just not very good.

COMMISSIONER SPENCER: And you know of the Joint Transition Command and you've indicated in your submission that you're in favour of that.

MR KEMP: Yes.

COMMISSIONER SPENCER: And that it should be the responsibility of Defence?

MR KEMP: Yes.

COMMISSIONER SPENCER: And just a quick one, we suggested that that period of responsibility go for six months. We've heard earlier today that the suggestion should be longer than that. Do you have a view on it?

MR KEMP: I think it should be at least 12 months.

COMMISSIONER SPENCER: At least 12 months, all right. Thanks very much.

COMMISSIONER FITZGERALD: Certainly through that joint transition thing we hope that Navy, Air Force and Army do a universally good job as distinct from only one of those three at the moment.

Can I just, in relation to your statement of principles, the SOPS, I understand your position. We're looking at obviously various different permutations of that and looking at the costs of those. If the costs were of a lower order – I don't know where that figure came from, but if it was a lower order your view is that if you went to the reasonable hypothesis test you'd only need the one standard, I presume? If you went to the lowest test then you'd only have one obviously. And your concern is you have the two, either it goes to the balance of probabilities and some people would miss out, or it's going to be too costly. That's basically your position.

MR KEMP: And I can use an example of that. On the Friday before Christmas I had a phone call from a veteran down south, that's TPI, he's just had an operation on his leg and he needed an electric wheelchair or a gopher because he was on a pretty big slope, and his wife couldn't get him down the slope for six to eight weeks. If he damaged his leg he would've lost it. Now, to get an electric wheelchair or a gopher you have to have an accepted condition. He didn't have it. Osteoarthritis is an accepted condition at that stage. Under the system at the moment, because he's a Vietnam veteran, without the 25 year rule, I would've been able to put in the claim, got his osteoarthritis of the ankle, accept it, and he could have got his gopher, electric wheelchair. If we go to the balance of probabilities he's outside the 25 year rule, nothing.

COMMISSIONER FITZGERALD: Okay.

MR KEMP: And so I have no musculoskeletal accepted conditions myself, but if in years come I lose a leg and I need something, as a returned veteran with qualifying service, I could put in under the RH SOP and get it, but if we go to balance of probabilities I'm stuffed too.

COMMISSIONER FITZGERALD: Okay. Thank you very much for that.

MR KEMP: Yes.

COMMISSIONER FITZGERALD: Any other final comment or you've said - - -

MR KEMP: No, I was a bit lost when all the stuff about Gold Card. There's something in one of them about co-payments. Now, that would mean everyone would have to go and get every disability known to mankind accepted to – and that would cause a lot of work as well.

COMMISSIONER FITZGERALD: Yes.

MR KEMP: You know, if you wanted to cover osteoarthritis, knees and knee replacements and that. So that was one of my concerns, the co-payment thing. I don't know what you were thinking, how you were going to work that.

COMMISSIONER FITZGERALD: Well, we're looking at the whole health thing now in detail, and it's very complex.

MR KEMP: Yes.

COMMISSIONER FITZGERALD: So thank you very much for that. And, again, thanks for your written submission as well. We'll now move to John Simmons.

MR KEMP: Thank you for having me.

COMMISSIONER FITZGERALD: Good. Thank you. Good. John, if you could just pull the middle microphone just a bit closer to you, that'd be great. Thanks. John, if you can give us your full name and any organisation that you represent.

MR SIMMONS: My name is John Bradley Simmons. I did, up until last week, represent Ex Military Rehab Centre at Edinburgh.

COMMISSIONER FITZGERALD: And today?

MR SIMMONS: Just myself today.

COMMISSIONER FITZGERALD: Just yourself, okay. No, that's fine.

MR SIMMONS: Still intend to make a brief submission about XMRC, but it's - - -

COMMISSIONER FITZGERALD: That's fine. No, that's good. If you want to make an opening statement that'd be perfect.

MR SIMMONS: I guess largely I agree with a lot of the comments that Ray and many others have made regarding DVA. I'm probably unfortunately known for being one of the people that dislike DVA the most. I notice that Janice Filby vacated the room when I walked so that's probably a fair indication.

The system itself would probably work fairly well if there was a significant cultural change within the staff at DVA. I think that's probably what most people would argue is that the culture within is so old and crusty, for want of a better word, that it just continues to fester and doesn't really change. We have a vast issue with DVA that when somebody gets significantly upset they're sin-binned. They're put to what is known as the client liaison unit or the managed access department where your restrictions are significantly, or your contact with DVA is significantly restricted. This ultimately, I guess, gives DVA an upper hand in how they deal with what they believe are difficult or significantly difficult clients. This also gives them fairly good ability to call the police whenever they wish upon the person that they've put in the sin-bin as such, which ultimately means that you have no right to question the delegate or their decision.

I don't believe that changing DVA to a system managed by Department of Human Services or another entity is going to work. DVA needs to remain an independent. It needs to have its own authority the way it sort of stands at the moment, but, again, we've just appointed a new secretary who, in essence, has been a part of this same festering system for some time, and I don't think we're going to see the change that we need to see while we're just promoting within the same crusty people.

Transition systems, especially in this State, I guess considering where XMRC was located out at Edinburgh the system is drastically flawed. We have a couple of part-time officers, who deal with the transitions of members that are in service with the Army or Air Force. There's a part-time warrant officer out there that assists with claims advocacy, and the manner in which that claims advocacy is done, as Ray said, there's a lot of young guys trying to do their own claims, and those claims are basically coming out as handfuls of rejected documents, and it's simply because there's a drastic lack of understanding of what they're filing for.

And I guess the last thing about it all is the CDDA, which is the claim detriment caused by defective administration, I think, largely if a lot of people knew what this process was we would be raising a lot of these

issues through an alternate means, I guess, rather than senate inquiries and ultimately these sort of Productivity Commissions.

The claim for defective admin, if they weren't administered via DVA themselves, we would probably find that a lot of these issues would be corrected, but it's basically the perpetrator investigating the perpetrator and they're almost always going to find that they've done no wrong.

COMMISSIONER FITZGERALD: Thank you. Any other comments?

MR SIMMONS: No.

COMMISSIONER FITZGERALD: Can I just deal with the last one first. Have you had any personal experience, either for yourself or people known to you, that have put in claims for defective decision making?

MR SIMMONS: Yes, I've done two.

COMMISSIONER FITZGERALD: And tell me a little bit about the good and bad of that.

MR SIMMONS: So the first one I did was in relation to a permanent impairment claim that I had. The claim was initially rejected and then it took 329 days for that claim to be reviewed internally by DVA. The DVA staff, when I filed it to the AAT, Janice said to me to withdraw it, and they would internally review my claim rather than it go through the AAT. This was a blatant lie, because there was no process that allowed for that type of internal review according to their own then senior staff.

So I filed a claim, the claim exceeding the amount that can be determined by DVA staff. It had to be determined by the Minister. It was then determined by a Ms Caroline Spears, who used to be the principal legal officer for DVA, and she declined it on the grounds that I had other avenues of compensation which there were none.

Second time around it was the same claim. It had been – the claims themselves take over a year. They take about 16 or 18 month on average to be dealt with. Again, this one shouldn't have been dealt with by DVA and it was dealt with by Liz Cosson herself, and she declined it saying that they don't pay compensation for excessive delays, despite the fact that we've got CDDAs to other people where they have paid for delays.

COMMISSIONER FITZGERALD: If you had proceeded down the path of going to the AAT obviously you don't know what the outcome of that would've been but would that have been a better process?

MR SIMMONS: Well, it did go to the AAT as an alternate resolution process. The AAT doesn't compensate you though for delays. It will only overturn a decision made, so that's why the CDDA was filed. Ultimately the decision by the AAT was found in my favour fairly briefly. It didn't even go to any formal hearings. It was decided at an early directions hearing that I was correct and ultimately that a failure had occurred within DVA. They hadn't considered all material.

COMMISSIONER FITZGERALD: Did you at any stage receive an explanation from the department as to why the claims were taking this excessive period of time?

MR SIMMONS: No. It was – sorry, I shouldn't say no. Initially I wasn't. It was only in November last year when I complained fairly heavily to the Prime Minister's office, which eventually made its way back to Liz Cosson. I was spoken to by a Bobby Campbell, who is now Liz Cosson's right-hand man, and she gave me an excuse that my file, because I'd been dealing with DVA since 2000, was a paper file. The paper file had been transferred on numerous occasions between Ministers, DVA in Perth, Brisbane, Melbourne, Adelaide and New South Wales. Then they went on to say that there was also delays because of my file being on the computer that different people were trying to access and couldn't which contradicted the earlier statement that my file had been, as a paper file, had been passed around on numerous occasions. I FOI'd the cover of my DVA file, which doesn't indicate that it had been passed around the amount of times that they had claimed.

COMMISSIONER FITZGERALD: You mentioned that those that are causing difficulty as claimants end up in the client liaison unit or somewhere else in DVA. Can I ask whether you were one of those?

MR SIMMONS: I am.

COMMISSIONER FITZGERALD: You are. And you said the consequences of that means that you're not able to deal directly with delegates and others. Who do you deal with if you end up in that particular spot in DVA?

MR SIMMONS: We're given a handler or a single point of contact. In the past year I've had eight different single points of contact.

COMMISSIONER FITZGERALD: All right. Are they called case managers?

MR SIMMONS: No, now they have a title of managed client coordinator. But they used to be client liaison officers.

COMMISSIONER FITZGERALD: You indicated that you believed that the core of the problem with DVA is culture, and you indicated that's largely because of the nature of the personnel. When we were looking how you might re-structure the governance of this area, we looked at alternative schemes that exist in commissions and statutory authorities and they operate quite differently to DVA. They have very different cultures and they operate in very different ways, drawing on best practice from other areas. You don't seem to think that would be an adequate response in relation to the administration of claims, putting aside the police and all those. Is there a particular reason why you don't view that as a possible improvement?

MR SIMMONS: I guess the personal experience with XMRC, I was doing advocacy but from a law base. I'm studying law. I guess the big issue is that in trying to move this somewhere else, and to Department of Human Services or something like that, it would significantly concern me to try and take ex-service personnel and put them in a Centrelink office to wait and deal with a person. I think the biggest issue that most of the people have identified is the lack of knowledge by delegates. So regardless of where we move the policies to, unless we have a cultural change we're not going to gain a front foot.

COMMISSIONER FITZGERALD: Okay. And I should just make this point clearly, we're not recommending that the administration of the scheme go entirely to the Department of Human Services, although the Government is contracting many of the back office functions to that agency.

Can I ask one other question, and then Richard might have – the Ex-Military Rehabilitation Centre, you were there until last week. Can I understand the nature of that organisation?

MR SIMMONS: So it's basically an organisation run by volunteers. As part of it, it has a men's shed and workshop. It also has a large mess hall where ultimately people can come to participate, have a feed, meal, catch up. We now have a full-time qualified advocate out there. A lot of what, I guess, myself and a couple of others deal with is ex-service people that are imprisoned or going through significant legal issues, homeless – yes, I guess it's a fairly broad centre that offers a lot of assistance rather than just a refined either advocacy or welfare as such.

COMMISSIONER FITZGERALD: So I do want to ask one other

question, and that is during your processes you didn't mention the VRB. Did you have matters dealt with through the VRB?

MR SIMMONS: Mine were all AAT matters, so they're all under what was SRCA and now DRCA.

COMMISSIONER FITZGERALD: Thank you very much.

COMMISSIONER SPENCER: John, I just want to go back to, as you know, what we're proposing is a Veterans Services Commission, which would be veteran centric. We have looked at best practice in a whole range of other schemes, and in our view at this stage we believe that that structure would bring the capability together that you feel is missing from DVA at the moment, very much with a board that's accountable, CEO reporting direct to the Minister, so has authority as well.

I guess I come back to a fundamental question, and that is that DVA's performance over a long period of time, in fact it could be argued for decades has been subject to numerous reviews and often quite a lot of criticism. So you can say, well that's about their performance and the performance needs to get better, and there are ways it can happen. Or there is something that is fundamentally wrong with the structure.

So part of our thinking in all of this is that a departmental structure does not lend itself well, because a lot of constraints, some of which you mentioned yourself, to really (indistinct) a best practice scheme in the best interests of veterans. So behind our thinking is that setting up a Veterans Services Commission is a way to get through the issues that you've been describing, which are longstanding.

So when you say, "Well DVA has got to change, the culture's got to change," I mean part of our thinking, and so I'd just like to get your response to this is well, this has been talked about for decades. What gives you optimism or hope that change at this point would happen? I mean the VCR, everybody who's looking at the VCR says that's good, there's been good progress. Too early to say whether that's going to be, you know, ultimately transform the department in a way that many people would like to see. But we think there are inherent limitations in the departmental structure. It's not done in any other scheme involved with compensation around Australia. They're all in bodies like a Veterans Services Commission, dedicated to that group.

So my question I guess is you know, from your experience with DVA, which is not – obviously, you know, you're describing not a very happy

experience. What would give you hope or optimism that that could change? Or is it, are we going to be here in five or ten years' time again?

MR SIMMONS: We're probably going to be here in five years' time at least. I'd say that this is probably something that's going to be a seven to ten year process to try and get anywhere. I think it's a very outdated system as it is, and I think it would be unrealistic to expect anything in under five years to change so significant to stop us coming back and revisiting this sort of exercise again.

I guess I'll read just a brief piece from this, and this is my personal experience with DVA, is I got my entire DVA file FOIed. And one particular page says, "I want to write to him and tell him he won't get incap and will wait for final med board before we consider PI assessment."

The next line goes on to say, "I have spoken to Q and he doesn't want to do anything, not even the vocational assessment, unless he has to." The following page to this said, "Don't give him anything. He's not entitled to anything."

That's why I say there's a cultural change. What we now see with DVA, and this has been in the short term, and I guess one of the big things which is a significant, hopefully saving grace for a lot of cases is the Veterans' Payment system. This was written when I discharged. Back in 2000, I discharged with nothing. I was homeless, my parents ended up taking me back in after Defence. The thing we see now is that DVA, with Veterans' Payment, they are getting something which is stopping I guess a lot of guys becoming immediately homeless after Defence when they have nothing.

So I guess that gives some very little optimism that reforms are happening, but I think we still need to be fairly broad-minded to see the larger reforms happening, and I guess ultimately that's why I say if we can start to make these small improvements, that will amount to a larger, hopeful reform somewhere along the line, but I don't see it being too immediate.

COMMISSIONER SPENCER: Okay, thanks, John. The Veterans' Payment to which you refer is the new interim arrangements, is that right?

MR SIMMONS: Correct.

COMMISSIONER SPENCER: Yes. Yes, that's fine. Have you, through the Ex Military Rehabilitation Centre, seen any significant

improvements in DVA as a consequence of the Veteran Centric Reform process that's now been in place for around two years, and it's got a while to go. So at the grass roots level, your level, have you seen any noticeable changes?

MR SIMMONS: Without being offensive, not really. I think a lot of it is still just a lot of people are blowing hot air, and we're not really seeing too much.

COMMISSIONER SPENCER: You mentioned, and somebody else mentioned earlier, that young veterans are putting their own claims in and having difficulties with those. Why would young veterans not be using either the current advocacy services, or systems that are available?

MR SIMMONS: At the risk of offending some people in the room - - -

COMMISSIONER SPENCER: It's all right. We do that all the time, it's okay.

MR SIMMONS: I do it all the time as well. So I've just got to apologise in advance. I guess a lot of the people that I deal with at the moment are all contemporary veterans. I don't really have any that are under the age of 35. I think I'm still older than most of the ones I deal with. They don't like the stigma that's attached with RSLs. They don't like going to, I guess, an older veteran who they feel may judge them based upon the clash of experiences between the pair. So I guess there's been that cultural issue as well within the public's mindset, which has probably filtered through to a lot of veterans, that Vietnam veterans fought one fight and won the war, and these guys have fought another one and a lot of them won't go and approach them on that basis, so they will try and nut out their own claims. And then once they're in so dire, they give up or they'll end up going to an older veteran, and we have that issue that yes, I guess some of those claims are pretty untidy and do take a little bit of work.

COMMISSIONER SPENCER: Sure. The MyService initially is meant to reduce the need for applicants. It doesn't eliminate advocates obviously, and we're very supportive of many of the advocates. But have you noticed, or are you getting feedback that those sorts of processes are helping younger veterans, or not really?

MR SIMMONS: I guess a lot of the younger veterans again that I deal with are finding MyService and the old MyGov version still relatively easy to upload claims. I think it still just comes down to the fact that they don't really know what they should be providing with the claim. If they were to take the pages from them, their Defence med records, which is the

recorded history of the event, that would ultimately tie down a lot of the links, or the casual link to service that DVA want to see in things like that. So it is helping a lot, but there's also a lot of education that's still needed for some of these guys.

COMMISSIONER SPENCER: Sure. And the issue in relation to transition, if I can just come back to that. We've made significant recommendations in relation to transition, including a new way by which that's dealt with in defence. Do you believe that – have you seen any significant improvements in the way in which young veterans are being discharged and transitioned in the last year or two?

MR SIMMONS: I guess most of the experiences I've got with people transitioning are nearly all the negatives. I mean I can give brief – without specifics. One digger that I've got at the moment was being administratively discharged.

COMMISSIONER SPENCER: Right.

MR SIMMONS: He's medically not fit on the grounds of mental health. There should be – well under the transition, there's supposed to be a three month discharge period. The unit wanted him out so they could refill his position, so they changed it to two months, which obviously short-changed him the ability to then have all his arrangements met in time to discharge, which ultimately has led to a significant failure and suicide attempt.

COMMISSIONER SPENCER: Right. And my last question is, it's not one that you've mentioned, there's – we've asked throughout the day about access to health services. Your experience in relation to being able to access rehabilitation and mental health services generally within the South Australia context?

MR SIMMONS: I guess mine is probably – and I don't know what others have said. I've had ten operations on one knee. I finally had a replacement done in 2017. I've been on opioids for four years straight because of it. The lack of understanding that comes from I guess a lot of these organisations. I tried to consult with VVCS. They don't understand the difference between mental health and pain aspects. So that particular night in September, I had 86 opioid tablets between Tramadol and Endone. I tried to consume them all, so that's probably answering what it is.

It got to the point where yes, I wasn't getting the help that I thought I needed. It was falling on deaf ears, so yes.

COMMISSIONER SPENCER: And if I could just follow on from your personal experience there, what would have made a difference for you, or for people in similar circumstances to that which you - - -

MR SIMMONS: Sorry?

COMMISSIONER SPENCER: What do you think in the system would need to change to have made a difference for you, or for people in similar circumstances?

MR SIMMONS: I think the biggest issue is there's just what appears to be a lack of understanding of pain and mental health. Pain, and this is one issue, one reason why I'm in CLU, is pain causes you to become aggressive.

COMMISSIONER SPENCER: Sure.

MR SIMMONS: Pain causes you to become tired. There's - the flow-on effects from pain to mental health are massive, so – and a lot of people don't seem to understand that one sort of goes hand in hand with the other, and you'd end up with I guess ultimately, in my position, is flying off the handle at DVA delegates, being labelled as a "significant risk" and then in the back of a police divvy van, so.

COMMISSIONER SPENCER: Good. Is there any other comments or any other questions (indistinct) ask after that?

COMMISSIONER FITZGERALD: No, that's fine, thanks.

COMMISSIONER SPENCER: Any other comments, (indistinct)?

MR SIMMONS: No.

COMMISSIONER SPENCER: No, that's fine – sorry, John, I should have said. So sorry, thank you very much for that, John.

MR SIMMONS: Thank you very much.

COMMISSIONER SPENCER: That was terrific. Thank you very much indeed, thank you. And we'll have Les Smith, please.

Good, thanks Les. If you could give your name and any organisation's name that you represent.

MR SMITH: Yes, no worries. I'm Les (indistinct) Smith, and I'm representing myself.

COMMISSIONER SPENCER: Terrific, thank you very much. Les, if you just want to make an opening statement, that would be terrific.

MR SMITH: Yes, my opening statement is to do with compensation, and when does compensation become a loan that you can never pay off.

In 1991, I was a very fit infantry sergeant at Keswick. I'd done over 20 years' service as an infantry soldier. In 1991, I had the misfortune of doing my back in and I had to have two back operations. After six months, I was back in uniform and I was approached by compensation if I wanted to take a lump sum compensation payment, which I did. They offered me – I was assessed at 9.6 in how the system works, and I was offered $54,136.

At the time, I was on a White Card 60 per cent pension, which was $120. Two weeks later they said, "Okay, here's your money, nothing's going to happen." Two months later, I got a letter from compensation saying, "We have notified Veteran Affairs. You cannot have two bites of the cherry. We need to find out if you've been overpaid or have to pay any of this back."

COMMISSIONER SPENCER: Just drop the microphone just a touch and push it back a little bit. Thanks.

MR SMITH: The reply came back, "No, you haven't been overpaid, you haven't paid too much money, however, you have to start paying back $90.01 a fortnight, and that will be taken out of your White Card 60 per cent." So they reduced my fortnightly payment by $90. I was getting $30 or whatever it was a fortnight.

They said that would go on for a few years. After a couple of months they told me that. I subsequently discharged from the army in 1993 and started working, and after that, I ended up becoming a TPI Gold Card because I couldn't work anymore. I then received another letter saying, "You cannot have two bites of the cherry. You have to pay back this $54,136.09, and we are now going to take $110 a fortnight out of your Gold Card payment.

Twenty-six years later, I am paying back $155 a fortnight still today. I contact them regularly. I speak to a lady by the name – the last three years has been Reni, who was the boss of the compensation department, that tells me, "You will never pay off that loan. You've got to pay it until

the day you die, and then if your wife becomes a war widow veteran pension, it will then be reduced from her payments until the day that she dies."

If I had have known this in 1991 or July 1992 when they offered me the money, no one in their right mind would accept $54,000. At this stage, I calculate I've paid back over $80,000. They will not tell me how much I have paid. I have emailed and spoken to them and asked for a detailed account. I have asked them for a payout figure so I can pay it out. You can't. I have got to keep paying this until the day I die and beyond.

She tells me that I am not the only person in this situation. There is thousands of ex-military personnel that have got compensation and done this. $150-odd a fortnight out of a man's pay or pension is a week's groceries. If I had have went to the bank and asked for a $50,000 loan – or 54 – I would have paid it off. In that 26 years, I have paid off five houses that I have lived in, from Perth to Sydney to Adelaide. Yet I can't pay off a $54,000 compensation payment which I got for pain and suffering, and now they class it as a loan. It's got to end.

COMMISSIONER SPENCER: Thank you very much. Can I just go back a little bit so that I can fully understand. When you say the compensation people, who are they?

MR SMITH: Rehabilitation and compensation. They used to be at Keswick Barracks here.

COMMISSIONER SPENCER: Right. And they're not DVA?

MR SMITH: No, but they work in conjunction – they were working in conjunction with DVA over payments, so you couldn't be double paid. That's what was explained to me.

COMMISSIONER SPENCER: So the debt that you're paying off is payable to whom?

MR SMITH: It comes out at – well, it was never explained to me it was a debt. It was a lump sum I was offered. I was assessed by a DVA medical doctor in Adelaide here, and he assessed me under the old system: two points for this, two points for that, 9.6. And they assessed me at 9.6, which was entitled to $36,700 for pain and suffering, and $17,000-odd for economic loss. Because I couldn't be promoted, I was a sergeant at the time and I couldn't be promoted. I was (indistinct) at the time, you know, fairly operational, but after that I was made HO, which is home only.

I couldn't be posted outside of Australia. They wanted to discharge me. I fought to stay in, and done over my 20 years to get my pension.

COMMISSIONER SPENCER: So just to clarify, this was a payment that was made by a different body but DVA for an injury that had occurred.

MR SMITH: Rehabilitation and compensation.

COMMISSIONER SPENCER: Yes. And now you receive a benefit through the DVA?

MR SMITH: TPI Gold Card.

COMMISSIONER SPENCER: Yes, and a benefit, obviously a pension.

MR SMITH: I get my - - -

COMMISSIONER SPENCER: You get the Gold Card and a pension?

MR SMITH: No, I get my DFRDB pension, which is standard.

COMMISSIONER SPENCER: Yes.

MR SMITH: And I get my TPI pension.

COMMISSIONER SPENCER: Yes, that's what I meant.

MR SMITH: Yes.

COMMISSIONER SPENCER: And it's from those payments that this amount has been deducted?

MR SMITH: Every fortnight, yes, $155 goes out of my veterans' affair pension, my TPI pension, and has done for 26 years.

COMMISSIONER SPENCER: So when you say to – sorry, in relation to the totality of this issue, do you deal with DVA only now?

MR SMITH: Both.

COMMISSIONER SPENCER: Who's the both?

MR SMITH: I ring DVA here in Adelaide, and they say, "It's too hard for us. We've got to put you through to compensation." I used to speak to Remi in Queensland. I spoke to her last year in - - -

COMMISSIONER SPENCER: Sorry, can I just get a clarification of, who is compensation now? Who is that, is that – which organisation is that?

MR SMITH: I couldn't tell - - -

UNIDENTIFIED SPEAKER: Yes, it's the military – it's the military rehabilitation and compensation act. And they actually now work out of – they used to work in Keswick.

MR SMITH: Yes.

UNIDENTIFIED SPEAKER: And now they work out of (indistinct) house. There are (indistinct words) house, which is where DVA are working out of (indistinct).

MR SMITH: Yes, well I - - -

UNIDENTIFIED SPEAKER: And I've actually heard that, exactly your situation as to (indistinct), but the exact same thing (indistinct words).

COMMISSIONER SPENCER: Okay. Thanks, we'll follow that up. But when you actually have said to somebody that you want to be able to pay out the debt or loan, they say you can't pay it out.

MR SMITH: You can never pay it out. If I had have been told that to start off with, I mean, my wife doesn't understand the military, and nor do I to a great extent, but as she says to me, if you go to the bank and get a loan, like I say, we've paid off houses after houses, there's always a payout figure, always, but with the military or DVA or compensation or whatever you want to call, it there is no payout figure. It's got - they explained it to me like this. You can't pay it out because how does the system know that you never got that $54,000, put it in the bank and are drawing interest on that, and I gave it - it doesn't make sense. It just doesn't make sense. Why would you do that? And that's their logic behind not being able to pay it off, because they think you're drawing interest on it.

And I cannot get an answer. I, as two weeks ago when they come back from Christmas leave, I emailed Remi. I rung her last week and she said my case has been given to another person to look at because they've got a big backlog. I said, "I need a detailed account of everything that I've paid

back because I'm coming down here and I want something, some evidence to show them". Can't have it, and I'm not the only one There's thousands obviously in the same situation. Not only do I have to pay it back for the rest of my life, when I die and my wife, she's got to.

COMMISSIONER FITZGERALD: So without understanding completely the technicalities behind all this, and I don't presume to understand it, when you received your original compensation for pain and suffering, and then you received I presume payments through DVA, through the TPI processes, did you have any objection to them being adjusted? Did you agree that double-dipping was a problem and - - -

MR SMITH: I had no option.

COMMISSIONER FITZGERALD: They said it wasn't and you accepted that?

MR SMITH: I couldn't - I went to the Veterans' Review Board. I sat before the panel, spoke to them, but see, when it first started, when I was on 60 per cent White Card and they just reduced by 120 or whatever it was by 90, I had to accept it. I was still a military member. But when I got out and became a TPI they said to me, "Now" - they just sent me a letter saying, "You're now being reduced from whatever by $110", and that's when I fought it and I said, "No, this is not right", and they said, "It's the law. It's in black and white and you can't fight it".

COMMISSIONER FITZGERALD: And that was the VRB?

MR SMITH: Yes, and that was in 1994.

COMMISSIONER FITZGERALD: And do you accept that decision?

MR SMITH: I fought and fought and fought and there was nothing I could do about it.

COMMISSIONER FITZGERALD: Did you, or was it available to you, to go to the AAT to have that tested?

MR SMITH: No.

COMMISSIONER FITZGERALD: No, okay, but your problem right at the moment is really the inability to extract yourself from this ongoing debt loan.

MR SMITH: Absolutely. Twenty-six years.

COMMISSIONER FITZGERALD: Well, I don't understand it either, so there you are. Okay.

MR SMITH: No one understands it.

COMMISSIONER FITZGERALD: Well, we'll follow it up just to try to understand, from a system's point of view, not from - did you, during this process have you sought either legal or advocacy advice?

MR SMITH: Yes, I have, and no one will take it on because it's fighting City Hall. They said it's enshrined in the evidence in the book in black and white and you just can't fight it because it is the law.

COMMISSIONER FITZGERALD: And so right at the moment where does it all stand? You're still having this amount deducted?

MR SMITH: Yes, it just - it comes out and every time I get a payslip or a tax document and everything and it says this minus $152 or minus, every fortnight. It just automatically - I never see it, never seen it, and the wife is real happy.

COMMISSIONER FITZGERALD: Richard?

COMMISSIONER SPENCER: Yes, I'm just interested as to with your engagement with DVA over all of this, is the response you get, "The rules are the rules", or do you get some sympathy to say, "Yes, this is not a good situation but we can't fix it"? What's the explanation or response you get.

MR SMITH: I get sympathy. I get sympathy from the people I talk to in compensation. I have them crying on the phone saying, "You know, sometimes you can't afford to buy groceries", and they cry with me, and they say, "But there's nothing you can do". It is the law.

COMMISSIONER SPENCER: Are you aware whether this has gone to a higher level in DVA? Is it understood at a senior or significant level?

MR SMITH: I have asked to speak to the top person in compensation who used to be in Brisbane, but as far as I know the top person now is Remy, that's all I know her as, in Victoria which I spoke to her last week, and she just says, "Sorry, there's just nothing we can do. You can't take it anywhere because it's enshrined in law and there's thousands of youse".

COMMISSIONER SPENCER: And the thousands is the number she's mentioned. Is that right?

MR SMITH: Yes, absolutely. Absolutely. I'm not the only one. There's heaps of people in the same situation.

COMMISSIONER SPENCER: Right. Well, as Robert said, we, you know, we obviously don't understand all the details of it, but we'll certainly look into it. I had a more general question if you're happy to move on.

COMMISSIONER FITZGERALD: I should just make the comment, where this arises is a little bit, not in the same way, but we've had a number of submissions in relation to superannuation insurance payouts which are effectively compensation and how that is offset against payments from DVA or vice versa, and people have argued with us about the fairness of that approach. So we're looking at that, but I must say, you've raised a separate issue going back a long way, and the issue of not being able to pay out the debt is an interesting one, so I hadn't heard that before, so thank you for raising that.

MR SMITH: I've actually spoken to people that have put in for compensation claims for lump sum payments in the last two or three years and I've advised them not to do it because they'll just pay for it for the rest of their life.

COMMISSIONER FITZGERALD: Again, I won't go much further, but if you received a lump sum payment for a pain and suffering that is for impairment under any of the - well, under the acts that you're allowed to. That should not be a problem, should it.

MR SMITH: No. It shouldn't be, but it is because you've got to pay it off. Like I've been paying it for 26 years.

COMMISSIONER FITZGERALD: No, no, I understand your circumstances. I was just talking about more generally. Okay.

COMMISSIONER SPENCER: Les, mine was just a more general question and that is, I notice you've been with us for some time this morning, but it's whether there was anything you wanted to comment on in terms more generally of our draft report. Is there any particular aspect other than this particular issue you've brought up for us today?

MR SMITH: Well, only that the whole system is broken. It's - I've got a friend in the audience here who you've listened to this morning who's been

fighting his case for Gold Card and stuff for 10, 12 years. I know another guy in Adelaide who's got a hernia problem. Military accepted and his stomach's out like this and he can't get into a hospital because DVA won't pay for it. He's got to pay for it himself. The system is just so broken, you know? People ring up and ring up and ring up and just can't get through, you know. They can't tell them, "You just go from there to there. There to there". All the time it's just so broken, and I don't believe it'll be fixed as the last gentleman said in the next five or 10 years. They'll resist it.

COMMISSIONER FITZGERALD: Are the processes that you've heard of in recent years in relation to, say, to the VRB and all of those things, you don't believe that those sorts of processes have made or are making a difference, a significant difference?

MR SMITH: No. No, I - we're fighting another issue which is nothing to do with this, but it's to do with the second Malaysian emergency from '68 to '89 which you've no doubt heard of. We've got a board of inquiry going through in that that's been fighting that for nearly 20 years to get recognition and it's the same as the DVA system. It's just, you know, you're just fighting, fighting, fighting, fighting.

The laws are there in black and white like our RCB campaign. They're there in black and white that need people to just go, "Look, that's what happened", but they don't. They duck shove it over there and change the rules and do everything, and we've just got to keep fighting, same as with DVA. You've just got to keep fighting. If that department - like, one case, a bloke's had seven or eight different people send him a letter for the same thing. A letter goes in, he gets seven or eight different responses from different people. There's not one person to look after the one case, the one person's case. It just goes from desk to desk. It should be one person look after the case, and I believe the people that are on the review panels and stuff like that shouldn't be colonels, brigadiers, field marshals or whatever. They should be soldiers that know the system.

COMMISSIONER FITZGERALD: Can I just take that point. One of the things that's emerged in our consultations was the issue of equity but there's a number of different takes on that, but one of the issues that arose was there was - a number of people spoke to us that felt there was a lack of equity between the different ranks.

MR SMITH: Yes.

COMMISSIONER FITZGERALD: And we've tested that a little bit and there's no doubt that in some areas your ranks do matter, but in the

system for compensation and your dealings with DVA, and again you can only speak from your own experience, do you believe that people of different ranks are treated differently in the way in which matters are dealt with? Not the actual benefits, but the way people are dealt with, or do you think that's something of a past era?

MR SMITH: No, it's relevant today. I was fortunate when I first put in for my Gold Card many years ago, 1995 I think it was, I had to go before the review panel and the review panel, I think from memory it was six people. There was five what I would class as civilians, not ex-military, and there was one gentleman there that I was pretty sure I knew. One gentleman said to me, "Your back, it's not military-related", and I said, "Well, it is, we used to have carry 50 cal machine guns around in the bush, you know, in 1973/74". He said, "But you don't carry machine guns, 50 cal machine guns. They go on top of 113 APC's", and this gentleman down the end turned around and said, "No, he did". It turned out he was my OC in Delta Company 6RAR in Enoggera that was on the review panel, and that's the only reason I got my Gold Card, because he could back up what I was saying, because the others had no idea.

COMMISSIONER FITZGERALD: Sure.

MR SMITH: The review panel just don't know, and that's why they should be military personnel, ex-military but not generals and brigadiers. Stuff like people that have been in the trenches. I'm not saying that they haven't, but they're normally in their tents. People, RSM's, warrant officers, sergeants.

COMMISSIONER FITZGERALD: Just related to that, the Statements of Principles that are now used for determining the claims in a sense are meant to deal with part of that, aren't they, so that you are now very specific about, you know, if you've carried X amounts of weights or been in these involvements and so on and so forth. So do you get a sense that sort of ad hoc nature of decision-making has changed, so whilst there is still discretion, these systems, like the Statements of Principles, reduce that risk of, you know, inexpert people making these sorts of judgments?

MR SMITH: They do. They do, yes, 100 per cent because they just don't know what people do within the system, but if you had - look, there's RSM's, warrant officers, you know, class 2's and staff sergeants, so they know. They know the workings of an inventory unit or on a tank or a ship or whatever. They know. The hierarchy, once they come out of Duntroon, Portsea or wherever, and it's nothing against them, they do their job. They do a great job, but they're not in the trenches with the soldiers.

COMMISSIONER FITZGERALD: All right. Thank you. Is there any other comments you'd like to make? Richard?

COMMISSIONER SPENCER: No, that's good. Yes.

COMMISSIONER FITZGERALD: Thank you very much, Les.

MR SMITH: Thank you.

COMMISSIONER FITZGERALD: We appreciate that. And if we could have Mr George Mikajlo.

UNIDENTIFIED SPEAKER: We're running a little early.

COMMISSIONER FITZGERALD: Right, that's okay. Who else is here.

UNIDENTIFIED SPEAKER: So we might move to Claudia.

COMMISSIONER FITZGERALD: Yes, that's fine. Thanks. I understand we're going to have a couple of short presentations of people that have presented that have asked for an opportunity to do so, so we'll use this time at the moment to do that. Claudia Cream. Thanks, Claudia.

MS CREAM: My name is Claudia Cream OAM. I have been in the veteran community for about 14 years and I was a past president of the War Widow Guild of Australia (South Australia Inc.). Also I have been an ambassador for the Partners of Veterans' Association since 2010 and also a member since 2005, and now I'm a committee member of the War Widow Guild, and I'm giving this submission as a member of the veteran community, a war widow and a member of the War Widow Guild and of Legacy.

Now, please pardon my ignorance - - -

COMMISSIONER FITZGERALD: Just pause for one moment. Could you move the microphone forward just a little bit. That's right.

MS CREAM: Thank you.

COMMISSIONER FITZGERALD: And just drop it down a bit. Down. That's it. Good. Now you can speak.

MS CREAM: Thank you, yes. Please pardon my ignorance but I have read the draft report of the Productivity Commission in relation to

reforming system in the veteran community. I do think it is a very good idea to combine the three acts, the Veteran Entitlement Act, the safety, rehabilitation, company, defence-related. This is law with a clean act and Military, Rehabilitation and Compensation Act into one single act to simplify the system and to make it less complicated, and also to have a single standard of proving. It's easier for the ordinary veteran, member of the veteran community to understand just one act instead of three acts.

Now, in case the DVA is absorbed into the Defence Department, and I hope not, and if this Veteran Services Commission is to be set up, will there be offices in different states to deal with veterans' matters of all kinds rather than just going to Canberra? Would that be offices in different state?

COMMISSIONER FITZGERALD: I'll come back to that.

MS CREAM: You'll come back. Okay, good. If so, now, will there be staff on the phone to answer veteran queries rather than, you just go online to get the information? That's another query. Veteran information, I know a lot of them online, but older veterans, the older war widows, they have not - they haven't got the computer skills to get the information online. People talk about MyService; 'they will know how to get to MyService.'

Now, I do think computer training within the veteran community is necessary to provide to older veterans, war widows, to learn about computer, to get information online because a lot of them, the older war widow, they have no idea about what online means. They don't know how to get information from the computer. They don't even operate a mobile phone. So I don't know how they can get the information online.

Now, another point is, the procedures to become an advocate and social officer in the veteran community is so complicated. Please simplify. Simplify the procedures so that the ordinary member of the veteran can volunteer to become advocate as well as social officer. At the present moment is too complicated for them, and also a feedback system would be good if it's on a confidential basis, be set up within the reform system in the veteran community for improvement of provision of services so people can inform this particular department, you know, what's going on. There's something not right about provision of some services. You know, they can tell that department.

Also, as you can see, I am an Australian from multicultural community. There must be multi-cultural Australia in the Defence Forces. A policy of inclusiveness, inclusiveness to be adopted to change the negative attitude

towards Australians, Australians of multi-cultural backgrounds to join the Defence Forces, to be treated equally and with a fair go attitude because Australia is a multi-cultural society and is going to be more multi-cultural.

I just would like to give just my example. When I joined the veteran community, joined one organisation, they didn't talk to me for four years. All right? But anyway, I will leave that behind. Leave that behind. And I would like to do thing for the veteran community and so I just would like to promote this inclusive attitude, not exclusive attitude towards the Australians of multi-cultural - from multicultural backgrounds. Thank you so much for listening.

COMMISSIONER FITZGERALD: Good. Thank you very much, Claudia. Just a couple of questions which may have some - do you believe that people from multicultural backgrounds are significantly disadvantaged within the veteran community currently? So I know that you had those experiences previously, but can you enlighten us as to what you think the significant disadvantages your community faces currently.

MS CREAM: You're talking about the - within the veteran community?

COMMISSIONER FITZGERALD: Within the veterans community.

MS CREAM: You see the thing is that Australian - I know there's some Australian from the multicultural background, they are in the Defence Forces here, but I think attitude has to be changed to be more positive towards them, to welcome them, rather than say - well, you know, saying something "You don't belong here", you know they will say something in a very indirect way to say, like, "Why you here, huh?" and "I don't expect you to be here", that means that person does not belong. I mean what's the whole point of belong, to want to belong if somebody tells you, "Well, no, you don't belong here". So I think that belong is important and to be treated equally. Fair go, Australian fair go. Not just to the mainstream Australians but also to the Australian of multicultural background. Equal basis. Because we also Australian; we so proud to be Australian, even we come from a multicultural background.

COMMISSIONER FITZGERALD: Claudia, do you believe or do you have any evidence of the way in which people from multicultural backgrounds are being dealt with by, say, the Department of Veterans' Affairs or other parts of the Defence Force at the present time? Do you believe they are treated the same way, or do you believe they're treated differently?

MS CREAM: Is it they wouldn't want to say anything because they really worry, even if they're bullied, they would not to sort of blow it all up, and they will just keep it quiet, go on - go on with everybody else. Because they know if they speak up openly they may be treated differently, in an unfair manner, because there's not too many of them and they maybe gang up, you see. So they usually go along with - with everybody. So if anything is unfair we just tolerate it.

COMMISSIONER FITZGERALD: You mentioned a couple of things, if I just pick one or two of those and Richard might have some questions. One of those was about the ability to feedback commentary around services. So can you just explain to me what you're talking about there in a little bit more detail and what you think needs to be put in place.

MS CREAM: Yes. For example, the Department of Veterans' Affair, I don't know whether there's such a feedback system. You know, if somebody is not happy with the - some services provided by the Department of Veterans' Affairs then they can actually go to a particular team, or one person, to say "Look, I'm not very happy with, you know, what I'm receiving because of this and this", and it would be really good to be done on a confidential basis so that this team can feed that feedback to the Department of Veteran Affairs and say, "Hey, this got to be improved because something is not working efficiently", you know, and I do hope that the Department of Veteran Affairs not going to be absorbed into the Defence department because going to be a huge department, I don't know how they can manage all of that. But anyway, is up to the government.

COMMISSIONER FITZGERALD: No, that's fine.

COMMISSIONER SPENCER: Thanks Robert. Claudia, you make a very powerful statement.

MS CREAM: Thank you.

COMMISSIONER SPENCER: One Australia, and I think everybody would agree our military should reflect our society and everyone in our society and if injury or illnesses are incurred that it should be absolutely the same for everybody. So that's a very powerful statement and thank you for that. You also raised a couple of detailed questions about - with the Veteran Services Commission, whether there will be offices here or what would be online. That level of detail we haven't gone into but the guiding principle of a Veteran Services Commission is to be veteran centric. So if the need is for that, to have physical presence, and we've heard that from a number of other people as well, to be physically present

around Australia, to have services and access to services in ways that work for people, that absolutely should be the case.

MS CREAM: Yes.

COMMISSIONER SPENCER: And in our experience bodies, like the VSC, that are set up specifically around the individual respond very well to that. We think that's very difficult sometimes for a department structure to do, but a commission of the kind we're talking about would be aiming to do that.

MS CREAM: Yeah, because I know that, you know, in the (indistinct) to say "Course effective, course effective" but I'm just thinking it's not easy for the ordinary veteran, member of the veteran community have to go to Canberra, or to ring up Canberra, you know. So I say is good idea, please do have a local office here so that they can actually go to the office and also have the telephone, have somebody man the telephone rather than, you know, online. And computer training, please, you know free computer training, give funding to that.

COMMISSIONER SPENCER: One of the issues that we have raised with DVA is the need for direct person to person contact for those that are not able to access computerised systems, and we hope that that's part of the current system. It certainly needs to be. And that would also obviously be important going forward. So we recognise that whilst most people are able to access through the computer and internet, many people can't, so we've already made that observation.

MS CREAM: Thank you.

COMMISSIONER SPENCER: Can I just ask one question. You are currently with the War Widows Guild?

MS CREAM: Yes, that's right, I'm - I was a past president and also now I'm the committee member.

COMMISSIONER SPENCER: In that particular guild are there many people from NESB backgrounds or multicultural backgrounds?

MS CREAM: No, no. I'm speaking as a member of the association, not on - not through - authorised by the committee, yeah.

COMMISSIONER SPENCER: No, no, I fully understand that.

MS CREAM: No, no, I'm the only person but I think - I think there are few multicultural members but they don't - they don't join the guild because, you know, of the isolation or they feel that - they don't feel comfortable there, yes.

COMMISSIONER SPENCER: Right. And do you believe that for people from multicultural backgrounds that they require their own ex-service organisations, or do you think the way ahead is better inclusion or integration within existing organisations?

MS CREAM: Inclusion is much better, rather than set up separate services for them, and I think inclusion's better. It's good for the Australian society as a harmonious society so everybody who is active of their background, you know, they have a say, you know part of the - part of the society.

COMMISSIONER FITZGERALD: Good. All right, thank you very much.

MS CREAM: Thank you. Thank you, bye.

COMMISSIONER FITZGERALD: Thanks very much Claudia, we appreciate that. That's good. And if we could have Robert Black back, thanks. Robert, if you can give your full name again and the organisation you're now representing.

DR BLACK: Thank you, Commissioner. Robert Black, I'm the president at the moment of the South Australian Division of the RAAF Association. I've had experience with the Veterans' Review Board for nine years. I have worked at the repat. hospital for over 20 and I'm a veteran, and I've had some experience in the medical politics area beforehand.

Thank you for giving me the opportunity of having a second bite, as it were, but you did suggest that any comments about other matters raised one could comment, and I have now unfortunately several comments to make.

COMMISSIONER FITZGERALD: Good.

DR BLACK: And the first is the last that we heard of that poor gentleman who got into such a bind over a lump sum payment. It was pleasing to me to see that you are recommending some - abolition of some lump sums and it has always seemed to me that accepting lump sums creates difficulties.

MRCA now provides financial advice before accepting a lump sum and that's a very good thing, but many appear to have been accepted without added explanation and clearly you heard a very good example of that.

You asked a question why young veterans doing their own thing - didn't put it quite that way - but making their own claims and it certainly puzzles me. But one of the reasons why they are doing it, I don't think it's a good reason, is that the material from the department implies that it's an easy thing, "Just do it online", and it isn't an easy thing. When something is difficult, complicated and liable to end in trouble why imply that it's easy. And I think there should be some sort of brake on young people making their own claims; even a message to say, "Have you thought of getting further advice?" There are all sorts of things in the later Acts, the medical reports and so on, that may delay the acceptance of a claim.

You did ask a question of Rod Murray about the Gold Card and you made a comment that it was a feature of a past era, and I wondered what you were talking about, because the Gold Card had a - has a history only of just over 20 years. It was introduced in the mid-1990s, and it was introduced for one very good, simple reason. You have suggested that it's not well focused, in a way, it isn't. But it is in fact specifically addressed to provide health services - all health services - for various groups of veterans and dependants, who over the last 100 years have been deemed, by the department of veterans affairs or it's repatriation department, has been eligible for those benefits.

And this came to a halt early in the 1990s, when the repatriation and general hospital system was completed. The federal government let go those hospitals, and they went to private institutions, or to - or to state - to government departments. What a shame it was, in retrospect, and the reasons behind it, were false because they believed that the DVA was running out of claimants and they wouldn't need to last very much longer. And the same with the repat hospitals.

You raised a question earlier about the apparent inequity in having different levels of benefit for the same injury, illness disease or death from the different Acts, and that certainly is a problem, and we would think that it is a little bit curious. But, there is a legislative history that gives precedent to this idea, because the first 50 years of the Australian veteran or returned servicemen compensation system, those who did not return from active service, operational service, qualifying service with various names, and who served simply at home, defence service, had absolutely no access to the Acts that preceded the Veterans' Entitlements Act. Especially, of course, the Australian Soldiers' Repatriation Act, and it's got various names until it became the VEA.

So, the servicemen and women, who did not have active service had simply no access to these compensations and things. The only access they had were to, and equivalent to, a normal Workers' Compensation Act, and indeed it was various Acts that preceded SRCA, now DRCA, perhaps (indistinct). But that was a Worker's Compensation Act, and that was all that servicemen and women had access to. Clearly, those Acts had benefits that were much less than the VEA and its antecedent legislation.

And I think that is the basis why it appears that those with similar injuries or illnesses or impairment or incapacity receive different compensation from different Acts. It certainly puzzled me MRCA came around that this was happening, but I think that's the reason for it.

Gaps, gaps we've heard from various people, and they are very important. They are a threat to the utility of the repatriation of cards. If doctors will not accept the repatriation cards, because they are not permitted, it is illegal for them to charge a gap, they will use the Medicare charge and charge a bigger gap. One can say about greedy doctors and doctors who don't bulk bill, they have their own problems, doctors do. But, it simply is a threat that the department needs to understand that unless what it pays for medical services, and that includes hospital services, as well as medical services, the cards, White or Gold, will not have the utility that they are meant to have, that indeed the DVA promises, (indistinct), when a Gold Card is issued.

And the final comment, if I may, is about Statements of Principles, because you did query, I think, Mr Spencer, Rob Manton when he was here, because he pointed out that the Veterans' Advisory Council in South Australia had shown some doubt about Statements of Principles. I think we all understand that there are two standards, two sets of Statements of Principles for every disease or condition, and these are at the two different standards of proof which we hope to retain. But, I think, Mr Manton suggested that there was a lawyer among the Veterans' Advisory Council who said that this is a problem, because one cannot argue that what is nearly in the Statements of Principles as a factor could be argued that that factor is nearly met but not quite, why can't we get compensation from this?

People have suggested elsewhere, and I think you've received, comments about this in the submissions. Now, the Statements of Principles are not wide enough. They should be regarded as guidelines, they don't have sufficient latitude. They have sufficient latitude. They have very wide latitude. And the latitude is determined by the standards of proof. Whether it is reasonable hypothesis, 1 in 20, or balance of probabilities,

perhaps 50-50. These factors, in the statements of principles show that huge latitude, that this is allowed. Can I take one example: in the Statement of Principles from (indistinct) there's a very common condition affecting many men, there is a factor which says "28 days or more on land in Vietnam, or in the case of the sailors, ingestion of potable water produced by distillation from estuarine waters in Vietnam."

COMISSIONER SPENCER: What on earth does that mean?

DR BLACK: It means, that those soldiers, sailors and airmen have ingested the dioxins, the by-product, of Agent Orange. There is no other factor for (indistinct) from any other group of veterans. So, 28 days. There is a lawyer who has represented a person who had service in Vietnam for 14 days. He said, "Well, 28 days, why not 14." The reason why not 14 is that 28 days gets down to 0.05, or 1 in 20. Five per cent. It's not a reasonable hypothesis, is not, 1 in 50, it's 1 in 20.

So, it surprises me that the Veterans Advisory Council in South Australia didn't have sufficient experience to explain that problem. So, those are a few comments I'd just like to clarify.

COMISSIONER FITZGERALD: Thank you for that. We'll only raise one question. Can I just ask, before we do that, is George Mikajlo here? Yes, okay, thank you. So just one or two, and then we'll go to our next participant. In relation to the Gold Card, and I understand what you're saying, that when we moved away from having repatriation hospitals, the Gold Card came into its own, you yourself acknowledge that it's not a, necessarily, well-targeted card, but it has benefits, significant benefits. The issue we've got is not removing the Gold Card for those that have received it. It's whether or not that's the best way of going forward in terms of health service funding, delivery, those sorts of things.

So, I wonder, are the ESOs prepared to look at alternatives? Not to replacing the Gold Card for those that received it, but in terms of future claimants in relation to that. Or is it really the case that no matter what we put forward, the Gold Card is going to be, you know, what the ESO community really wants. So, is it only going to be the Gold Card, or is the ESO community prepared to look at alternatives for new claimants going forward?

DR BLACK: Well, your position is that the Gold Card is not well targeted. My position is that it is extremely well targeted, towards those people who the Government have deemed eligible to receive benefits, in the form of all health services. Now, the precedent for that came in the 1970s, a precedent, it's not quite the same. But up until the 1970s, and

you've referred in your report that scurrilous publication by John (indistinct) - you know that little book? John - I've forgotten the name now, DFC, a decorated airman, who worked in the repat system as a doctor; he's an Adelaide graduate. And he pointed out the way in which people abused the system in the 50s, 40s and 60s of the repatriation system. At that stage, you were only treated in the repat hospitals for your entitlements; nowadays called your accepted conditions. If you didn't have an accepted condition, you had to be sent elsewhere.

So there was in fact a lot of illness focus, if you like, concerned with those illnesses that were accepted by the department because otherwise you wouldn't get free treatment. So this was in the 1970s and then in the 1970s, the Whitlam Government decided that veterans of the Boer War and World War I were all very old and were probably needing lots of health benefits, health services, and so it said that whatever health problem you had, not just your entitlements, you could be treated at the repat hospitals for free.

Twenty years later, we're coming down to the 90s and that's when World War II veterans were given the same thing, but there were no longer repat hospitals, so that's why it got the Gold Card. Now, I can't think of anything that is going to provide health services for a group of people deemed then, now and perhaps in the future as deserving the benefit of all health services other than something like the Gold Card.

COMMISSIONER FITZGERALD: Can I just – my final point is just going back to the lump sums. Lump sums are available both on the MRCA and DRCA and we're going to combine the two. You're correct that financial advice is an important component under one of the Acts at least, and that should be provided. Many people do take lump sums rather than pensions; whether that's a good thing or not is irrespective. Is there anything over and above providing financial advice that can help people who do choose to take the lump sums, you know, exercise good judgment? It's a problem – it's a – when I say it's a problem, this is an issue that besets all compensation schemes. It affects the, you know, common law compensation schemes and what have you, people by and large in Australia are entitled to lump sum payments if they are receiving compensation. Some people make wise choices, some people make poor choices. But is there anything else that needs to be done if people are entitled to a lump sum other than financial advice?

DR BLACK: Well, just don't take it, but my advice is this: if you've got a lump sum and you take a lump sum as a commutation it's occurring also in the community over commutation of benefits from the DFRDB scheme. My advice is live a long time because then you will continue to get the

benefits, the payment and if you live a short time, well, you won't be very happy that you haven't paid off your debt, but you won't be getting a bill from the DVA. So that's my advice. Live a long time and get as much money out of the system as you can.

COMMISSIONER FITZGERALD: Richard, have you got any - - -

COMMISSIONER SPENCER: No, no, that's fine.

COMMISSIONER FITZGERALD: All right. Thank you very much for that, Robert, we appreciate it.

DR BLACK: Oh, and make sure when your doctor signs the death certificate he includes on it one of the benefits that you've got from DVA.

COMMISSIONER FITZGERALD: That's right. George? If we can have that, thanks. Thank you very much.

MR MIKAJLO: Thank you, Mr Chairman.

COMMISSIONER FITZGERALD: That's good. So you just want to grab a seat? You might want to push the microphone just this way a little bit. Just a touch. Just up this way a bit. A bit this way. It just picks – it just balances off. If you can give us your full name and your – whether you're representing an organisation or yourself?

MR MIKAJLO: No. My name is George James John Mikajlo. And congratulations in saying my name. The first time I - - -

COMMISSIONER FITZGERALD: (Indistinct words).

MR MIKAJLO: - - - when I'm (indistinct) the poor old RSL called me Michelangelo. So you're doing a lot better. I'm not representing anybody, although, I have got a mother-in-law who's in Warburton and I want to mention her case as well today.

COMMISSIONER FITZGERALD: That's okay.

MR MIKAJLO: Because I think there's a gross deficiency in the system. The other issue I would like to raise is that I used to be a former deputy hospital secretary at a repat hospital in Adelaide. And in fact I was employed by DVA until 1980 when I resigned to go into private – private work.

COMMISSIONER FITZGERALD: Sorry. Can you just push the microphone down?

MR MIKAJLO: Down?

COMMISSIONER FITZGERALD: Down. That's it.
MR MIKAJLO: Thank you.

COMMISSIONER FITZGERALD: Good. So if you just want to, like, make an opening statement. That would be terrific.

MR MIKAJLO: The issues – I (indistinct) minor issues as well. The one about the War Widows; I've got a mother-in-law who's developed a knee issue where she can't even get up to go to the toilet and I'm acting as carer for her at the moment. And the ridiculous part is that I'm supposed to attend Flinders Medical Centre for rehabilitation, hydro and physio, three mornings a week, but I can only get a carer coming in for 32 minutes a day. Now, I can get him to come in for longer, but it averages out if you have it every day for 32 minutes a day. That is totally inadequate to look after a level 4 person who's virtually needs rehabilitation. Our intention is to rehabilitate her and eventually get her to go back to her home. My wife is a registered nurse, I've got qualifications in psychology and health administration and we're doing our utmost to minimise the expense for repat/DVA.

The other issue I wanted to raise, listening to the earlier discussions about doctors and the fees they charge, that reminded me of my experience at Repat Hospital DVA where most of the medical staff that were actually employed within the medical staff actually came to work at the department or in the hospital there. And I'm talking about a GP's work as departmental medical officers, doctors who have health issues, had great difficulty coping with our practice and they were looking for lighter work. And some of them, I'm afraid were not very sympathetic to the veteran community. I remember one doctor that used to scream at patients, DVA patients, because they were smokers.

Now, I don't smoke. I disapprove of smoking, but the reality is that some people do and he should be treating people properly all the time. And what worries me is that those DMOs that are working now in the department, may very well be the same, that they're people who are either past it, haven't kept up with things, they wanted the easier job, and got a job with DVA. Now, in my own particular case, I've had a battle with DVA for many, many years. Partially, I may be wrong, but initially, I was the first non-Anglo-Saxon overseas born person employed by DVA in

South Australia. I was often reminded that my father fought on the wrong side.

I did not really enjoy my time working in the branch, the (indistinct) street office of the department. However, I managed to score a promotion to go to the Repatriation General Hospital and there I progressed very rapidly, and in fact, I ended up winning a scholarship to go to do my Masters in Sydney for health planning. The issue was, as I was quite well paid, I never intended to put in claims for DVA either. There were a number of injuries I – injured with – at the Army. On my first day in the army, I was asked to volunteer for picket duty and being a very naïve young 18 year old private, I did so. That morning, during the night – or about 1 o'clock in the morning, I woke up and I thought somebody had stuck a bayonet in my head. That's what it felt like. What had happened was an inch ant had crawled in my ear and started hacking its way through the ear drum.

So they said to me, "Well, George, you've got to have your ears looked at every day in Victor Harbour, you may as well go into permanent picket duty for us at camp." The next day it was even more exciting. A drunken kangaroo shooter came along and – this is in the hay day of national service - there were 650 people in low bushes around the place and he was going to go around driving his Ute and shooting kangaroos. Now, when my mother and I came to Australia, I came out as a – just over 10 years old from Hungary, and we went through Budapest after Russian tanks had been through there. So I had a fair exposure to seeing what gun wounds could do and everything else. And I did develop PTSD as a consequence of that. I mean, the guy, when I didn't want to let him in, cocked his rifle, shoved it in my stomach and said, "Open the [expletive] gate, sonny."

Now, I didn't realise what had happened at the time and as a consequence - I was at uni at the time doing chemical engineering - I dropped out of uni, I drank like a fish, the army was very conducive to that anyway and, in fact, I was very lucky that after about three years I got picked up by the police for exceeding .08, and I gave alcohol away after that, fortunately.

The other thing that happened, I was getting so rundown, was that I was admitted to Royal Adelaide Hospital for 10 days with pneumonia as a 22 year old. But I still did not realise what was – what had happened to me.

I then got married in 73, commissioned in 71 as an officer. Married in 73, and because I couldn't sleep because of PTSD, I decided to enrol myself at Flinders University to a degree in Politics, Economics, and first year Psychology.

I thought Psychology may give me the answers, and I finished up doing the three year, full time degree, three years part time, whilst I was also doing Army. So I was doing the equivalent of about three jobs, and coping with it. So I could cope with it because I wasn't sleeping.

However, I realised in the end that it wasn't doing anything for me, the Psychology, and I went on to do an MBA, and I was partway through that when the departments came to me and offered me a paid scholarship to go to Sydney to do my masters degree in health planning.

One of the other consequences I had is that I couldn't stand conflict. I ran away from conflict all my life, and I think that was a side effect of the PTSD.

In 1981, when I came back from Sydney, the department, or the Minister for Repatriation, Newman, appointed a friend of his, Colonel Bruce Rogers, as the Deputy Commissioner Repatriation in Adelaide.

Bruce Rogers may have been a very nice person, but with the doctors in the hospital, and especially came in with very minimal knowledge about DVA or repat at the time, there was a lot of conflict, and I ended up resigning from the department. I just could not cope with that conflict.

I finished up working in the private sector, establishing nursing homes, running hospitals, and I was CEO of the Blackwood Group, running Blackwood Hospital, Warragita Lodge, Cherrington Retirement Village, Gawler Hospital, the whole lot. Gawler Private Hospital, sorry.

In 2003, my young daughter – I've got three children. My eldest daughter's a rocket scientist at DSDO. My son's a corporate accountant for Woolworths, and my youngest one is a agriculture scientist.

But at the time, she was still at school and she joined the Army Cadets. The Army asked me to put on a uniform again, and that was the biggest regret of my life.

In 2003, December 2003, we were asked – I was in a camp, and a young lady, 18 year old, claimed that she'd been bitten by something and she couldn't walk, she couldn't do anything, and two of us had to carry her about a kilometre through the scrub, at night, in the rain, and admittedly, I was a little bit sore afterwards.

I then, at the same time, also developed ringworm like sores all over my body, including my feet. Found it very difficult to walk, and there were also a couple of other incidents where young cadets booby-trapped the

seat, and I sat on it, rolled out backwards, hit my head, went through a low axis doorway, and just as I was going through, one of the young cadets called out, "Sir", and hit my head.

And also, an incident where a young kid – to sit in the front of a minibus, next to the driver, was considered a status symbol by some of these kids, and this kid saw that there was nobody in the seat, in the front passenger seat, so he hopped in there and slammed the door as hard as he could into my spine.

Anyway, I then put a claim in on my own personal insurance, because I had income maintenance insurance for about $120,000 a year, which is a lot better than what DVA pays anyway, and I was given a MRI, and the MRI showed nothing. So obviously there was – the insurance company had adequate reasons to refute my claim.

But with the sores I had, and the backache, and everything else, I was finally diagnosed as having tinea. I had two different strains of tinea infection, tinea trichophyton rubrum, and mentagrophyte.

The specialist who treated me finally, in October 2004, kept me on the oral antifungals for six months, or 28 weeks actually, rather than 12 weeks, which is the manufacturer's recommended maximum.

I developed arthralgia, myalgia, and also chronic diarrhoea. The doctors didn't really know what was going on, and I tried to explain that I believed it was medication issues. However, that was not accepted and, in fact, when I did put a claim in on repat, the department flew a assistant secretary claims and appeals, Paul Ontong, from Canberra, to fight me in the AAT.

Now the department, as it's quite entitled to do what it likes to protect its own assets and things like that, but what gets me with Paul Ontong was that he made the statement, and he made the statement in front of a lawyer, a lawyer by the name of Tony Kerin, who's still employed in Adelaide, that as a cadet officer, I was not entitled to any compensation for loss of income, or anything like that. So stop wasting your time. I'll give you some money that will pay your legal fees, see you later.

So what Mr Ontong did, is he made up a number of diagnoses. He made up a diagnosis for temporary aggravation of cervical cancer – cervical spondylosis, temporary aggravation of thoracic and temporary aggravation of lumbar spondylosis, and he paid enough money to cover my legal costs.

However, if you refer to MRC31, MRC31 instruction fact sheet, it clearly states that cadets, or cadet officers, are entitled to loss of income, or income maintenance protection. So Mr Ontong lied through his teeth.

Secondly, the diagnoses he made up had no factual basis on them, because it was – I recently had a MRI done in 2018 and, in fact, I had developed stenosis of the lumbar and cervical area. However, my thoracic spine is fine. Absolutely nothing wrong with it.

Now, the SOP clearly state that, you know, some of this stuff did develop in a certain period of timeframe. My form accident, which Mr Ontong claimed was the result of the back pain I had, was a 1981 accident, well outside the timeframe as stipulated by the SOPs.

However, I was not familiar with the many facets of the SOPs or the DVA claims process, having been out of the game for about 20 years, so I – and the lawyer accepted what he said. So he was a liar.

COMMISSIONER FITZGERALD: Sorry, I'm just going to have to caution that we are going to run out of time. So we're trying to restrict the opening statements to a short period, so you'll need to get to the point quickly.

MR MIKAJLO: All right. Well, the thing is, following on from that incident, I then put a – I appealed again. I reapplied for the irritable bowel, which at the time was diagnosed as pancreatic – pancreatitis and pancreatic insufficiency, and it was accepted.

DVA sent me along to a doctor at MLCOA who then said, "Oh no, I don't think you've got that. I think you've got irritable bowel syndrome." So they said to me, "Oh well, in that case, you're not suffering from pancreatitis. See you later. Goodbye." No conversation.

So I then reapplied for the irritable bowel syndrome, and that was accepted. Sorry, that was rejected. I then had to go to the VRB and it was accepted. Now, to come here today I have not eaten since last night. I cannot eat during the day because I've still got foetal incontinence if I eat. Now, I just got my letter from DVA and they're very generous, they've given me 10 points for my foetal incontinence.

You know, it seems to me that, you know, every time you put a claim in the doctors don't – what should happen, I believe, is the DMO should call you in, have a chat to you, and discuss with you why you're claiming it, how you're claiming it, rather than look for the first available opportunity to reject a claim.

There's no ownership, I believe of, you know, the way the process works for the DVA, and, I mean, it shocked me when I discovered that in fact a senior member and assistant secretary of the department could tell a lie in front of a lawyer. So, anyway, to sum it up, my irritable bowel syndrome isn't accepted by the VRB, and I'm just waiting on assessments at the moment.

COMMISSIONER FITZGERALD: Thanks for that.

MR MIKAJLO: Can I mention one other thing?

COMMISSIONER FITZGERALD: Sure.

MR MIKAJLO: It really pissed me off, I've also got tinnitus, because one of the things that happened to me in the army also was I was deafened by gun fire and I've got a bit of hearing loss associated with the ant bite as well. Now, I've been using a masking device for about 30 years and I had a real collection of used ear phones which I plug in at night. I went into DVA in Adelaide and I said, "Look, you know, this is getting ridiculous, paying for all these ear phones. All of these are cactus. They've had it now. Can I get some sort of reimbursement or anything for it?" and the guy said, "No, because the audit requirements don't allow us. We need receipts for everything".

Now, that's [expletive] to be honest, and he just threw them away. You know, like, I feel that, you know, dealing with DVA is like extracting teeth. Thoroughly pissed off with them, to be honest. That's about all.

COMMISSIONER FITZGERALD: So, look, can I just ask a question, you've now been dealing with the DVA for how long? When was your first claim put in?

MR MIKAJLO: I put my first claim in about – I put in a claim for tinnitus and right ear injury about 19 something, 1990 something. I can't remember exactly. I didn't want to claim. It was only because I needed a hearing aid.

COMMISSIONER FITZGERALD: So this has been a long period of time that you've been associated with putting claims into the DVA?

MR MIKAJLO: Yes.

COMMISSIONER FITZGERALD: Long time. During that time right up till the current claim, what elements of the system have improved if at

all, or you believe the system remains fundamentally flawed. So have we seen any improvement at all or any changes?

MR MIKAJLO: I honestly believe it's worse than what it used to be. Back in the days when I was working for DVA the department only used to employ ex-servicemen, and I believed there was greater empathy for the fellow ex-serviceman and if somebody was putting it on they would say so.

One thing I did leave out, is that in fact in 2007 I was in so much pain at the time that I was referred to the pain clinic at Flinders and I was put permanently on morphine which I hadn't taken but that pain at the time was mainly due to the arthralgia and myalgia which Terbinafine induced in me, but nobody would listen.

COMMISSIONER FITZGERALD: If I'm correct, your recent claim which has ultimately been successfully determined, that was after the VRB intervened?

MR MIKAJLO: Yes.

COMMISSIONER FITZGERALD: So one of the questions we've been trying to understand is what is going wrong at that initial determination by the delegate, and we've made a number of recommendations around that, but from your point of view what do you think is happening at that point?

MR MIKAJLO: The system doesn't work. I mean, I can supply you with a document here that shows what the symptoms of the Terbinafine, the medication I was on. And one of the side effects of that, apart from the diarrhoea is the fact that you will get heart, burn, indigestion, everything else. Now, I also developed grade 3 esophagitis, I was all ulcerated everything else. It happened in the three months I was taking Terbinafine, and that's not been accepted, because it doesn't comply with SOPs. SOPs do not mention the medication, even though it states so clearly in the manufacture's documentation that the drug causes that issue DVA are not interested.

COMMISSIONER FITZGERALD: So when you say the DVA is not interested, just explain that to me. Do they reject the evidence or do they just simply – when you say they're not interested, what does that actually mean?

MR MIKAJLO: You get a letter back saying the delegate has declined your thing. You don't get - - -

COMMISSIONER FITZGERALD: Do you they normally give you a reason or no reason?

MR MIKAJLO: No, it doesn't comply with the SOPs.

COMMISSIONER FITZGERALD: And that's all they say?

MR MIKAJLO: Yes.

COMMISSIONER FITZGERALD: But do they tell you in which way it doesn't comply with the SOPs?

MR MIKAJLO: Sorry?

COMMISSIONER FITZGERALD: Do they tell you in which way it doesn't comply?

MR MIKAJLO: No.

COMMISSIONER FITZGERALD: They just simply say it doesn't.

MR MIKAJLO: No, it just doesn't meet the - - -

COMMISSIONER FITZGERALD: So when you get to the VRB we understand that one of the positive elements of the VRB dispute resolution procedures is outreach where they actually seek further information. They have a dialogue with the claimant or the person asking for the review.

MR MIKAJLO: There is a - - -

COMMISSIONER FITZGERALD: And a lot resolves at that point.

MR MIKAJLO: There is a problem with that as well, because you see what happens is, the VRB is briefed by the department, and the claimant does not exactly know what the department puts up before the VRB. Now, last time I went to the VRB when they accepted the irritable bowel syndrome I also appealed against the fact that my initial claim when they accepted the pancreatitis they rejected income maintenance on the grounds that I was already incapacitated. And the incapacity was only because I claimed on my private insurance after I was injured at army.

Now, the VRB, and with due respects, asked me several – or repeated several times the fact that insurance companies have got different standards for acceptance of claims. Yes, they do, but that's not why my

claim was rejected. The claim was rejected because: (a) there was no clinical proof, so they didn't have to accept it anyway; and, secondly, the injuries I had were army injuries that happened just before I put a claim in.

COMMISSIONER FITZGERALD: Just if I can ask, given the recent determination by the VRB and now DVA, what's your expectation in terms of benefits and entitlements? What do you think will now occur?

MR MIKAJLO: Well, when I developed the arthralgia and myalgia I had two children still at Scotch College Private School. I desperately needed to work, and I didn't want to give up work, but I had to give up work because of my condition. My wife is suffering from Sarcoidosis which is an auto-immune disease and she's had to go back and work as a nurse because of the bloody mindedness of the DVA delegates.

COMMISSIONER FITZGERALD: But your expectation, sorry, if I could just ask this, George, your expectation is that within a short period of time you'll receive compensation for the accepted condition?

MR MIKAJLO: I've been offered $10,000 or $11,000, it's under that sum, as a lump sum or 21,000 or 22,000 if I wish to not get a pension for not being able to work since 2003. It's ridiculous.

COMMISSIONER SPENCER: You've mentioned about the SOPs, but have you been given any indication in which that would be looked at, or are you just simply given an answer it doesn't fit therefore - - -

MR MIKAJLO: Doesn't fit, that's it. I mean, look, in some ways, I don't blame Paul Ontong because the side effect I had was caused by the medication I was on, and at that stage it was still relatively new. However, there was a comedy or errors. The dermatologist kept me on it: (a) didn't diagnose it for almost a year what it was. In the meantime I was pumped full of antibiotics. Then when it was recognised she kept me on it for seven months and ignored the fact that I was getting diarrhoea and everything else, and it was not clearly documented. So Mr Ontong probably assumed that I had arthritis or old age or something like that, and he went for the most simple convenient way of refusing the claim.

COMMISSIONER SPENCER: George, I don't know whether you've had a chance to look extensively at our report. We - - -

MR MIKAJLO: I've had a look at it but - - -

COMMISSIONER SPENCER: We write a lot and there's an overview up front which gives a more condensed version. But do you have any

thoughts or comments on some of the key directions we're going in as to whether you think those would be useful for the future.

MR MIKAJLO: I believe the most important factor is the people that work in the department. I'm an ethnic, I came here as a refugee, however, I would strongly say that I would prefer dealing with an Anglo-Saxon than a Vietnamese or somebody else. Now, I'm not being racist or anything else, but the reality is that unless you've had experience working in the army, and I would, in fact, dearly love to see ex-servicemen working in DVA. They haven't got the empathy. I mean, I was told, when I put in for PTSD, my claim was rejected. And the rejection was they didn't even read past the ant bite on the eardrum. They said, "Oh, well, you don't get PTSD from an insect bite". Big deal, rejected out of hand.

You know, what really bugs me is that the system at that stage, and I feel empathy for a lot of ex-service people who go back 20 or 30 years because at that stage the occupational health and safety requirements and the debrief that happens today were not there. My older daughter is a major in the army reserve, she is the scientist, and the system is completely changed from what it used to be in the army, defence system. That system there works. But the understanding of the department as to what happened in the past is just not there. So the further your claim goes back the worst the pensioner is off.

COMMISSIONER FITZGERALD: Is there any other final comment you'd like to make before we conclude?

MR MIKAJLO: Thank you for the opportunity.

COMMISSIONER FITZGERALD: No, that's terrific. Thanks very much, George. We appreciate that.

MR MIKAJLO: Would you like a copy of my ramblings?

COMMISSIONER FITZGERALD: No. Sorry, your ramblings?

COMMISSIONER SPENCER: Yes, sure.

COMMISSIONER FITZGERALD: Yes, that'd be fine. If you can give them to our staff that would be good. And can we have Professor Alexander McFarlane. Good, thanks very much for doing this. If you can give us your full name, and the institution that you represent.

PROFESSOR McFARLANE: Yes, my name is Professor Alexander Carl McFarlane, and I'm the director of the Centre for Traumatic Stress Studies at the University of Adelaide.

COMMISSIONER FITZGERALD: Terrific. And I understand you have an open statement?

PROFESSOR McFARLANE: Yes, if I could just make a couple of opening comments. Look, I'd firstly like to thank the Productivity Commission for the thoroughness and the depth of the preliminary report that it's received, and I think it's got many elements that I think are to be strongly recommended.

But, you know, inevitably I guess there are issues that I would sort of disagree with. But, look, I think one of the things that I particularly would like to appreciate is your understanding of the critical need to better the governance and the use of information, and if I can just give you one small example, at the centre that I direct has been conducting transitions and wellbeing research program, which is essentially looking at everybody who has left Defence from 2010 to 2015, and as I set out in my statement, I think there's been no proper discussion with the department about the reports that we've proceeded with. And just to give you one reason why that's important, we were able to calculate that there were in the order of probably about 2,500 members who have been discharged with post-traumatic stress disorder. Now, only about 60 per cent of them have had any contact and are registered as DVA clients.

Now, the reason why that's important is because what it shows is the visibility that DVA has of people who have potential claims is actually missing a very significant population. Now, I would've thought that it would've been of fundament interest to them to find out who were that other 40 per cent, and what health services and compensation systems might they have been accessing.

So, you know, I think whilst the department talks about Veteran Centric Reform, and, look, I think there are lots of good people that are trying to do the right thing, I think that's an example of how basically it's a department that no longer has health professionals in it at any senior levels except one or two individuals, but they really are in advisory roles. It's the absence of people in policy, and basically it's a department that doesn't know what it doesn't know, and I think your preliminary report really highlighted that.

The second issue is a matter that I don't think your report covered sufficiently is the context of the general health system in which veterans'

health care is provided. Particularly in mental health there is a national system in crisis. It does not provide any long-term care. It is very bad at dealing with people who have got relaxing conditions.

In the private sector there is no coordination of services, so the idea that you could give veterans private health insurance I think really would negate the need to have a system of care. And what DVA in a sense has given up having sold the repat hospitals is that it no longer has a system of care. It essentially buys services believing those services to be available in the community, and I can promise you they are not.

Now, and, look, I think another really important issue that we've just heard a series of statements about how terrible DVA is, look, I have had very extensive involvement with the workers' compensation systems nationally particularly dealing with emergency personnel and I would always choose to be a veteran. If one of my children wanted to become an emergency service worker or a member of the Defence Force, I would always tell them to join the Defence Force because of how badly they would be treated by the workers' compensation systems. So that I think the idea that you could get a group of people who come from the workers' compensation systems who might represent the interests of military personnel in a humane way is, I think, misplaced. You know, I think, well, ironic that the financial systems Royal Commission is being released today, because I think you'll find much of the ethics, the modus operandi of the compensation industry is one to be shied away from.

My final point is that there's obviously the recommendation that Defence would be capable of managing transition. Interestingly the Canadian Defence Force, and I'm not sure if you're aware of this, is actually in the process of setting up a transition command at this present time, and I think the way that they're going about that would be well worth your consideration. But the important issue is that in a veteran's life span 90 per cent of their health care is provided by the veteran system. Defence is a system that is attuned to garrison health care, not to specialist rehabilitation and I've indicated that I'd like to make a private statement to you in-camera after about some issues in relation to that, so that I think Defence doesn't have the expertise and is not equipped to oversight and manage a system of rehabilitation and lifetime care of people who have had military service.

COMMISSIONER FITZGERALD: Thank you very much for that. So we have a submission from you and it's more detailed than that. Can I just take up a couple of issues? In relation to not having a system of care, so we've got a very large expenditure in relation to the health system by both military and by DVA, so we spend a very large amount of money in

this space. So one of the things that's exercised our minds is that, yes, DVA can fund health, which it does through the cards and other means, but you're saying what we're concerned about is you don't end up with a system of care, we just seem to be ending up with a funding mechanism.

But there is a caution, and the caution is to what extent should you in fact or need veteran specific health care or mental health care services. So I was wondering if you could explore that with me. In relation to physical health there is an overwhelming sense that in fact that you don't need to go much beyond the current general health care system. In the space of mental health care there is a greater argument to say there might need to be specific services for veterans. They're very simple views but we need to put those. What's your view about the extent to which DVA or whoever it is should actually be designing and funding specialised services?

PROFESSOR McFARLANE: Look, I think that's an extremely important question that gets to the nub of the problem. I was at a conference in the Netherlands in April last year which brought together all of the main European nations that have been fighting in the recent wars in the Middle East and as well as the US, Canada, and the UK, and what's fascinating about that is that France is the only continental European country that has a veterans system after World War II for obvious reasons. But what they've all recognised that even in the context of really very good health systems veterans pose very specific and challenging health issues, and what they've had to do is to really develop a system particularly for mental health care for those veterans because one of the important issues is that post-traumatic stress disorder that is not treated well within the general mental health system. It's a highly fragmented system. You know, there are services for victims of crime, victims of violence, for sexual assaults, but there is no centralised area of expertise, and I think what used to happen is that the repatriation hospitals provided at least some capacity to have an organised service.

So, you know, I think that's one of the main reasons why you actually do need to have some system of care that's put in place because there is no development of capacity. You know, the training in most undergraduate and postgraduate degrees, including psychiatrists and Masters in Clinical Psychology are completely inadequate for managing post-traumatic stress disorder. And I think the other problem you've got is you've got this divide between the public and the private system. For example, when the repat was closed here obviously the Jamie Larkin Centre was established but I actually met with Senator David Fawcett, who obviously has an interest in military matters, and the Minister, Leesa Vlahos, who was the Minister for Mental Health and they agreed that the ideal situation would

be to actually pool all the money that DVA put into South Australia to mental health care and try and design a health care system that shared the assets and so you actually had a tiered set of services.

Now, it was impossible for DVA to talk to the state Department of Health and the private system and progress that despite the interests of the politicians in that idea, and I think that's an example of the complete inability of the system at the moment to recognise that, you know, you do have this pool of money but the optimal solution would be to put it into a tiered structure, because the other issue is that you've got the, well, Open Arms, which used to be the Vietnam Veterans Counselling Service, because that used to be a counselling service that wasn't a mental health service. I mean it's still not a properly equipped mental health service, so you've got this sort of hybrid organisation also sitting off to one side. Now, I think a lot has been done to improve the quality of the care that they provide, but that's another example where you've got this sort of arm that really isn't attached to the body, and basically I think the system really falls down in dealing with people who don't respond to treatment, and that's about 60 per cent of veterans. Nothing is being done to improve the quality of the interventions and the care for that group, and that is of enormous importance to having better outcomes in rehabilitation.

COMMISSIONER FITZGERALD: So in South Australia, as I understand it, you have a Veterans' Health Advisory Board; is that correct?

PROFESSOR McFARLANE: Yes. I sit on that, so - - -

COMMISSIONER FITZGERALD: You sit on that?

PROFESSOR McFARLANE: Yes.

COMMISSIONER FITZGERALD: And you have a dedicated little unit, who we heard from this morning, which is attached to or supports the Veterans' Advisory Council.

PROFESSOR McFARLANE: Yes.

COMMISSIONER FITZGERALD: And you've just mentioned the, is it Jamie - - -

PROFESSOR McFARLANE: Jamie Larkin Centre, yes.

COMMISSIONER FITZGERALD: - - - Larkin Centre and Richard and I both went there on a previous visit. So if you just take this State,

just this State, what would you like to see, and the second part of that is, who drives that? Is it DVA, is it the Commonwealth Government that has to drive, or do you believe that it lends itself to a State initiative with the support of perhaps the Commonwealth? So where do we go, and as I've indicated previously, the Productivity Commission is now reviewing the whole of the mental health system in Australia, neither Richard or I are on it, thank goodness, so it's a very timely, you know, insight at least into one part of the Australian community.

PROFESSOR McFARLANE: Well, look, just to give you an idea, firstly the State Department of Health is remarkably naïve about the veterans' matters. Now, it would be about six years ago now I was at a meeting where they were going to close some of the beds in the psychiatric unit at the old repat hospital as a cost saving initiative. Now, they didn't even understand that those beds were being paid for by the Commonwealth through the veterans' budget and they would actually lose that funding. That was the level of knowledge that they had.

Now, the other part of the story that you haven't mentioned, and I'm not sure if you're aware of this, there's actually a group of about 10 psychiatrists which is probably more psychiatrists than the Jamie Larkin Centre, who work out of the Adelaide Clinic, which is a Ramsay Hospital, who actually run an emergency service for veterans because the Jamie Larkin Centre basically cannot cope. It is not responsive to the needs of many veterans.

Now, I've been to meetings on the same day both related to the Jamie Larkin Centre. I was on the advisory group that looked at how to relocate that service, at a meeting at the Adelaide clinic and you could've lived in two parallel universes. There was absolutely no connection between those services, and the trouble is that the Department of Health does not see itself as having any responsibility for what goes on in the public sector for primary care, and you've got to realise that primary care, and the private sectors are integral to any effective health service.

Now, what does DVA say about it? Again, I've got an advisory role as the mental health advisor in psychiatry to DVA. I had a meeting with one of the senior personnel there where I discussed this issue, and they said it's not their business to interfere at a State level. So it's almost like you've got this Mexican standoff, where nobody takes responsibility. And I actually think you need to have clinicians in policy roles in Canberra in DVA who understand the State health systems. You know, I think often people who work in the Government departments in Canberra have this command and control view as to how things happen, with a

complete lack of awareness of the complexities of the networks and systems that exist at a State level.

COMMISSIONER FITZGERALD: Yes. The Commonwealth Government might say that its primary responsibility is funding, which it does through a whole range of mechanisms; the White Card, Gold Cards, some direct funding, everything else. And really it's not its role any more to actually design the actual service system. Now, that's a very simplistic view. From what you're saying and from what we've heard in relation to the mental health space that isn't going to be good enough. It's just not going to work.

PROFESSOR McFARLANE: Well, look, I think that's the way that they speak. The trouble is it does not work, and there's nobody at a State level who has sufficient breadth of responsibility or I imagine legislative responsibility to be able to take on the brief. And I think the issue about veterans is that it is a Commonwealth responsibility. You know, they haven't outsourced Defence to the states. They took it in at the time of the formation of the Commonwealth, and I think they are also therefore left with the responsibility for veterans who have served.

COMMISSIONER FITZGERALD: Richard, just on that, anything?

COMMISSIONER SPENCER: Yes. I think one of the issues, because we look at this in a number of different ways, and that disconnect between State and Federal levels. I'm just wondering, we started this conversation with the general system is woefully inadequate. So in the longer term, and our study is about the longer term, so we're trying to work out whether a veteran specific system is needed, and what you're saying right now the answer is yes, because there isn't the level of expertise within the general health system. Both through the other inquiry the PC is running, but also through some of the initiatives through primary health networks trying to connect up with local health networks, trying to do a regional mental planning, there's a project underway in Townsville that you're probably familiar with, with VHN around veterans.

PROFESSOR McFARLANE: Yes.

COMMISSIONER SPENCER: So where do you see this eventually? I mean, if we were to look about 20 or 30 years ahead will the architecture of this still look the same? An improved perhaps but still inadequate system for veterans, or would the general health system ultimately get to the point where more of that could be accessible and appropriate for veterans? I mean, do you have a view on that longer term generally?

PROFESSOR McFARLANE: Yes, look, having, you know, really been involved in this system now since 1980 I think if some radical initiative is not taken it will remain as dysfunctional as it is. And, in fact, in some regards I think it's got worse.

You've got to remember that DVA used to have 20,000 employees in 1990, and a very substantial body of medical expertise in a whole series of domains, and that's just been diluted.

And the idea that somehow the purchaser provider models and primary care networks can establish expertise, it's not going to occur. I mean, look, one of the views – look, and obviously you are interested in the proper spending of public money and the creation of efficient systems.

One of the things that I think perhaps it would be worth contemplating is that the Australian community – post-traumatic stress disorder is probably, with depression, the most costly psychiatric disorder, yet it's fundamentally missing from most mental health systems.

Because of the effects of violence, motor vehicle accidents, et cetera, in our community, quite apart from military service, and one benefit of actually creating and sustaining and better organising the military system is that it would have spinoffs for the provision of care for those other groups.

That is the core of expertise that is just fundamentally missing within our system at the present time, and you've got to remember that post-traumatic stress disorder was late in the day in terms of its acceptance, and as a consequence, there have been very few proper funding initiatives.

For example, with depression, you've got the Black Dog Institute in New South Wales, which is an example of a centre of excellence. You've got the Youth Mental Health Network, which is an example of trying to do early intervention in psychosis.

You have none of those sort of systems in place for post-traumatic stress disorder, despite the morbidity and the cost to the community. And see, I think the other issue is the funding for mental health services for PTSD is spread between motor accident commissions, workers' compensations systems, the public system and the veterans system, and I think if they were forced at some level to come together, I think you could get some real efficiencies.

The other issue is, even at state, the state levels, with the department – police, ambulance and fire services all have different health services that

come under different ministers. There's no coordination of the quality of care between those systems.

So I think there's just a disparate sort of chaos, really, in this space, and it's why I think the Veterans initiative is so important in setting a national example.

COMMISSIONER SPENCER: Could I take you back to an earlier stage of this, because I think in any system where there's injury and illness, you'd start with prevention.

So we've been really trying to address that issue, which is a difficult challenge within the military, because – and we've heard it here today - that it is to train members to go off and do on behalf of the nation, to be ready to do things that are, by definition, nobody else is asked to do in our society, and that it has consequences. We often hear Defence's responsibility is solely about that.

We struggle with the notion of duty of care. What is the Defence's duty of care, and it's been put to us that the tension that exists for the military is the duty to prepare for what people are going to be asked to do, and the duty of care, and there's a balance to the struck there.

And some of our recommendations are going to this idea of what can be done initially to both prevent and minimise an issue which manifests itself later with the consequences we've been talking about.

And what struck me, and I'll just give another kind of sort of take on this. I attended a seminar at the University of Sydney a few months ago with specialists looking at mental health issues for Veterans, both in the US and in Australia, and what struck me, they said if you don't go back to some of the root cause of this, the culture within military, you will be missing an important part of how to start with the preventative end, and then ultimately, as you're saying, the specific responses that are needed when these conditions manifest themselves later, and they always will.

But frankly, is there too much of that that's occurring unnecessarily, and they had quite a strong view on the culture of military, and I wonder if you have any thoughts or thoughts on that from your experience, and any thoughts about ways in which the military can be better, or Defence can be better informed about what can be done within a difficult environment, of duty of care and duty to prepare, that may be helpful and as part of a continuum on this sort of issue.

PROFESSOR McFARLANE: Look, again I think that's a very interesting and complex question. The Institute of Medicine did a review of all of the preventative programs for military personnel, and there are lots of programs that talk about resilience training, et cetera, et cetera, et cetera, and this is, I think, published in 2017 and it concluded there was no evidence that anything worked, other than screening.

And I would have to say that the Australian Defence Force has been a real leader in introducing screening of people post-deployment, and I think one of the other issues is that individuals in the Defence Force are very reluctant to speak of their emerging difficulties, and I think that creates all sorts of challenges for detection and care, and for the duty of care.

But the other thing, and again, this is an issue that I think is poorly understood, and we've been able to show - this is not in the public domain quite yet, so I'm going to be limited in what I say.

But we've got a cohort that we've looked at prior to and following deployment who have now followed up for five years. This is part of the Transition Wellbeing Research Programme, and what people really haven't quite grasped is that most people who become unwell don't become unwell acutely. That is by far the exception.

Most people adapt and then, with the passage of time, and it's because of the effects of ageing and inflammation and the accumulations of other life stresses, that's what leads to the consequence, long-term consequence of the combat, and we can show the neurobiology of that.

So I think if you were really going to talk about duty of care and prevention, it's about actually understanding that early dis-regulation which occurs. But I think the trouble is that most of the people who are in positions of administrative seniority have very little understanding about what we're now understanding about the underpinnings of these disorders, and look, the science has come a very long way.

But the problem, there isn't a receptive ear to what that science is, and I think there really needs to be a lot of thought put into this, and that's just not happening at the moment.

COMMISSIONER SPENCER: Thank you.

COMMISSIONER FITZGERALD: You made the comment over in your paper, and just orally, in relation to defence not being a great place for long-term rehabilitation and care of Veterans. We see a role for a veteran specific body, but we do see an increased role for Defence, at least

in the transition period. About 80 per cent of all transitional activities take place by defence, and frankly, it needs to improve dramatically.

So I just wonder if you could just explore that a little bit further? I mean, both defence and the DVA exercise and spend a fair bit of money in the rehabilitation space. We have been highly critical of those areas, particularly in relation to DVA, but also in Defence.

One of the issues at the moment in government is there seems to be the answer is just outsource it. So we just give a particular company the national contract, and it's all gone. We have a very different view about that. We think that there are problems with that, and I was wondering about your view of this?

PROFESSOR McFARLANE: Well look, I would like to give some of my evidence in relation to that question in camera.

COMMISSIONER FITZGERALD: Sure.

PROFESSOR McFARLANE: For what I can say on the public record. Look, when I first was recruited into the Reserves, one of the things that you did as a Reserve officer was to provide treatment for currently serving personnel, and so that the Reserve network of specialists was very important to the medical manpower within defence.

Now because you've got to remember that our Defence Force, I think now, has two full-time medical specialists. The psychiatrist has only been there for two years, and he's not in uniform, and there's a surgeon.

In the Canadian Defence Force, they have 12 full-time psychiatrists. They've got about 10,000 more defence members. So there's a woeful inadequacy about specialist knowledge and expertise within Defence, and progressively - when the Medibank Solutions contract was let, most of those Reservists who previously had provided care knew about the military (indistinct) and refused to become part of that network.

Because I'm not sure if you're aware about the fee structure. Medibank Solutions took a third of the fee, and the specialists had to just take the standard bulkbilling fee for Medicare.

Now many of these people are senior clinicians, who willingly gave up their time for Defence, only to just sort of be really treated terribly, I think, by them with that contract. So it had no concern about quality.

Now I'll never forget a meeting I had. Actually, it was in Parliament House here with the local commander for Defence Force, and he said, well aren't all the psychiatrists who we're now using registered, fully registered specialists by the Australian and New Zealand College of Psychiatrists? I said, yes, but they're not – they people who really have a choice about quality are not going to be functioning under that fee structure, and you're not getting the people that have had a lot of experience.

And there was another pilot. This fellow was a – he commented, he said to the Chief of Defence here, he said, well sir, do you fly Tigerair? And he said, of course I don't. He said, now I understand the problem.

And I've certainly had Defence members who previously were treated under the old system, had very, very good treatment, and then subsequently – this is including with orthopaedic injuries – have gone off to second quality specialists and getting very poor quality care, so that - you know I think the Defence contract that's been put in place has very few quality provisions in it, that often people have got no links to military service. The communication back into the military is very poor because there's actually an intermediary of the health administrator between the commission and the specialist. One of the things about the way primary care referrals work is you have got a group of specialists who you refer patients to and you ring them up and you say, "Look, I've got this problem. What do I do about it?" Well as soon as you put an organisation between the specialist and the primary practitioner you break down that whole transfer of information and that trust. So I think the system that's been put in place really is, you know, the worst of managed care, in a way.

COMMISSIONER FITZGERALD: Okay, good. I understand you want to make some comments in camera at some stage.

PROFESSOR McFARLANE: Yes.

COMMISSIONER FITZGERALD: So we'll facilitate that in a few moments. So I'll just conclude your testimony for the moment if I can. Is there anybody else in the audience that would like to make a statement before we conclude? Yes. So if you could just leave for a moment Alexander.

PROFESSOR McFARLANE: Yes, sure.

COMMISSIONER FITZGERALD: And just come through. We'll have to keep these quite short, so that's fine. And I think you'll need to sign a form at the end of this - not Alexander but the others.

MS NORREY: I will be brief.

COMMISSIONER FITZGERALD: That's fine. If you can just give me your name and any organisation you represent.

MS NORREY: Lee-Anne Norrey, and I am here with the TPI Federation, which is the Totally & Permanently Incapacitated Ex-Servicemen and Women, and I just really wanted to talk about a few things that were mentioned today. One of them is you have asked a number of times about seeing medical specialists here in South Australia. And one thing that I've had a personal issue with and have discovered that it is a broader issue across South Australia is getting psychological help or psychiatric help that is very specific to your needs. I have needed to meet with a chronic pain specialist and that is something that DVA has simply not approved. And I've gone through VVCS, who have been fantastic, but they simply don't have those kinds of specialists on their books. So after meeting with one of their specialists a few times, she said to me, "I'm sorry I simply can't help you at all", so I'm essentially stuck now with either not seeing a pain specialist or paying for it myself. And from that instance I have spoken with a number of other people who have had that exact same problem and I don't understand why that is a problem at all. But it would seem that it comes back to DVA not paying these specialists as much money as they would like to be paid, which is quite tragic.

And one of the other things that I think is really important is how many ESOs we have. And I understand that nobody really wants to have much to do with the RSL, and I'm certainly one of those people, but they really in the olden days did a very good job of being this one group who lobbied for all defence personnel. And now when we have many hundreds of ESOs I think it's just diluted the core of any kind of impact we can have, getting the things that we need across to government. So I think it's really important for people like the AMSO group to be the umbrella that perhaps we are all under. Not necessarily that it's that group but something like what those people are trying to do. And that's really all I wanted to say, thank you.

COMMISSIONER FITZGERALD: Could I just ask the last question. What role do you think government has in trying to aid the ESO community? I mean, just to put it clear, most people would say that ESOs, like all other community organisations, can come and go as they wish and organise themselves as they wish. But do you think government has a specific role in trying to, as I think Richard indicated before, leverage better outcomes from that vast network?

MS NORREY: Yes. I don't exactly know how it would be done, but one thing that we've talked about in our organisation is the possibility of having tiers of ESOs, that you have - which I don't see necessarily how this would work, but that you would perhaps have ESOs with maybe 1,000 members, or that they have advocacy work, they do welfare work, that they are more supported by government, and that the lesser ESOs with smaller numbers perhaps have less support by government, so natural attrition will make them want to join a bigger ESO group. I don't know that that's really the answer but it's one suggestion.

COMMISSIONER FITZGERALD: Fine. Richard, anything?

COMMISSIONER SPENCER: No.

COMMISSIONER FITZGERALD: Thank you very much.

MS NORREY: Thank you.

COMMISSIONER FITZGERALD: Does anyone else want to make a final comment? So, if that's the case, I'll just need to need formally - firstly, thank you, thank you for your participation and for your attendance. Secondly, I just want to say that we would like your submissions in this month. The deadline for them is very tight but we are a little bit flexible with that but not much. And if there's anything that's arisen today that you want further clarification on from us, please contact our office.

So I just need to formally adjourn these proceedings until tomorrow, where we reconvene in Perth. So thank you very much.

MATTER ADJOURNED UNTIL
TUESDAY 5 FEBRUARY 2019

Australian Government
Productivity Commission

PRODUCTIVITY COMMISSION

COMPENSATION AND REHABILITATION FOR VETERANS INQUIRY

MR R FITZGERALD Commissioner
MR R SPENCER, Commissioner

TRANSCRIPT OF PROCEEDINGS

AT MANTRA ON MURRAY, 305 MURRAY STREET PERTH ON TUESDAY, 5 FEBRUARY 2019 AT 9 AM

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COMMISSIONER FITZGERALD: We might commence if we can. Thanks, grab a seat. If you're hard of hearing come to the front and there is a microphone that will be available for those presenting. If somebody is unable to hear, this room's better than yesterday where we were in Adelaide. So I've just to do a couple of formal things if you'll give me a moment. So firstly good morning. Thank you for participating today, and welcome to the second day of public hearings for the Productivity Commission's Inquiry into Veterans' Compensation and Rehabilitation following the release of our draft report in December last year.

I'm Robert Fitzgerald, I'm the Presiding Commissioner, and Richard Spencer is my fellow Commissioner. The purpose of these hearings is to facilitate public scrutiny of the Commission's work, and to get comment and feedback on the draft report. The draft report is a very large document. It's the widest, deepest inquiry ever held into DVA and Veterans' Affairs more generally, so we understand that it's a lot to take in in a short period of time.

Following this hearing in Perth, hearings are also planned in Darwin, Wagga Wagga, Canberra, Melbourne, Hobart, Sydney, Brisbane and Townsville. We will then be working towards completing a final report to government which will be forwarded in June of this year, having considered all the evidence present at these hearings, and in submissions as well as other informal discussions.

Participants and those who have registered their interest in this inquiry will be advised of the final report's release by government which may be up to 25 parliamentary sitting days after completion. The draft report is produced by the Productivity Commission. A final report is released by the government, but there is a requirement to release it.

We'd like to conduct all hearings in a reasonably informal manner, but I remind participants that a full transcript is being taken. For this reason comments from the floor cannot be taken, but towards the end of today's proceedings I'll provide an opportunity for any person wishing to make a brief statement if they'd like to do so, and a number of people took up that opportunity yesterday. Participants are not required to take an oath, but should be truthful in their remarks. Participants are welcome to comment on the issues raised in other people's submissions.

The transcripts 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 and as you know submissions are being called for, and hopefully all of them will be received by the end of this month.

For any media representatives attending today, there are some general rules apply and you should see one of our staff for a handout in relation to those rules.

In relation to occupational health & safety legislation, I'm required to draw your attention to the fire exits and the main fire exit is through the main hotel entrance, and if it cannot be used, Mantra staff will advise us to use the exits in the room. There's one in the back corner over there. In the event of an emergency, an alert tone will sound and if evacuation is required a staff member from Mantra will escort all guests to the designated assembly area at the Murray Street Mall in front of the train station.

Otherwise, just a couple of additional comments. This draft report that was released, as I said, is very wide-ranging. This is your opportunity to tell us in more detail what you think is good, bad and indifferent about it, what we've missed. It is part of our process as the Productivity Commission treats draft reports as drafts. They're not final reports, and so we do listen to and welcome all those comments and we do understand that in relation to this area it is an exceptionally wide, and as I said before very deep report, so it will take some time for people to understand not only the recommendations, but also why we've made those recommendations, and also whether there are alternatives to the recommendations we've made.

So we might just get under way. Everybody's under very tight timeframes today so if you could just stick to that, that would be great, and can I have Aaron Malcolm Gray, please.

MR GRAY: Good morning, Aaron Gray. Apologies, I will have to probably depart not long after speaking.

COMMISSIONER FITZGERALD: No, that's fine, and Aaron are you just representing yourself, not an organisation?

MR GRAY: That's correct.

COMMISSIONER FITZGERALD: Okay. Aaron, if you can just give us a short opening statement.

MR GRAY: By way of background, I enlisted in the Australian Army Reserve December 1994 at 17 years of age up until being discharged against my will in November 2018. During that period of service within

the infantry and medical corps, with two components of full-time service, East Timor in 2000 and Butterworth, Malaysia 2009.

In country in Malaysia 2009 I sustained bilateral rotator cuff injuries, and upon return to the country, to Australia, there was no provision for rehabilitation of these shoulder injuries provided whilst in reserve service. No enquiry was made as to that. It was essentially management by allowing time off from parade service, and that's how it was handled, discharged as an inactive reserve member November 2018, and upon reflection of the management of that matter and other claims, and the effect on lifestyle, upon reflection now I probably wouldn't have joined the Australian Army had I known what was to occur.

Presently I speak to you having had recent DVA shoulder surgery in late December, and as I speak to you today, I am net $600 a week down on incapacity payments from DVA. I'm net $600 down compared to the same payments under the same circumstances when I had previous shoulder surgery in 2015. We brought this to the attention, my accountant and I, last Tuesday to DVA and despite attempts from my accountant, DVA aren't responding. My circumstances financially are okay, but heaven help someone who's got higher financial impositions than I.

Further, adequate preparation occurred to prepare for shoulder surgery and time off work from late December, two full time jobs and an ABN business, but yet DVA failed, and their outsource provider Konekt Group to prepare for my post-hospital care needs, to the point where I called Konekt Group the day prior to surgery and they said they hadn't done anything and hadn't even made their needs assessment submission to the DVA officer to act. So I woke up post-surgery in December this year, late December, with an email from DVA saying, "Go and find a cleaner yourself. Go and find a gardener yourself".

I think it's getting worse in DVA, to be honest, with my dealings with them. In your report you speak to veterans-centric reform and an updated IT system. Granted, that's fine, but you can have an antiquated IT system but you can probably have in the meantime paperwork that isn't a barrier, a paperwork, claims paperwork that isn't a barrier or designed to break someone, in my view. You don't need veterans-centric to get on the phone and call one of your (indistinct) staff. To date my serving army unit, nor Veterans Affairs have called me since 2010 to date to enquire on my welfare.

In conclusion, two quotes, one from myself and one from your report. From myself, and as cited in my submission, if I was to surmise this entire matter, it is the expectation by DVA staff that you know, that you know

their process, how it works and how to conduct yourself. They, DVA, stay silent at all times. They never assist to educate you and the claims process indelibly harms me as an applicant.

I believe the Commission's hit the nail on the head where on page 298 in paragraph 2 you say:

> *The respective roles played by DVA and Defence in supporting veterans as they transition are not clear, and government silos and poor planning have led to gaps and duplication, services with rigid rules that inhibit the achievement of their objectives and both Defence and DVA losing sight of what is needed to deliver veterans' overall wellbeing.*

I will correct in my concluding remarks I cite that quote but I cite the wrong page number. I cite page 598 and it should be 298. Thank you.

COMMISSIONER FITZGERALD: Good. Thank you very much. Aaron, if I could just ask a couple of questions, under what acts are your claims being dealt with at the moment?

MR GRAY: It's a good question. I think it's a mixture of SRCA from East Timor and MRCA.

COMMISSIONER FITZGERALD: And you indicated that you had previous surgery some time ago?

MR GRAY: 2015.

COMMISSIONER FITZGERALD: Yes, and after that you received impairment and/or incapacity payments?

MR GRAY: Only for the medically certified period whilst I was off work.

COMMISSIONER FITZGERALD: Right. And this time around you're receiving similar payments in terms of categories but different amounts, or are they different payment entirely?

MR GRAY: Same payment. Incapable during medically certified period, same determination figures, payslips from my private employment 2009.

COMMISSIONER FITZGERALD: So what do you understand to be the explanation as to why you're $600, did you say a week, worse off than you were some years ago?

MR GRAY: The document has slightly altered the determination figure from the 2015 DVA determination document. It doesn't cite the workings and we've had no advice in writing or orally as to why there's a different figure.

COMMISSIONER FITZGERALD: And you've sought that?

MR GRAY: Correct.

COMMISSIONER FITZGERALD: And when would you have sought that information?

MR GRAY: As I've said, last Tuesday we reached out to DVA and we've made - my accountant has made multiple attempts.

COMMISSIONER FITZGERALD: If you don't receive the information or it's not satisfactory, in content, is it likely that you'd go to the VRB?

MR GRAY: I'll need to lodge an appeal within the 45 day period.

COMMISSIONER FITZGERALD: All right, but have you ever done that before?

MR GRAY: I haven't, no.

COMMISSIONER FITZGERALD: So just if I can understand this, you've indicated the fact that neither your army unit, nor DVA has ever rung you or contacted you in relation to that and we've heard that quite a lot, particularly in the previous consultations, yet when you get to the VRB the very first thing they do is, they ring you, and it's called Outreach, but nevertheless they do that, and many of the matters are resolved. Can you find any explanation as to why DVA might not take that approach and actually ring you and discuss these matters with claimants?

MR GRAY: No, it may be a cultural, behavioural practice within the bureaucracy.

COMMISSIONER FITZGERALD: Okay, I'll come back to that. Richard.

COMMISSIONER SPENCER: Just to clarify as well, thanks, Aaron, did you have an advocate at any stage through all of this?

MR GRAY: I've had two differing advocates in relation to the shoulder matters, yes.

COMMISSIONER SPENCER: Yes, and, you know, without going into the specifics, was that generally helpful because you had made, I think, a really critical point and that is that perhaps an expectation that you will understand how to engage with DVA. Was using an advocate helpful to overcome that barrier?

MR GRAY: The initial advocate was most beneficial. The second advocate I'm presently working with not necessarily so, so I'm going to privately pay for legal advice for a health check, so to speak, of my DVA claims.

COMMISSIONER SPENCER: And just on the question, we've focussed on the issue of transition as being critically important, and as you know we've made some suggestions there about a joint transition command. I'm just thinking, beyond your own experience, what, in terms of what we're recommending to try and have a more seamless and better system to respond to individual needs, do you have any thoughts or comments on that for us?

MR GRAY: The disconnect between Defence and DVA, and essentially medical history and claims, and then having to start afresh a new claims process in DVA is counter-productive to a smooth transition. Surely it should be seamless. So the two silos is counter-productive.

COMMISSIONER SPENCER: And Aaron, how long have you been engaged with DVA? What did you first engage with them?

MR GRAY: I first engaged with DVA upon return from East Timor in 2000 to meet the qualifying service paperwork, and like I said in my submission, those initial early calls were met with complete umbrage, "No, no, no", like when I applied for my defence home loan, I was told, "No, I can't do it to my liking".

COMMISSIONER SPENCER: You've probably signalled your answer to my next question, but I will ask it, and that is that the veteran-centric reform process that's under way at the moment, it's still fairly early days but there are some signs of progress. Apart from the disappointments you've shared with us today, have you seen anything recently or in recent times in your experience of DVA which gives you hope that things might change or that seem to be changing?

MR GRAY: Like I said, I think, compared to 2015's process, things are getting worse. I looked on my myGov account for the first time last week. It doesn't even recognise I've got a qualifying service, so the data entry is inaccurate. I've got no confidence. You can put the world's best IT system in, but unless there is culture change, re-induction of staff, you're going to get the same tired, inwardly-focussed bureaucracy. I've done culture change on mine sites before. We have to get down to the staffworking, otherwise it's lip service.

COMMISSIONER SPENCER: All right. Thanks, Aaron.

COMMISSIONER FITZGERALD: When did you discharge from the service?

MR GRAY: I received a separation notice from Stand-by Reserves on 28 November 2018.

COMMISSIONER FITZGERALD: And when you say that, just for my ignorance, that was an involuntary discharge or a voluntary discharge, in my language?

MR GRAY: Involuntary.

COMMISSIONER FITZGERALD: And that was on medical grounds?

MR GRAY: No, parade or return of service grounds.

COMMISSIONER FITZGERALD: What does that mean?

MR GRAY: Not turning up to your army unit.

COMMISSIONER FITZGERALD: Had you been in dispute with the Army for some time prior to that?

MR GRAY: No, I've never been in dispute prior to receiving that separation notice.

COMMISSIONER FITZGERALD: So in relation to that, and some people talk about that as an administrative discharge, I'm not sure that's the right language, but as distinct from a medical discharge, but let me just deal with that. Is there a process by which you have an opportunity to show cause why you should not be discharged? And again I'm using my language, not necessarily that of the military.

MR GRAY: I don't know of that process.

COMMISSIONER FITZGERALD: So would it be correct to say you weren't given that opportunity?

MR GRAY: Correct.

COMMISSIONER FITZGERALD: Could I just ask this, Aaron, had you come to the view by 2018 that you no longer wanted to serve or had you been given the opportunity would you have continued to serve?

MR GRAY: I would have returned to serve. I think the longer period you stay away from an employer, the more difficult it is to return, and you then develop subjective feelings about things, and that's the case. I have attended a Pilbara Unit in my employment in the north-west, but that was on a parade evening at an informal basis, but essentially my army unit left me to fend for myself. So then you're sitting in the back blocks, not parading, not being able to physically perform, and it leads to deterioration of service.

COMMISSIONER FITZGERALD: Given the nature of your discontinuance of service, was there any transition at all in that process? Was there a, we talk about transition processes at the moment, and we've made various significant recommendations around how that needs to change, but in your case, given it was an involuntary discharge, if I can use that expression, was there any sort of transition process at all?

MR GRAY: None. None either in writing, nor orally from my posted army unit or DVA from 2010 to 2018.

COMMISSIONER FITZGERALD: Okay, thanks. You've mentioned cultural change a number of times, and many of our recommendations are designed to bring about cultural as well as administrative and other changes, and they're difficult to achieve. What do you think is needed to bring about that cultural change, and I know that's a large question. There's no one thing that brings about change, but in your mind what would be the one or two things that are essential?

MR GRAY: Re-induction, re-education of staff who serve within the respective departments. That's how we do it on a mine site.

COMMISSIONER FITZGERALD: That's fine.

MR GRAY: And we probably have more oversight of performance after the fact.

COMMISSIONER FITZGERALD: Were you in rehabilitation whilst you were in the military?

MR GRAY: Rehabilitation was only performed whilst I was serving in country in 2009.

COMMISSIONER FITZGERALD: Right, but not recently?

MR GRAY: Correct.

COMMISSIONER FITZGERALD: Okay, and subsequent to your operation now in December, is that correct, are you now in rehabilitation?

MR GRAY: That's correct.

COMMISSIONER FITZGERALD: And who funds that?

MR GRAY: DVA.

COMMISSIONER FITZGERALD: And we've been looking at the rehabilitation system, both in Defence and in DVA as part of this inquiry. Have you got any insights in relation to that or is it too early?

MR GRAY: While I've submitted a formal grievance regarding the complete failure of meeting my needs post-operative care, the liability has been admitted by the Konekt staff and the DVA staff member looking after the matter. When Konekt Group and DVA fail, when I had need, it is me who suffers the detriment, and it is me who suffers a loss of trust in my dealings with DVA. You don't get that trust back. It is now based on suspicion.

COMMISSIONER FITZGERALD: So can I just clarify now one little bit, is it in the nature of the rehabilitation that is being provided to you or is it of a different issue, so is it the quality or the appropriateness of that rehabilitation service that's being provided, or is it a different issue that's of concern to you?

MR GRAY: I think two-part service delivery and then secondly, the DVA officer never educated me or provided me the option to either have an allowance provided or the option of them assuming private providers coming to the house. I wasn't aware that those two options existed.

COMMISSIONER FITZGERALD: And which option are you in at the moment?

MR GRAY: I'm in the option of the allowance being provided.

COMMISSIONER FITZGERALD: And with that allowance are you meant to be able to provide your own rehabilitation service provider?

MR GRAY: Yes, I'm required to source my own cleaner and gardener and that was something I had to do the day I was discharged from hospital.

COMMISSIONER FITZGERALD: But in relation to medical rehabilitation, is that the same or are you - how is that handled?

MR GRAY: Certainly. That's handled by a referral by my GP on a DVA form to the requisite providers, i.e. physio, and DVA then assumes the cost for that

COMMISSIONER FITZGERALD: Okay, fine. Richard?

COMMISSIONER SPENCER: Just one quick follow-up question on the role of Konekt. What was your understanding of the role of Konekt in all of this?

MR GRAY: I was provided two appointments with them by DVA for a needs assessment, one in their office and one in my house, and they assumed the case management for my rehabilitation, goals and the like. So they assumed it, and again, they only provided one option which was then assuming the responsibility for private providers to attend to my needs.

COMMISSIONER SPENCER: As part of that, were you presented with a plan, rehabilitation, or was the - how did that work?

MR GRAY: That's correct, I was presented with a plan and it failed the day prior it needed to be used. So at the moment we have cancelled that rehabilitation plan and I self-manage with the DVA claims officer.

COMMISSIONER SPENCER: So Konekt is no longer involved in the rehabilitation.

MR GRAY: Correct.

COMMISSIONER SPENCER: Thank you.

COMMISSIONER FITZGERALD: So once again, having had that experience, any comments how you believe that should have been

handled. What would have been ideal from your point of view at that point?

MR GRAY: Do what you say you'll do. Don't offer lip service. I suffered detriment, but heaven help if you had mental incapacities or family needs. Do what you say you'll do.

COMMISSIONER SPENCER: Right. Thanks.

COMMISSIONER FITZGERALD: My final question is just in relation to ESO's and others. Are you an active member of or seek support from any ESO's, ex-service organisations?

MR GRAY: I'm a member of the RSL.

COMMISSIONER FITZGERALD: And did you seek their support in any part of your dealings with DVA or the army?

MR GRAY: Yes, I have used DVA for the service - sorry, I've used RSL for the service provision of an advocate.

COMMISSIONER FITZGERALD: But not for other mutual support?

MR GRAY: I used to attend my local branch RSL meetings.

COMMISSIONER FITZGERALD: And do you believe that the ESO's, and again you may have no comment on this, is there a different or more active role that you'd expect ESO's to play in support of younger veterans going forward or do you think your experience was sufficient?

MR GRAY: It's only until you initiate a request for help where you get that from your ESO. So until you get on the phone and call and visit their location, that is when assistance would be offered not prior to.

COMMISSIONER FITZGERALD: And there's no pro-active aspect?

MR GRAY: That's correct.

COMMISSIONER FITZGERALD: Do you have any final comments before we conclude, Aaron?

MR GRAY: No, I think my written submission adequately explains that.

COMMISSIONER FITZGERALD: Good. Thank you very much. That's terrific.

COMMISSIONER SPENCER: Thanks, Aaron.

COMMISSIONER FITZGERALD: Thanks, Aaron. That's good. Thank you. So Harold Hogan. So Harold, if you could give your full name and the name of an organisation should you represent one.

MR HOGAN: My name is Harold James Hogan, and basically it's on individual, but there are many like me, but nothing officially as far as representation is concerned.

COMMISSIONER FITZGERALD: That's fine. So if you could - - -

MR HOGAN: So I'm here on my own accord.

COMMISSIONER FITZGERALD: That's fine. So if you could just make an opening statement, Harold.

MR HOGAN: I must commend the previous speaker. He set a high benchmark in his report, but mine is simply, after saying good morning to the Commissioners and thanks for coming across. Basically there's an outstanding issue concerning qualifying service and entitlements which we have been denied and I refer to our cohort of national servicemen dating back this year actually, in September, 51 years or 52 years in fact. As I was called up to serve in the army for two years, I was living in Sydney at the time, and called up in the National Service Draft in September 1966 to 1968, September to September 28.

We did our initial core training in Kapooka. Then we did our infantry training, core training in Singleton and then we had the option of going to a battalion, as they were building up battalion strengths for Vietnam, or going to reinforcement wing. So a lot of us nominated for the reinforcement wing, mainly to expedite the situation and so we could go overseas and perform and qualify for our war service and appropriate entitlements that go with it like home loans, repatriation et cetera.

When we arrived at reinforcement wing in Ingleburn, which you gentlemen would be familiar with, there were 140 of us came down by coach from Singleton. As they lined us all up in formation, a couple of high-ranking officers came out and addressed us, and they said, "We've got news for you blokes. Maybe good news and bad. Out of the 140 of you, half of you will be going to Malaysia. You'll be going there as reinforcements because there are 70 previous national servicemen", I think from the first intake, "and others coming back. The rest of you will go to

Vietnam. Now we're not - there'll be no arguments entered into over this. How we're going to do it is by the fair system of odds and evens".

So if your serial number was an even number, you finished up in Malaysia. If it was an odd number, you finished up in Vietnam, but they also stated, the officers there who addressed us, they said, "You'll be going to a special zone and you'll get all your - you'll received all your repatriation entitlements". Now, to this day, we're still waiting on those entitlements because they were never, ever approved, and we did go to Malaysia. In my case I went via Butterworth. Just as via plane we landed at Butterworth, Sydney, Darwin, Butterworth, then came down - we wouldn't have been in Butterworth more than about a few hours and then they transported us down by train to Malacca.

From there, the army, by army transport, we were transported out to Terendak Garrison which is the army base for the south-east Asian reserve which is the Commonwealth forces that were there. So there was a battalion of Australians in the case and then I joined up with 4 Battalion there. There was a battalion of British shoulders, Kingshrop Light Infantry. There was a battalion of the Kiwis. There was a company of Gurkhas, not in the same compound, bit further away, and there was artillery there but not in our battalion area, and so we spent just on, or just under six months there. We thought we'd be there for the duration of our service, that's another thing we were told, "You'll be there for the duration". So we still had almost 18 months to go.

After being there for some time, we got called into the company headquarters one day and Major Lindsay and Captain Rod Curtis informed us that the battalion had been posted - received an order for posting to Vietnam and we would in fact get a second tour because by that time we would have at least six months to go after training, training all over again. Anyway, that didn't come to pass, but there's a bit more in that.

We came back from - we were there just until the first week of October 1967, and this is important because there was a special area in Malaysia, and we're talking about the Malay Peninsula as opposed to Borneo, it was still a special area up until 30 September 1967 and we were still there, and you'll find that statement, and it comes under a couple actually, but under the Australian veterans of the Malayan Conflicts 1950 and 1973 with allotment of duty, and remember that allotment for duty, a veteran can be allotted either individually or as a member of a unit of the Defence Force in an area defined in schedule 2 VEA during the specified period and service in that area.

So we were there in the timeline, and we served in that area, and we did serve and we did carry out our duties as we were ordered to do so. So under sub-paragraph (7), item 2, the VEA, gives us qualifying service and that says, "Relates to the service from 29 June 1950 to 31 August 1957". Down further it'll say, "Item 7, schedule 2 relates to service from 17 August 1964 to 30 September 1967 inclusive in the territories of Malaysia and Singapore and adjacent waters. The relevant parts of the territories and waters are described in detail in item 7 of schedule 2".

Now, so the battalion was classified as being on active service at that time and no routine order can be produced to state otherwise. Now, how do we become overlooked and denied our qualifying service in the associated repatriation benefits? Well, apparently the reason given by Defence in DVA, but obviously Defence tells DVA what to do anyway, was because we were never issued an allotment for duty, yet according to the Australian Veterans of Malayan Conflicts, we were entitled to Veterans Entitlements Act and that comes out of 1986, that one. So it comes in a couple of times. So we still qualified under schedule 2, item 7.

In more recent times, in 1999/2000, there was a similar review to what you're conducting today and it was under the Honours Awards and Entitlements, and the chair was Major General Robert Moore, and he made - I had a friend at that particular review and he put his case like I am now, and the chairman, Major General Justice Robert Moore, he was not only - he was a judge in the Supreme Court of South Australia, and a major general for the army for the justice unit, but he was no - he was very much on the ball, and I've seen some of his cross-examining. He was very, very good.

After he was informed he said, "Look, you guys qualified. You should have got your medals", and my friend Bob said, "No, we haven't. No, we haven't, sir. We never received them". He said, "And it all came down to allotments". He said, "What allotments". So he said to his offsider, the major general said, "Check in Canberra. Find out about these allotments". So they found out there was never any allotment made, not just for us but for a lot of others over in Malaya at the time.

So Bob Moore, Justice Bob Moore made the startling revelation that the sole reason we had not been allotted for duty in that special area was because the army, whose duty it was to allot them, had failed to do so. A search of records showed that no army or RAAF member was allotted for service in the Malay Peninsula during confrontation. They got it later. The period of operational service during the Indonesian confrontation against mainly Malaysia extended from 17 August 1964 until 30 September 1967.

I'd go over that because it's an important date, and following this explosive disclosure by Justice Moore, a retrospective instrument of allotment, they call it the IOA, referred to, and a lot of people don't know about the instrument of allotment. They don't know. Even military people, and that was quietly announce, the instrument of allotment was quietly announced on 28 December 2000, away from the public's gaze and effective from 1 January 2001, and this was 33 years after we served on the Malay Peninsula. However the allotment didn't include as national servicemen who served in Malaysia with 4RAR up until October '67 because we left in the first week of October.

Interestingly Defence's response was to accuse Justice Moore, a major general, Justice of the Supreme Court of South Australia, and Rear Admiral Kennedy who was on the chair with him, of getting it wrong. He in fact not only got it right, he exposed the gross anomaly concerning allotments, which they had to admit to later on, but they still didn't include us national servicemen. So due to this allotment anomaly, national servicemen who served with 4RAR in Malaysia in 1967 have slipped through the cracks, and in 2014 under DVA Minister Ronaldson's watch, the operational act was amended from 30 September 1967 at the stroke of a pen and backdated to August 1966. According to the Minister, concerning the operational date, they had it changed 50 years later. It's now going on 52. What a lame duck and disgraceful and horrible thing to do, and for that matter I believe un-Australian. Out of 150 national servicemen affected by the significant error, only about 80 are still living because we're all in our seventies now.

Now Roger Wickham, who was assistant adjutant at the time and he was a legal man for the battalion and he's well-versed in military history and all the orders that go with it, and his submission spells out the situation concerning our cohort, in an exemplary and more articulate and concise fashion and is well worth reading to gain a much better understanding of Roger's submission on the site. Although I've got one with my submission on line now, which is a briefer version, but it gets right to the nitty-gritty. I will get to another point there because it's important that Roger's submission is read. Now Roger's got - there's nothing in this for Roger. He's now 77 years of age. He's qualified many times over. He served in the Defence Force for many, many years and he spent the last - I don't know how many years in America, but he's just recently returned to Australia. And I don't know Roger personally but we do know one another by means of correspondence, et cetera and he has offered his expertise and he's disgusted at what's happened. So the submission on site is No.43, it was submitted by Bob Benning from Victoria on 13 April. Now Bob is a friend of mine and we served at the same time. Roger

makes some compelling points, why September 39 and 67 was still a special area of operation under VEA qualifying service. So, that's why I'm saying, go to Roger's submission and also Major General Moore's recommendation, which if I've got time I will do one or the other.

COMMISSIONER FITZGERALD: You are just in time. I just need to bring it to a conclusion.

MR HOGAN: Right.

COMMISSIONER FITZGERALD: Then we can ask some questions.

MR HOGAN: Okeydokey. The last hearing, everything was left as it is. The hearing where General Moore - Major General Moore, he recommended that we be allotted, and Defence never did it, they didn't act upon it. At the next hearing nothing was changed, it was left as it was, and I think there was some misinformation given there because, as Roger states in his submission, the special area was completely separate from Sarawak, Sabah in Borneo, the special area in East Malaya. The reason for the separate special areas in the same country at East Timor and West Malaysia are separated by sea and is mainly in Tasmania. But he also says that we were there right up to 30 September 1967. He said, "We were strategically located there as part of the ready reaction force, as a member of SEATO, South East Asian Treaty Organisation, to avoid a repeat of the ignominious surrender of Singapore". He said, "Because I know, I know, I read the documents". He actually delivered some of the orders. So there's a lot of information in Roger's submission which will actually verify everything there.

COMMISSIONER FITZGERALD: So Harold, I just need you to come to your recommendation if you can.

MR HOGAN: Well there's two recommendations. The recommendation by Robert Moore is that recommended the army out of left personnel on the posted strength of the units located in Malaya Peninsula, including Singapore during the period 17 August 64 to 30 September 67 inclusive. The period of confrontation defined in item 7 on Schedule 2 of VEA 1986 be allotted retrospectively so that they become eligible for full repatriation benefits and appropriate medals entitlement. That still hasn't happened. And my final conclusion, I was going to mention something about the health entitlements, the health, because I'm going through and have gone through a lot of health issues, including cancer internally and externally. So I'm dealing with, through an advocate through DVA, and I've found DVA to be very, very accommodating, very friendly. The service cannot be criticised from my point of view. There are some areas where with

SOP statements of principles the VEA, the DRCA, the MRCA, the SRCA and the non-liability. If you don't get one you might get it on the other. We're still working all that out. Now I've still got a - I'm still trying to get a White Card for medical benefits but I'm still being assessed there.

So, in conclusion, what I'd recommend and I've looked at this a couple of times, it says, "It's recommended that the army and RWF personnel on the posted strength of units", because this all gets back to your entitlements, if we don't get allotted we'd never get entitlements, "units located in Malay Peninsula going back to September 67 inclusive, the period of confrontation in defiance, item 7, Schedule 2, be allotted retrospectively so that they become eligible for full repatriation benefits and appropriate medals entitlement, and in fact comparable to those received by their navy colleagues who were allotted for duty during the period of confrontation". So they were doing nothing different to what we were, really.

And the other thing I was going to mention to you was regarding the special area of operations in Malaysia being in the statute and up to and including those dates, September 67, when 4RAR was supposed to return to Australia, they returned a little later than that, some before. I have a practical suggestion concerning retrospective legislation. To retrospectively change the timeline, that is 30 September 67, back to 12 August 66 to cut us out, is tantamount to changing the laws. For example, if you change taxation, property ownership, superannuation, et cetera, laws that prevailed on the statute at the time and then have them changed retrospectively 50 years later for political expediency, it's just not acceptable, in my view or in the opinion of many others. So, in our circumstances of special area of operations in Malaysia in which we served and when, should be grandfathered, as it would be in any other legislation introduced 50 years after VA compliance date. I have read the changes enacted resulting from the previous committee's recommendation, in conjunction with Defence's oversight and there appears to be a lot of misinformation contained in this review. Refer to Roger Wickham's fax and comments, if you don't mind, on this important subject.

Notwithstanding, I still cannot believe the government should be able to change the course of history that determined that specific date pertaining to operational areas to 30 September 67. When it was war-like, serving in a dangerous area, et cetera, we were sent there to serve in whatever conditions prevail and we carried out our orders according. We weren't posted there for the purpose of training exercises. We initially told we would be there for the duration, not just to train. That's what was referred to in the Clark report.

In the same context, the issue of allotment, the IOA, very important, should also prevail for our cohort. Everyone else got it but we didn't get it, of national servicemen. The (indistinct) were served at 4RAR in Malaysia at the time, and I know there were more followed a bit later but I'm talking about - that was the date that was pertinent. That was the relevant date. I shan't go any longer because I know we're probably way over time.

COMMISSIONER FITZGERALD: I will stop you anyway so it's all right. Harold, thanks very much for that and we've got a written submission from you, together with extracts that you provided in relation to some of those materials you've referred to. So can I just ask a couple of questions. Given the strength of your case and the fact that, as you say, there was a review by Mohr, M-o-h-r, indicating that there should be support for your position, why do you think it was that the government at the end of the day has decided to exclude your group? Because clearly it's not an aberration. They have clearly decided to do it. Why? Why do you think that's happened?

MR HOGAN: I think that it happened because they - there was - it was probably due to people that weren't experienced, didn't know the SEATO Treaty properly and why we were serving there in the first place. The unit was never sent over there initially to go to Borneo. That happened after they arrived. There's another mistake in the Clarke Report about when our battalion took over from 3 Battalion. They say we took over at a certain date, yet 3 Battalion had been back in Adelaide six months before that. So there are some anomalies there which don't quite stack up.

COMMISSIONER FITZGERALD: According to your submission, effectively, and I may be simplifying this, had the notice of allotment actually been recorded you would be included.

MR HOGAN: Yes. Yes.

COMMISSIONER FITZGERALD: So from my layman's point of view that's an administrative error.

MR HOGAN: Agreed.

COMMISSIONER FITZGERALD: A big one.

MR HOGAN: Agreed.

COMMISSIONER FITZGERALD: And it's had substantial impacts on you and your colleagues that have served over there.

MR HOGAN: Yes.

COMMISSIONER FITZGERALD: Governments by and large generally fix administrative errors and normally that would occur. In your case, not only did they not do that, they actually ensured you were excluded by changing the dates.

MR HOGAN: They compounded the error.

COMMISSIONER FITZGERALD: So I go back to it. There's something missing in the story, not your story but as to why the government would not want to include your group in that.

MR HOGAN: I tell you what I think happened. Was when the settlement over the Borneo confrontation, the insurgency in Borneo was finished, our troops, our unit came back to Malaysia where they were all based in units before that under the South East Asia Treaty, and that's where they come in and said, "Look", you know, "these guys go back there - go back there and doing duties which don't - don't really apply". But that's somebody's hearsay. We were on call, we were - - -

COMMISSIONER FITZGERALD: So do you think it had anything to do with the fact that you were National Service personnel, rather than regular military?

MR HOGAN: I wouldn't like to distinguish if that was the case. I don't know.

COMMISSIONER FITZGERALD: And, secondly, as you indicate, you had no choice in the matter and you're saying to us that you were assured that it wouldn't affect your entitlements if you were sent either to Vietnam or Malaysia, they would be the same.

MR HOGAN: From when we got to reinforcing, they said that we could have full repatriation benefits because we were going to a special area of operations.

COMMISSIONER FITZGERALD: So when you and your colleagues have raised this with government, either through the Department of Defence or otherwise, what has been - not the change but what has been the explanation for refusal to acknowledge your claim?

MR HOGAN: Well, they've been brushed off without a lot of answers really, and there's been a couple of delegations go there.

COMMISSIONER FITZGERALD: Did you ever receive correspondence which set out the reason for this decision or anomaly?

MR HOGAN: No, only what I read in the Clarke Report, but that was something that we don't agree with. And I can only go on the expert, as I refer to, is Roger Wickham, who was - - -

COMMISSIONER FITZGERALD: Right. And when you say - sorry, I don't want to interrupt but, Harold, I just need to understand. In the Clarke review there was - they considered this matter?

MR HOGAN: I don't think they gave a lot of time to it.

COMMISSIONER FITZGERALD: But did they actually comment on it?

MR HOGAN: There was comment made.

COMMISSIONER FITZGERALD: They didn't provide a recommendation or anything in relation to this?

MR HOGAN: No, no they didn't. They just sort of just left it as it was. There are some comments there but they didn't spend a lot of time on it, they just said, "We'll" - and this advice must have come from defence.

COMMISSIONER FITZGERALD: Sure.

MR HOGAN: Who had some oversight, and a lot of these guys in defence they didn't know the full story and they intimated they were over there training; we went there as reinforcements to keep the force at full strength, to honour their obligations under SEATO.

COMMISSIONER FITZGERALD: In relation to your own issues, your health issues and that of your colleagues and friends, what Act do you fall under, do you think; VEO?

MR HOGAN: When I - because I'm working with an advocate, who's, God love him, he's doing the best that he can and he's a veteran, and he is Warrant Officer First Class. When he saw my record he said, "From what I can see you qualify for veteran entitlements". And I didn't say much because what I knew, I let it run its course.

COMMISSIONER FITZGERALD: So there's no question, given that you were in service, that you qualify for some form of veterans' entitlements, absolutely. All military personnel do. It just matters which

ones - sorry, the benefits you receive depend on the Act and the circumstances, so you certainly qualify in some way, shape or form in relation to that, but you're not sure which Act actually applies to you at this stage. You're working that through with your advocate.

MR HOGAN: We reckon we qualify under the Australian Veterans or the Malayan Conflicts 1950, 1973, and there are other Acts as well.

COMMISSIONER FITZGERALD: Sure.

MR HOGAN: Which we would qualify under, and I'll just get one.

COMMISSIONER FITZGERALD: No, don't worry. It's okay. I just want to understand which Act, but if you're not sure of which Act it is, that's fine.

MR HOGAN: Yeah, no, I'm sure. There's also the Veterans' Entitlements Act 1986. There's two.

COMMISSIONER FITZGERALD: Yes, so the VEA, yes, okay. No, that's fine.

MR HOGAN: The VEA Entitlements Act 1986 Schedule 2.

COMMISSIONER FITZGERALD: No, that's fine. That answers my question. And of course we do understand that there is a difference in entitlements, depending on whether you're doing qualifying service or not, so we do understand the point that you're making.

MR HOGAN: Yeah. The point, really what I'm after is, you know, we would like to see that qualifying service addressed properly and if there's no good reason why it shouldn't be, and as Roger Wickham has said many times, it just gets - it just gets shoved from pillar to post and people come up with all sorts of reasons why we shouldn't - why, you know, they don't go along with what his recommendations are, and he, as far as we know, he's got more experience in a legal way than anyone else. And no one's ever refuted, officially by documentation, to state otherwise.

COMMISSIONER FITZGERALD: That's fine.

COMMISSIONER SPENCER: Howard, just a quick question. When was the latest attempt to really try and revisit that issue?

MR HOGAN: When was it?

COMMISSIONER SPENCER: Yes, this whole issue, when was the latest attempt to really get a reconsideration of it? Is that recently, or some years ago, or?

MR HOGAN: Yeah. The Mohr - we had a representative at the Mohr Commission and at the Clarke Commission but - my understanding they weren't given much time there to put the case.

COMMISSIONER SPENCER: So that's some time ago, so there hasn't been a sort of fresh attempt since then to try and get a reconsideration condition?

MR HOGAN: Not as far as I know. There's been attempts to make appointments, et cetera. We have seen our different MPs but it hasn't gone anywhere.

COMMISSIONER SPENCER: Can I just go back to your own situation. Engaging with DVA, when did you first engage with DVA about your own claims; how long ago was that?

MR HOGAN: My recent health claims?

COMMISSIONER SPENCER: Yes.

MR HOGAN: Very recently, about probably August.

COMMISSIONER SPENCER: Okay, right. And you mentioned in your submission about the statements of principle, and you'd commented earlier that to date your experience in working or being engaging with DVA has been positive.

MR HOGAN: Absolutely, yeah. Yeah.

COMMISSIONER SPENCER: But you mentioned about the statements of principle. I thought I read that you had some reservations about how they're operating. Do you want to comment on that?

MR HOGAN: Yeah. Just for example, under non-liability they approved me for mental health, that was okay, but they knocked me back for malignant cancer. Now I was a smoker in the army, I took up smoking in the recruitment training and I was a smoker for a long time, up until I was about 50. So I gave it away 22 years ago. Anyway, I had a kidney removed, because it was cancerous, last - 2010. I've had numerous squamous cell carcinomas and basal cell carcinomas removed from my

legs, arms and everywhere else. But SOPs, you can spend 4,000 hours in the sun.

And now a lot of these cancers don't manifest themselves until later on in life, whether it be through smoking, sun exposure. Nobody can pinpoint the sun exposure, when that occurred, but we were exposed to the sun when we were in Malaysia, when we were in Townsville. We finished our last term because we didn't sign on to go to Vietnam, we didn't sign on for - because when we got back to Enoggera they said for you guys to go - we were going to Canungra on the jungle exercise training, they said, "You - six intake" which was our cohort, "you must sign on for another 12 months". So some did and some didn't.

COMMISSIONER SPENCER: So just so I understand. The issue is trying to establish the criteria, or the criteria itself in the SOPs, you mentioned this figure of 4,000 hours. Is the difficulty trying to establish that?

MR HOGAN: I just said something like that. It's a figure. Difficult to comply - to make - to comply with all that and prove. That's very difficult because they seem to be pretty extreme, and you'd want to be in the army a long, long time to spend 4,000 hours in the sun with your shirt off and your shorts on.

COMMISSIONER SPENCER: So your claim has been decided or it's still - - -

MR HOGAN: No, still being assessed, Commissioner, yep.

COMMISSIONER SPENCER: Still being assessed, okay. Good. No, thanks, Harold.

COMMISSIONER FITZGERALD: Thanks, Harold.

MR HOGAN: I just want to say something.

COMMISSIONER FITZGERALD: Very briefly.

MR HOGAN: Well I will be very brief, because I did write in when they knocked me back - I did apply for qualifying service. So I contacted the person in DVA and said "Why did you knock me back. Why did you not approve my application?" and she said, "Well, you didn't qualify". I said "Yeah, well". She said "That's" - well I said "Well what makes you think that?" She said "Well you went to Butterworth". I said "No I didn't", but when you have a look at the records it says "Went to Butterworth", and

then on 16 May '67, "Went to Butterworth, deplaned. In plane at Sydney", and then after that it's got an entry "Now 4R unit. No location." So Defence do a lot of that. Their records are shocking, absolutely shocking, incomplete.

COMMISSIONER FITZGERALD: All right.

MR HOGAN: That's the best - that's the best word I could say.

COMMISSIONER FITZGERALD: Well thank you very much, Harold, for your presentation, but also for your written submissions, and we very much value you drawing that particular matter to our attention, so thank you for that.

MR HOGAN: No, I thank you, Commissioners. Thanks for the time. Appreciate it.

COMMISSIONER SPENCER: Yes, thanks very much, yes.

COMMISSIONER FITZGERALD: Good. Thanks, Harold. Can we have Jay Devereux? Jay Devereux?

MR DEVEREUX: Thanks.

COMMISSIONER FITZGERALD: So you just grab a seat in the middle.

MR DEVEREUX: Thank you.

COMMISSIONER FITZGERALD: Good. If you could state your full name and, if you represent any organisation, the name of that organisation, please.

MR DEVEREUX: Ah, yes. My full name is Jason Devereux, and I'm the founder and CEO of the V360 Australia Ltd.

COMMISSIONER FITZGERALD: Terrific, thanks. If you could just make a brief opening statement. Do you go by Jason or Jay?

MR DEVEREUX: Jay.

COMMISSIONER FITZGERALD: Thanks.

MR DEVEREUX: Only my mother calls me Jason.

COMMISSIONER FITZGERALD: That's all right. We'll stick with Jay.

MR DEVEREUX: Thank you. Look, as I said, I'm the founder and CEO of V360 Australia. We're commonly called Veterans 360 as well. Look, I'm here to make comment in respect of some of the talk that's been out there from the report lately, of, I guess, integrating DVA into Defence, and to suggest that I think the reformation of DVA that has been undertaken under Liz Cosson's stewardship should be given a much bigger opportunity to succeed than we have this far. I've seen a great deal of change in DVA since about April of 2015 when I first started working in this area.

Our organisation is a very different organisation to what Australia's seen in the past. We're a very dynamic and proactive organisation, and we deal with veterans, and let's say the - probably the smallest percentage of veterans that end up in quite critical situations. So that situations could be homelessness, drug and alcohol, and other addictions, including gambling, having come into contact with the criminal justice system and, unfortunately, from time to time people experiencing suicidal ideation, and indeed, unfortunately, individuals that complete suicide.

It's my position, and the position of those that I work with, the Department of Veterans' Affairs didn't prepare adequately at the end of what we might call hostilities from Iraq and Afghanistan. It think that that falls on the Repatriation Commissioners at the time, who, in my view, and it's my personal opinion, could have had an opportunity to take a look at the amount of claims that would be likely to come in and how those might be better managed, how they could prepare for them with staffing levels, training, and other areas of, you know, adequate support. They certainly did a very good job in a number of cases in employing or engaging deputy commissioners around Australia that were well-versed and experienced in their work, and I've met a lot of those deputy commissioners and have a great deal of praise for them. I do note one who is here today, but I do think Peter does an excellent job of running Perth.

Look, there's a lot of difficulty in the work that we do. It's very high risk work and the Department's quite open about acknowledging that. It's also very high reward when we succeed with clients, and this far we've dealt with 393 veterans and their family members, and those presentations have been right across the board that I mentioned before, from homelessness, destitution, alcohol and substance abuse, criminal justice and mental health interventions.

I never served. I'm a civilian. My only work within the Commonwealth was at the Reserve Bank of Australia in Adelaide, where I headed up a security team there, and I was quite shocked when I found out that we were seeing service men and women who were leaving service, whether or not they'd served overseas, and they were finding themselves in these states of destitution. I was a believer that every man or woman that served overseas would return to Australia, somebody would meet them at the airport gate and hand them a Gold Card and a shake and say "Good on you, digger", and sent them off into a world of health and happiness with pensions and all the things that abound. The stark and shocking reality of that is, you know, one of the reasons we're all sitting here today.

That doesn't happen, and indeed it's an arduous task, and to get to that point I think that in the time since World War I and World War II, and more recently with Vietnam, we've had ample opportunity to have a look at what can and could be done - I'm reticent to use the word "should" - and what has been done in the past to assist our veterans to make the journey between service life and life back in the civilian community. I do not like the word transition. I think a lot of people have a problem with that word. We're not transitioning people at all. We might perhaps transition them into a military life, but we're then reintegrating them into our community, especially those that have joined young and those that have, you know, difficulty with things that we take for granted, perhaps financial literacy, dealing with connecting power for your house, in fact going and looking at a house that wasn't handed to you by DHA.

So, I have a look at the historical events from World War I and World War II and what we're seeing today, and I'm astounded that our larger and more prominent ESOs, ex-service organisations, haven't organised something nationally that addresses these issues of dereliction, for want of a better word. There have always been reports of alcohol and drug problems in the veteran community post-service, homelessness, starvation, you know, very low levels of employment in some subset, and again I'm surprised and shocked that it took until 2015 for a bunch of people to get together and say "Hang on, this doesn't look right. What can we do to improve it?"

Now, at that time it's fair to say the chief operating officer of DVA, who was not Liz Cosson - her predecessor, Mr Carmody - sat across from a desk with myself and a current serving Warrant Officer, Michael Spring, and said the DVA will never be in a position to fund our operations and organisational mission. We didn't take that as not prepared to, we took that as undercurrent auspices "We cannot", which was a shock to us, and for those of you who know me, somewhat of a challenge, which I accepted and I went forward in trying to find a way to make that work.

The fact there was no boots on the ground operation that was being funded by the government to help these individuals was scary to me. We had, at that point, seen a spike in veteran suicides that was off the charts.

We see a lot of blame placed on DVA for these suicides and for these areas of dereliction, and I think some of it is warranted. I think that a very small part of it is warranted, though, because we are in a new paradigm, we do have new personalities and personnel to deal with. There are, in some areas, high degrees of expectation. I don't use the word entitlement because I think if you're prepared to sign that line that 97 per cent of us aren't prepared to sign, and you're prepared to give your life in defence of your country, then there are entitlements that should be used in a positive sense, but there are some people that get confused and concerned about what those things look like.

When we see a lot of people that - in the civilian community that fall into drug abuse, alcohol abuse, domestic violence issues, all those sorts of things, that haven't served, there tends to be a bit of an attitude of casting them aside and leaving them to deal with the services available, and there are billions of dollars put into those services in the community every year. There are not billions of dollars put into those services in DVA. With the recent - I think in 2016 the heads of DVA got together and thought out a very good plan with the non-liability health, and they found themselves being able to assist anybody who had done one day's full-time service.

Prior to that I had a case of a gentleman who did two years and ten months of a three year enlistment, had massive problems with his mental health. Because he was two months short of three years' service he was unable to access that DVA assistance, and indeed we put that case forward to Minister Tehan at the time as a - sorry, he then did six years in Reserves with Commandos, so he certainly had a lot of time in service, and he's now, thankfully, got a Gold Card and he's being well cared for.

What we have seen come from what DVA have started to develop I think is a progression on what we've expected from then in the, say, decade before, and I do believe that, given another three or four years, they're going to be able to get their electronic systems aligned, which I think at the moment are a bit of a quagmire, and they're going to be able to get their personnel aligned. Now, I go back to saying that I think we could have done this better had we prepared earlier, or had DVA prepared earlier, but they are playing catch-up and, to a larger degree, we're seeing with our clients coordinated case management in those others areas of integration and advancement within the Department, the social-work teams that are following up, the now-called Open Arms have a case management process that they're able to integrate, so we are seeing these

changes, and unfortunately everything in government does take time, and these wheels turn very slowly, but we're on the ground, we're seeing these individuals, and we're seeing the changes very, very quickly.

I think that when he have a look at our demographic that we've dealt with, we're seeing a lot less suicidal ideation caused by frustration and not being able to access benefits, and certainly the Veteran Payment has alleviated that in a massive way. Again, I could sit here and talk for hours about cases and individuals, and people. Again, Mr King, on a Saturday afternoon, has taken a phone call and approved healthcare for somebody over the telephone when they've been in crisis. I think that if we were to put this into a DoD model, I think we're going to alienate the people who are suffering the most, and those are people who are perhaps medically discharged, who see that they've been broken by Defence and sacked for it. Then we're going to ask them to walk into an office with somebody who, to them, might represent that decision having been made.

COMMISSIONER FITZGERALD: Sure.

MR DEVEREUX: And they're going to have the uniform, and all of those areas that I think are going to push some people away and are going to make some people feel uncomfortable, and I could speak to the DoD - flaws in the DoD.

COMMISSIONER FITZGERALD: No, no, but I'll come back to that. So is there any other final comment you want to make, just so we can then go to questions?

MR DEVEREUX: Look, I think the last thing that I'd like to say is, we need to make DVA an easier place to approach, work with, and secure outcomes from, and you know, I've seen, if you have a legitimate claim, DVA will work with you and they'll process that as best they can. I think we need to have one piece of legislation that covers all veterans that are still alive.

COMMISSIONER FITZGERALD: All right. Well thank you very much for that, and thanks for your perspective. Can I ask a couple of questions, first in relation to V360? Are you currently funded by DVA?

MR DEVEREUX: We do receive - very complex - we do receive some funding, yes.

COMMISSIONER FITZGERALD: Is it a block grant or a grant.

MR DEVEREUX: No.

COMMISSIONER FITZGERALD: Or is it an individual service fee, or service-related?

MR DEVEREUX: So, basically what we do is, we put the money up for an operation. We will get a call, for example, today. We could be flying to Sydney tomorrow to assist a veteran who's in crisis. The expenses that are incurred are then proved back to DVA and those are reimbursed, and we provide a report of that service to DVA, for which they give us a fee.

COMMISSIONER FITZGERALD: So it's on an episode by episode basis, effectively?

MR DEVEREUX: Yes.

COMMISSIONER FITZGERALD: Do you believe that there is a better funding model that should apply to an organisation?

MR DEVEREUX: Yes, sir.

COMMISSIONER FITZGERALD: And what would that be?

MR DEVEREUX: That would be a block funding model. I believe that our biggest problem is I'm one man, and Craig Long keeps pointing that out, but I'm one man, and I can't keep doing this forever, and I think that if I were in a position to take this model, be able to employ other staff members, and we're not talking about a huge amount of money in comparison.

COMMISSIONER FITZGERALD: Sure.

MR DEVEREUX: We're talking probably $500,000 for two years, and be in a position to be able to have really comprehensive case management teams working in conjunction with DVA and getting these people a lot better outcome than just the tip of the spear, critical Band-Aid stuff, and then handing them over to other organisations.

COMMISSIONER FITZGERALD: Sure.

MR DEVEREUX: Which does work for the majority of people, but not all.

COMMISSIONER FITZGERALD: Have you proposed a change in the funding model to DVA in recent times?

MR DEVEREUX: In writing?

COMMISSIONER FITZGERALD: Generally, yes, in writing. Not yet?

MR DEVEREUX: No. I've done it ad nauseam verbally.

COMMISSIONER FITZGERALD: The reason I'm raising that is, we actually believe that there is a - part of the problem in the Veterans' Affairs system is that one element that exists in all other human services doesn't exist in this area, and that is the funding of community and human services in a contemporary way. The whole system is skewed to benefits, pensions, entitlements, and the rest of the world's moved on to actually saying it's actually about outcomes for individuals.

MR DEVEREUX: And well-being.

COMMISSIONER FITZGERALD: And so most of the ESOs are still talking about benefits and the rest of the world is actually talking about outcomes, and the Department operates in the same way. So one of the issues for as has been, how do you realign to actually deliver good outcomes for veterans, not just with benefits, and one of the things we're looking at it, how do you use non-government organisations to achieve that? So that was the purpose of my questions. It's actually an area that we are looking at. We're not going to be prescriptive about that, but it is an area of significant weakness in the Veterans' Affairs area, and it is in complete contrast to what we're seeing in the rest of human services. So, it's not just about better administration of benefits, it's actually that area.

Can I clarify just a couple of things, because I know it's been said by many? The only part of the whole DVA that we were saying goes into Defence was policy, nothing else, so we weren't proposing a takeover by Defence, and we weren't proposing a DoD model, and in fact quite the contrary. We say that there should be a commission which is purely for veterans, directly responsible to the Minister, with its own set of commissioners, and not reportable to Defence. Somewhere in the media - or it's been interpreted that we're moving into Defence. We're absolutely not, but we are saying about the policy, and we understand nearly everybody opposes what we've recommended in that area, and we'll look at that genuinely, and I'm sure in the next couple of minutes we'll hear some comments about that as well.

But can I just ask this question? We fully understand and appreciate the Veteran Centric Reforms, and in fact there's a chapter in a report which extols its virtues. We agree that the VCRs should continue to be

implemented through to the mid 20-21s, and we support that view. Ultimately we, however, think the structure is not appropriate to deliver the long-term best practice compensation schemes going forward, and we've looked at other models for doing that. Can I just ask this question of you? In terms of the clientele you're dealing with, what is the single most important things that have changed, are changing, need to change, to actually improve them, because you're dealing with those people that are doing it very tough?

MR DEVEREUX: Yes.

COMMISSIONER FITZGERALD: Traditionally, probably, at that - well, you know, the lowest point in the food chain, if you can use that expression, for getting services and supports. So that is it, do you think, that needs to fundamentally change to prevent people reaching those sorts of crisis circumstances, or to arrest those circumstances at an earlier time?

MR DEVEREUX: I think that's a very hard question to answer. I think, if I'm going to be completely honest, some people are going to end up in these situations regardless of their previous career roles.

COMMISSIONER FITZGERALD: Sure.

MR DEVEREUX: There are some people that have propensity towards certain behaviours and situations and conditions in life. How do we arrest it entirely? I don't think we can. How do we mitigate the risk to people who might not otherwise end up there? I think that we need to have a look at the discharge system. I think we need to have a look at how people are introduced to DVA. I think that we need to address the Chinese Whispers that we see and hear from time to time in the community that put people off both DVA and other organisations.

There's a lot of that sort of curtailing that goes on out there, and I think that, in order for us to be able to feel at peace that we've addressed all of the individuals, that all of them need to be - and I've been saying this for nearly four years - given information at the time of discharge, as well as loved ones given a mirror of that information, of services available, of people available, of numbers of places of situations that "If this, then that", and even if the veteran throws them in the bin, as we do see at those discharge cells, perhaps the mother, wife, brother, sister, or next of kin who's handed that other information will look at something and go "Oh, when he discharged I got this. I'll have a look there."

I think it's education. I think it's awareness. I think we need to focus more on letting people know what's available if they do feel - because if

we can catch them - if they feel they're falling. If we catch them before they fall, we're obviously in a better position to balance the outcome, rather than having to go and pick them up and say "Hey, do you need some help?"

COMMISSIONER SPENCER: Just on that, Jay, the - you mentioned you don't like the word transition.

MR DEVEREUX: I don't.

COMMISSIONER SPENCER: So I just want to explore that a little bit, because - and maybe there's better terminology around that, but what you've just been talking about struck us in many conversations we've had, the critical importance of doing that well. So, our suggested way of dealing with that is this, you know as the joint transition command, during that period to give a dedicated focus to that whole issue, starting quite early during service and then building up as you get closer to discharge, and then for a period of time afterwards, with Defence being responsible for that. So, what's your reaction to that? Is that starting to meet what you've just described, or do you have reservations? And I suppose it goes back to that word, transition. Is it just simply the word, or is it - what do you see - the way we use it?

MR DEVEREUX: No, I think it's the implication. Yes, I think it's the implication, that it's a very immediate sort of circumstance, and again, I'll paraphrase from a client who said "Literally one week I was working and loving my life in service, and I had a conversation with the doctor about my headspace and I was (indistinct) downgraded and within" - he said it was weeks, he was out, gone, medically discharged, and no treatment, no - and this was not recent. I do note that there's been a bigger incidence of treatment attempts by Defence with some of our clients, but what we're seeing, I think, is the process of "This person is no longer viable as a Defence member, so we're just going to move them out".

That person may not be viable as a frontline infantryman anymore. That person may not be viable as an air force refueller anymore, but that person may have other skills that they can retain in Defence, and it's my belief that if we find an area - and there have been all sorts of names posited for this - but an area where people that do need that retraining or that second look at life in the Defence Force can have a look at changing their career direction before it's determined that they have to leave.

COMMISSIONER SPENCER: So you would generally be supportive of efforts to really try and deal with that much more proactively, both in service and before discharge?

MR DEVEREUX: Absolutely, and you know, when somebody's sitting down at the (indistinct), you know, the meeting, and they're lying through their teeth about what they saw and what they experienced because they're fearful that their career is going to be ripped out from under them, I mean, to be that's abhorrent. These guys and girls expect to see and experience trauma. Post-Traumatic Stress, in my view, is not a disorder. It comes down to a normal part of psychology. If you see something traumatic you're going to have a reaction to it. Now, your reaction might be different to mine, and different to his, and different to other people's.

COMMISSIONER SPENCER: Sure.

MR DEVEREUX: That's subjective, but that doesn't mean that person is, from that point forward, undeployable or unusable. It just might mean that, as is the case with one of my close friends, who was seven times deployed to Afghanistan in 2 Commando Regiment, he had to change his job a little. He was therefore more useful in training and able to be worked into that position on a more permanent basis than going out on active deployments.

COMMISSIONER SPENCER: One of the issues that's challenged us a bit is how does the ADF discharge its duty of care? Quite a strong view that we hear back, that the duty of care only goes so far because the fundamental duty of Defence is to prepare people to serve overseas and do things on our behalf, and that needs a very clear and dedicated effort. On the other hand there is a view which says, well - and sometimes we think we hear this reflected in some of the comments you made about veterans - "They broke me and then they just cast me aside".

So, we're trying to really think, how do we both encourage and make sure Defence is more accountable or responsible for what happens during service, because in - if you look at the continuum from the beginning of service right through to the whole of life, in a wellbeing model, obviously you start with prevention. It's not possible to prevent all injuries, and in fact that would be, you know, arguably a failure to prepare properly for what they're going to encounter during service and deployment.

So, from your experience of dealing with the clients you have, what - how - or what thoughts do you have about - within Defence, with the ADF - their responsibilities for what happens early on in this process, and how can we address some of those cultural issues that we hear about?

MR DEVEREUX: Look, I think when we look at the ADF we're dealing with the only entity in Australia that can order people into harm's

way. Any other employer would be hung, drawn, and quartered in a similar environment. We need to balance that with the capacity and ability to be able to have that after career and whole of life care. Now, I think that this - again, this is a subject I could talk to for hours, because there are so many pockets that come into the conversation.

To blanket statement, I would say that Defence need to have an outside monitoring agency or body, commissioners such as yourselves or people that have got experience in this - in the past - sorry, post-service life and lifestyles and wellbeing, to be able to look at those individuals to be able to formulate with medical professionals their viability for being retained in Defence, or indeed for being moved into other areas, and whether those other areas might include, you know, things like work in DVA. We see a lot of bureaucrats in DVA, a lot of people that I've dealt with in the last that don't have very much of an idea what it's like to really struggle and, you know, yes, some hard times in uni and things like that that might have been brought about by irresponsible spending, et cetera, but you know, really living in the back seat of their car for months on end with a child, or in one case three children, things like that.

So I think our biggest area of concern with Defence relies on Defence being prepared to be responsible, to accept that duty of care and what that looks like, and, you know, I really think that unless Defence want to do it, we're all going to be talking to the wind about it. It's a hard question to answer.

COMMISSIONER SPENCER: So I think that last point is the challenge for us. Two things have happened. One is the outsourcing of huge amounts of activities within the Defence; it's had a profound change, so - you know, on-base security, catering, movement of people from base to base, so many other things have now been outsourced. So, a lot of the jobs to which a person that has some limitations could be put is now gone. Some might say, however, that's up to the Defence to be creative and work with their outsourced contactors, but it doesn't happen.

The second thing is, it's not at all clear, and I want to be clear about this, as to whether or not Defence - we hear this two versions: one is that there is a growing propensity within Defence not to want to keep people that have been injured, and that is countered by other views, and certainly Soldier Recovery Centres and what have you are very active in trying to rehabilitate people back into service or duty. So that second part is much more contentious, but the common story at the moment is that very few people think Defence is proactively trying to restore people to duty once they get to a certain point. Now, it's very hard to verify that. So, the question then is, in the absence of being able to change the way Defence

operates, then what do we need to do, and that's really where we come back to DVA or whatever version we have of that.

MR DEVEREUX: And NGOs and, you know, being in a position to be able to fill those gaps, and you know, gaps is a word that was used a lot in our inception and in the genesis of our organisational role, certainly what DVA was most interested in. They wanted to actually see the lived experiences of individuals and understand what happened between that point of being told "You're leaving", even before they were discharged, being told that "This is your only option". What happened between then and today, when we're looking at this situation, and I think it's going to be something that unfortunately is going to take some time to resolve and for people to move forward with.

I believe - and look, I have to tell you, I have criticisms of DVA in many areas, but when I look back at what has changed in the last three-and-a-half to four years - those in the room that know me know I'm not prone to hiding my own truth - I've seen massive change, and I think that we need to give that an opportunity to get some more momentum, and I think that Defence - look, I think that the way they're looking to transition people, in their words, at the moment, we're going to see a lot more failures and that continuum is going to rise, and I see another five to seven years before we start to plateau and people start to learn from the evidence-based outcomes that are being produced by organisations such as us and others working in this critical space.

COMMISSIONER SPENCER: So, can I just take that last point? We are unashamedly about outcomes.

MR DEVEREUX: Yes.

COMMISSIONER SPENCER: And it's a very important refocussing of Veterans' Affairs and generally, as we are in the human services area more fully. So if I can just take that evidence-based, one of the things that is not able to be criticised in our report is the fact that DVA, particularly with (indistinct words), are not outcomes focused. There's no information systems that allow them to manage that, the outsourcing takes place without appropriate oversights, and there is very little feedback loop so that anybody knows whether they're actually getting the outcomes we desire, or for the value we desire. Now, those matters are uncontested and they've been subject to review after review after review.

So the question is, do you - what is it, do you think, that could bring about a change whereby we can actually use evidence to inform policy? What is it that's missing? Is it the collection of data, is it - what is it that's

fundamentally missing? And I've got to make the point, this has been subject to numerous reviews. It's not the Productivity Commission suddenly coming in.

MR DEVEREUX: Understood.

COMMISSIONER SPENCER: Every review has said the same thing, over many years, so.

MR DEVEREUX: Look, I can anecdotally speak to this. The reports that we started writing - and we discuss out reports with our veterans and make sure that they're happy with the content that's going to DVA. We're very detailed, very, very detailed, from the beginning of our discussions and dealings with them through telephone, or getting consent forms signed, right through to the outcome that we have a look at at the end of our engagement with them, and I think I've had about six renditions of our report document revised and sent to us, to make it shorter and easier to - or faster to read, and in continually refuse to use those documents because it doesn't tell the story of the veteran's passage from that point to this point, and I think if we're going to inform policy we need to look at those individual stories. We need to have some sort of an understanding, broadly, of what people experience and zero in on those experiences, to have a look at the person's story. We don't see enough of an individual story being told, and we don't encourage, I think, enough people to step up and say "Yeah, I've had that happen too".

COMMISSIONER FITZGERALD: Can I just ask one question, then Richard might have it, and then we'll conclude? Does your service have much interaction with the rehabilitation programs or services being offered as part of the DVA services?

MR DEVEREUX: Yes.

COMMISSIONER FITZGERALD: We are looking at rehabilitation, both in Defence, but in particular in the veterans' area - post-service for veterans' area - so any insights I relation to the way in which that rehabilitation service program is operation.

MR DEVEREUX: Look, absolutely. I think - and this is my personal opinion - I think it's costing a fortune and I don't think we're getting great outcomes. I have dealt with many rehabilitation providers that have come to us and said "Oh, we only wanted you to get this man housed", and I say "But he's a raging amphetamines addict. We can house him all week long. We're not going to get the outcome that we need for this gentleman by dealing with his underlying problems." "Oh yes, let us worry about that."

So, I feel that there - and I think you spoke to oversight before. I've been an advocate of oversight, indeed for our own operations, for some time. we are often criticised by individuals that have an agenda and we welcome oversight. We welcome that sort of interaction and we welcome that sort of model.

I think - as far as the majority of the occupational therapists and rehabilitation providers that I've dealt with have been excellent. They've been solutions focused. They have been happy to work with other organisations to look at other aspects of their program and how they can interact with newer or more contemporary ideas, and I just think there needs to be perhaps a division within DVA that manages that more comprehensively, and much more personally. There needs to have that - that contract manager that we've got with DVA is in Canberra. We can speak to her on a daily basis. She's a clinical professional. She's able to help us guide and advise, as well as put us into touch with other services we might not be aware of.

COMMISSIONER SPENCER: Just a quick comment. I mean, it comes - this thing comes up quite often, about what is current performance, improved performance, or what is system change that's needed, but whether it's the Veteran Services Commission, that we've talked about, or if DVA is continuing to play this role, what struck us, and I think it's come up several times in the comments you've made, is - and it's not a criticism of the people in DVA, but it's the skill set, capability and experience of the people who are asked to administer the scheme, and I think the common theme we hear is that needs to be at a significantly higher level around key issues like mental health than perhaps is there at the moment.

So would you agree with that and think that that would be a contribution we could make to explore that a bit further, about what sort of capability and skill set is needed to really run a contemporary best practice evidence-based scheme?

MR DEVEREUX: Absolutely I'd agree with that, and I think that one of the things that I'm seeing now in our first full-time year of the contract is, there's a lot of emphasis placed on administration, as well there should be with taxpayers' money. The comment was made to be the other day "It's not about the amount of money, it's about what the invoice and receipts look like", and I thought that's a pretty bizarre statement to make, because for us it's got nothing to do with invoices and receipts, it's got to do with the veteran and their outcome.

Now, I think that is probably isolated in that particular field, that accounting area, but I think there's a lot of emphasis on risk aversion, risk management. We want to make sure the government doesn't get sued because of this or because of that when we're using other organisations to do that work, and I'm sure that that's studious and diligent to a point. When you've got organisations that are innovative and are bringing new plans and new solution-focused programs to the table, we need to sort of sit back and take a look at that with fresh eyes, and look, I think the skillset of the people needs to be broadened.

I'm seeking to sit down with people that work in our area and to share with them what we do, and to get that feedback from them about what they do, and how we can look at being a party to the same sorts of outcomes for veterans, albeit doing it in our own individual ways. I don't think you're going to get cohesion in the veteran community across the board ever, but I do hope that we find a way to mix what's available through DVA, lighten up some of the funding opportunities, and to train their staff. I would love to take DVA staff on the road for a week. I think they'd have a big week afterwards.

COMMISSIONER SPENCER: Right. Thanks, Jay.

COMMISSIONER FITZGERALD: Well thanks very much, Jay. Thanks for that contribution, and we look forward to any other comments you might have during the next month or so. Good, thank you very much.

MR DEVEREUX: Thank you, gentlemen.

COMMISSIONER FITZGERALD: So look, we might just take a 5 minute break. Then we're just changing the order a little bit. We're bringing Peter Larter - is that right - first, and then we'll go to Rick and to Geoff Chaffon. We're on time, so - but we've just got to make a change to that order, if that's okay. So just a very short break. There's tea and coffee out there. Bring that back in and then we'll continue on with Geoff - with Peter.

SHORT ADJOURNMENT **[10.38 am]**

RESUMED **[10.45 am]**

COMMISSIONER FITZGERALD: So we might just resume and very happy if you keep going and you're able to get to your coffee if it's there.

We'll start this session with Peter. If you could give me your full name and the organisation you represent.

MR LARTER: Yeah, sure. My name is Peter Michael Larter, advocate for the Special Air Service Regiment and here today not only as an advocate for the association but more purposely is about my personal views on a particular recommendation there as well, so it wouldn't necessarily be the whole SAS Association. I think there's independent SAS reps from different states making a comment.

COMMISSIONER FITZGERALD: That's fine. And Peter, if you could make just a brief opening statement, that would be terrific.

MR LARTER: Yeah, sure. Thanks for the opportunity for me to be here today and to accommodate my needs, considering my current employment, so appreciate that. The main part is to talk about the impact of recommendation 17.1 and what it has on dual and tri eligibility veterans and how that would go. And there's some positives and some negatives and I'd just like to explore that in detail a little bit more.

COMMISSIONER FITZGERALD: Sure. Please.

MR LARTER: So the main one is, is you've talked about moving the Veterans' Entitlement Act into scheme one or scheme two. The difficulty I have at the moment with this is that in the last probably two decades I'm dealing specifically with people with dual and tri act eligibility. So, when you look at a veteran and their needs it's quite easily to look at - the best footprint would be to put them under SRCA or DRCA incapacity payments and put them back in the workplace. There is psychosocial benefits there, there's a whole range of - you know, the government gets tax revenue, et cetera. But their body is hurting and there comes a time when those injuries or illnesses will get worse. Under the SRCA/DRCA incapacity arrangements at a time and age that income ceases. There is no income for them and any of the incapacity payments they are receiving is not superannuable. So they're not actually saving for that as well. And if they are on incapacity payments to a point where they're not working at all and their injuries stop, they're only on 75 per cent of their former income. So it's hard for that veteran to save money. There's no superannuation going. It's post-retirement. You've actually got a financial need there, and that's where a lot of the stressors I'm seeing right now with those individuals in that case, that particular case.

The general transition for a veteran that has eligibility under both of those Acts and we're just omitting MRCA at the moment, is the fact that as an advocate, and I'm quite transparently with you, you would guide that

person to incapacity payments, live a fulfilling life and at some point, depending on their doctors, their injuries will come worse, will come out, and they will transition over to the Veterans' Entitlement Act for a special rate, TPI. That would be the best way for that veteran to sustain long-term income. And if you're looking - now, there's some provisions there, of course, and there are stand-alone test ramifications there that must be satisfied - but if you look at that soldier and especially, I can only talk on behalf of SAS guys, they have a lot of injuries and each injury on its own would satisfy any test for permanent impairment, okay. But you're looking at co-morbid conditions, whether mental or physical. So you try to - if I look at a guy and I say, "Okay, you're 35 years of age, you've been shot up or you've survived a bomb blast and there's maybe early signs of depression, PTSD", I'm all for the rehabilitation and get them back in the workplace as best. If you steer that person to TPI, it's a 35 year old, that is not going to be good for that person at all, and certainly you know it's a drain on the financial services of our government as well. So it lends itself to steer that person to rehab. Get them back into some form of gainful employment, and the provisions there in our government, how DVA deal with it are actually pretty good. I think they're pretty good. The legacy there is what happens after retirement age for this person? So that's the strategy for tri act, dual act.

Now your recommendation 17.1 specifically says that, for example, those on VEA special rate disability pension and prima facie would be covered under scheme one. For veterans on incapacity payments they could be covered under scheme two. Their existing VA benefits would not be affected. But under a dual act, a person will be affected. It will most certainly will. If you're going to make that person have a decision, that's the dual act, and you're going to make them have a decision, are you going to choose under DVA or SRCA on your most primary condition? It's very, very difficult for that person to do that when they've got conditions under both acts, which on their own satisfy a permanent impairment. So, therefore, that veteran is seriously disadvantaged under this model and this recommendation.

If we look at the MRCA, special rate disability, SRDP, it is the most highly taxed entitlement because it takes into account any incapacity and permanent impairment. So as an advocate, and you look at a veteran, it's not the best scheme or the best facility to put that person under SRDP. And that is one of the reasons why you've got such a low interest in that. Okay. So under a MRCA client yeah, of course, incapacity payments, it's a good scheme, why not. But at the time and age there is nothing for that veteran. All entitlements, apart from physical care, but income-producing ceases. And there's a real legacy there and if that's seriously not addressed, when those veterans reach retirement age I really believe we're

going to have an increase with the stressors created and potentially for self-harm, and hopefully not suicide.

COMMISSIONER FITZGERALD: Okay, thanks Peter. You'll appreciate that many people called for one act. Some people have called for the three acts to stay. We've come up with a proposal, and thank you for paying attention to that proposal. Ultimately our aim, if it is able to be done, is to get people into one or other scheme. The second thing is what exists in each of those schemes, so your comments are interesting. Can I just understand this a little bit though. A person under MRCA, for example, can either take a lump sum payment in relation to the impairment or a pension.

MR LARTER: Yes.

COMMISSIONER FITZGERALD: Under DRCA they take lump sum payments, I think it is.

MR LARTER: Yes.

COMMISSIONER FITZGERALD: We are discovering that most people are taking lump sum payments. And so, in a sense, people are choosing to take lump sum payments instead of periodic payments or pensions under MRCA, and under DRCA they take lump sums anyway. So for those people, as their impairments increase, they're able to top those lump sum payments up until they get to a state of permanent disability, using my language.

Can I just talk about that aspect, putting aside incapacity for a moment. Those two schemes, we're looking at what that payment should be. If we merged DRCA and MRCA we say what should that payment for impairment be, and we've sought comment on that and undoubtedly people will give us some views about that. But is there anything fundamentally wrong in relation to that aspect of the schemes under MRCA and DRCA? Yes, you're right, it encourages people to return to work where possible, but at the end of the day it also does recognise if the injury is permanent and it's going to be sustained over a period of time, there's a payment.

MR LARTER: Sure.

COMMISSIONER FITZGERALD: And I'll deal with incapacity in a moment. But is there anything fundamentally wrong with that, for younger veterans going forward?

MR LARTER: Essentially I don't think so. To understand that the DRCA component, you can gain incapacity payments and not put a lump sum in, or you can get a lump sum and not put in incapacity payments. I think they're actually two different things. One's loss of employment, the other one is payment. So under MRCA it's combined, they have a choice. So whatever scale you use I think that's sound. You know, you generally put a claim in for those conditions, you would receive back from DVA what it is, and that person has a choice then, and you would steer that person to financial advice to make that decision. I think that's sound in principle and don't have an issue with it. But the underlying factor is that does cease over time.

COMMISSIONER FITZGERALD: So the issue is, can I just clarify, and again I don't want to discuss the actual detail of it, we will look at it. In relation to incapacity, the concept of incapacity is the inability to earn income during - that you would otherwise have been able to earn. Just in its simplest term, incapacity. So it's a substitution for income that you would otherwise have worked for, from work. The concept behind that is that it does stop when you would retire. It does come to an end. So the notion of incapacity is actually a substitution for work. And so when you're coming to an older age, like many of us in this room are, or have got there, in no other scheme would incapacity payments continue on. They would stop because your working life has stopped.

MR LARTER: Totally agree. Yeah.

COMMISSIONER FITZGERALD: So can you just explain from your point of view why that needs to change.

MR LARTER: Yeah, sure. So the incapacity as well for a defence member would be - a lot of the time it's - it can also be top up payments for the income that you're normally earning in that - your normal weekly earnings that you're in the Defence Force. If you're in civilian employment it's less, so we understand it's just not wholly the income, it can also be the top up. So if we appreciate that, and I wholeheartedly agree that at the time and age incapacity stops. Where the gap is, is what happens after that, to that person. So if that veteran is given an election and said, "Okay, you can get a fortnightly pension for life, or you can get incapacity payments", that is a financial decision and it's a bit of a roulette wheel isn't it, like, "How long am I going to live after retirement, and which one is better for me?", and that one is you don't know. The difficulty with not having any income-deriving pension that's suitable enough after retirement age for service-related injuries, the fact that people make elections to go into that potentially, elections to go into that

long serving pension well before they're actually probably due for it or willing, and that's the risk factor right there.

COMMISSIONER FITZGERALD: So the question for us is just about choice, if I can just use that. When I come to the end I will have to make a choice in relation to my super; whether I take a lump sum payment, part lump sum or an ongoing pension. And every citizen in Australia will make those sorts of decisions depending on the funds they're in. Why should it be any different for ex-service personnel? Why should we not simply allow them to make a choice? Now we know that some people make poor choices, that's true. Richard and I will make various choices. So the thing we're grappling with is there are some people I'm sure in the room who think they should all be pensions; pensions are the only way to go. But the rest of society doesn't want to operate on that basis, it says choice. So I want to just explore with you, I'm not critical of what you're saying but I'm only saying in the rest of society we say "you choose".

MR LARTER: Yep. So you're sort of categorising, I think, down, from what I'm hearing, is down the MRCA pathway. I'm okay with the concept of MRCA, it's an elected choice. The problem with MRCA is the fact that the SRDP is not advantageous whatsoever because of tax implications.

COMMISSIONER FITZGERALD: Correct.

MR LARTER: It's like 62 per cent. It's the most highest taxed ever, if you elect a lump sum, et cetera.

COMMISSIONER FITZGERALD: Correct.

MR LARTER: Right. So there's no incentive there. So your statistics on that one are going to be very, very biased, for a better word.

COMMISSIONER FITZGERALD: Well they're very low, as you know.

MR LARTER: Very low, yeah, and that's the reason, it's not an incentive. Even an advocate, you wouldn't advise someone down that pathway. So if we put that aside and those tax, so for example permanent incapacity wasn't part of the tax, you're going to have a more realistic view of someone going to make a decision, and that goes back to the decision, do you take a lump sum, incapacity or the ongoing life pension. If that happens that is sound, purposeful and it will probably work for the veteran and that's the choice.

I'm particularly interested in the component of the dual act between VEA and DRCA, which is pre-MRCA of course, and the implications of add-on for certain soldiers due to their nature of service when they enlisted and where they got injured, and how would determine what act. For example, you're going to have a person making a choice now, "Do I stick under DRCA or incapacity payments until retirement and forego my future TPI pension", that's proposing they're eligible for it and DVA accept that claim. That's the real issue there.

So post-MRCA I'm okay with, in a sense. So to put it a way for you, if you - the TPI provisions are very sound and have worked for many years for a lot of veterans that are entitled to the TPI. If you took that TPI and put it on the back end and substitute that for the MRCA SRDP, it would be a much better facility for even the government and also the veteran. Forget the provisions, the extra provisions, I'm talking about the financial fortnight pension.

COMMISSIONER FITZGERALD: So it's possible, and I'm not suggesting we do this, but it is possible to change slightly the arrangements under the DRCA/MRCA combined approach and still only be under one act.

MR LARTER: I'm okay with that actually. I think that's very sound, right, and I think - and administration-wise would be sound because you do add incapacity under MRCA, you do have other similar provisions. It's just the other one, the SRDP, is not an attractive at all.

COMMISSIONER FITZGERALD: Well, you will be aware that we're recommending the SoP under MRCA disappear.

MR LARTER: Yes, of course. That's right. But what replaces it?

COMMISSIONER FITZGERALD: And of course people will say that's a terrible thing but when you actually examine it, it isn't, because of the reasons you've indicated. But we are open to looking at the design features of the MRCA/DRCA, absolutely, and that's very important. Because going forward, it is the better approach in terms of totality for younger veterans basically, and the government has been of that view since 2004. Without diminishing the importance of the - for those that are in that at the present time. So we can do that. Richard?

COMMISSIONER SPENCER: In addition to that, what else Peter, what else would need to change? Do you see any other issues in the two scheme approach you've taken?

MR LARTER: Yeah, thanks for raising that. It goes on, I mentioned before, the alone test and I'm sure you're very familiar with the alone test. Unfortunately a veteran under the Veterans' Entitlement Act who may claim a TPI pension between now and 2025, it doesn't matter, they may choose to go down the TPI route, and this is someone with dual eligibility. And all of a sudden you've got someone with a back and a head and whatever, it doesn't matter. The DVA will look at your alone test and say, "Okay, but you've got other conditions under the DRCA, so therefore we might knock you out for the alone test". And I think that's really unfair if that condition was service-related. If that other condition is service-related then that should not be the deciding factor to kick that person out of the TPI pension due to the alone test provisions. Because when you look at the history of the VEA and around the alone test, it was the sole act at the time for veterans. So now when we want to include the alone test, I really believe the methodology behind the alone test was a non-service related condition. If a non-service related condition was stopping that person from employment then, sure, the alone test should sustain. But if it's a service-related condition I don't think it should. And there is other ways that you can bypass the alone test legitimately but it's a journey that probably doesn't need to happen really. That's that one.

The other one is, of course, advocates go to the VRB and the AAT and High Courts in there's case law. I'd like to see any case law determination be transparent down, and departments within DVA via this clique or otherwise get updated sooner and that be done. If you are an advocate and you're aware of the particular case law you can use that certainly, but it's not well known - well it's well known that DVA don't necessarily extrapolate that info quickly.

COMMISSIONER SPENCER: We've made a number of recommendations, as you know, about that future role of VRB, and there are a couple of principles underpinning that. One is to bring better information earlier in the process and more communication. Some of the things that VRB does in its outreach program to bring that right back to the initial claim process so that more decisions, more certainty and less stress, et cetera. Better feedback of information which perhaps goes to your point of decisions, why they're being made. So when you look at our recommendations around VRB, and there's a particular one that many people aren't that happy with, and that is they will not be a determining body, the ADF or the, you know, outreach process would be the key process. What's your reaction to that? Is that going, from your point of view, to meet the issues you've raised in the right direction, or are there other things we could be doing?

MR LARTER: Yeah, I think it's a good topic. In part it does. I've been fortunate enough to have cases go through the alternative dispute resolution and it was really rather seamless, without the veteran being exposed to the threat. In the organisation where I sit I would get a case generally that's already - an initial claim has been put in by somebody else and it's come to me to have a look at. And I can look at something and go, "Well the evidence doesn't sustain and DVA have done the right thing, you know, they've declined the claim for these reasons". And then it depends on what act, you might even do an internal review, but if you go to the VRB sometimes the alternative dispute resolution I think will work in a seamless case that's straightforward. New evidence. I think that process, your recommendation, is sound, it's been tested and it works. Others, I think you still need to go to the body. On those cases if the VRB has the knowledge set to make a determination would be helpful and less stressing for the veteran, because it is quite confronting for some people. Mind you, the advocate won't be legally trained because you can't have a legal representative, so then you're looking at a bush lawyer who's doing his best, but sometimes they have issues themselves and struggle and it's probably not the best foot forward for the veteran in that medium. Though I'm sort of for it in some ways, and I sort of think sometimes it's a disadvantage for the veteran on the other.

COMMISSIONER SPENCER: And, Peter, your role as an advocate, you've been doing that for some time, have you, or?

MR LARTER: Thirteen years now.

COMMISSIONER SPENCER: Right. If I just ask you a sort of broader, general question. In terms of your dealings with the department during that period, we've obviously got the Veteran Centric Reform process underway and we've heard a bit about that already this morning. What progress do you see, what your views and thoughts about how that was going?

MR LARTER: Yeah, sure, sure. The 13 year gap started with, you know, learning a little bit, a little bit and you learn more, and I think at 13 years I know a fair bit but certainly not everything, I'd be arrogant to think I do. In that process I've been fortunate to represent the association on the Emerging Issues Forum, a state consultative forum under Deputy Commissioner Peter King that's here. Emerging Issues Forum, Veterans' Younger Forums and a bunch of working groups on PI passive payments and the Veteran Centric Reform. I think DVA allowing ESOs to come and talk openly about that has been excellent. Not everything that's mentioned is accepted but certainly that voice in that room has changed certain elements of policy and I can give you probably half a dozen

examples where that's occurred for the positive. It's slow. It doesn't happen as quick as what we'd like, but there has been policy changes for sure. I think that facility should stay, should remain. I think the advocate world will always challenge DVA. I think that's going to exist and whether it be rebranding the new commission or whatever, it will be challenged and that's our democratic right, I guess, because a veteran might see something different to how DVA see it. And you'll look at the evidence and you'll challenge, and I think that will remain, regardless of how systematic improvements and efficiencies are done, the veteran and their advocate will still challenge DVA, and so they should. I would just like to probably see things where changes are made and happen quicker.

COMMISSIONER FITZGERALD: In relation to that, you're aware that the Robert Cornell report has gone to government, which is looking at advocacy broadly defined, and we will reflect on their recommendations. We will be making a distinction between claims-based advocacy or advocacy in relation to claims and then broader-based advocacy and support services. So we'll be looking at that.

The second thing is we actually see a very important voice for veterans and we've recommended a new ministry or advisory council that have representation on that. So the right of the veteran community to be able to express its views in relation to policy is critical and, of course, that should be at the ministerial level as well as at the departmental level or whatever it might be.

Can I just ask this? Many people have opposed our view that policy should go to Defence. That's the only thing we've said that should go to Defence, but we've said that. We did that in order to get an integration between policies in Defence and Veterans, because it's the one person. The person doesn't change, it just changes status, and at the moment we have real disconnect. The remuneration of a serving veteran is related to the compensation that's payable and actually at the moment there's no connection at all, it's like a black line. And so the individual is spliced according to the date of discharge and we've tried to look at a way of integrating that. Now that hasn't been warmly received, and that's okay, we'll have a look at that. But we are concerned that there has to be a much better policy making way that actually travels with the life of the veteran, between the time they're in service and out of service, and that brings us back to this issue of transition.

Can I just talk about the SAS and the organisation you represent. Have you got any particular views, and I know that wasn't part of your submission, in relation to the way in which the transitioning between Defence and post-Defence life needs to be improved?

MR LARTER: Sure. In 2017 there was a commencement of the special operation forces pilot program, which is a transition, and I was a part of. And basically it looked at when - from the time a soldier has been injured and what happens from the care to the transition out into the civilian world and carriage of DVA, and that's - it's public domain, public information - the soldiers that I know that have gone through it, it has been reasonably seamless for the fact that once they've been informed they haven't been released from the Department of Defence until such claims have been accepted by DVA, so one, the stresses of income has always been taken care of, and the medical care of course remains with Defence until such time they're stable enough to transition out. Some of course will choose to transition out earlier and that's generally with mental impairment. You can work, I think, if you align, and I know you're aligning in the civilian world, that the employee is responsible for that person's care until such time they're not. And there is that void between when does DVA pick it up, and sometimes DVA is at a loss for information, but that's certainly getting changed now.

I actually personally believe you're on the right track, that Defence do have carriage in policy in the initial stages of someone's care. At such time once that care has been stabilised then, sure, there's DVA or whoever it be takes that carriage. It's too easy. With Defence, you know, you look at it, and I've been there myself, where people are injured and Defence can't wait to get you out because you're a name on a sheet. Until you are moved they can't replace that name on that sheet. And that's just reality, you know, it's money, it's budget. And I've heard it directly from different generals that have said, "Get him out of the unit, so we can get another body and DVA can look after him", and that's not helpful at all.

COMMISSIONER FITZGERALD: That pilot that you've referred to, and I think when we were here last there was reference to it in a consultation, do you know whether that's now become a program, or is it still a pilot, or is it finished?

MR LARTER: The pilot program has finished, to my knowledge, and there has been successes. The view was to roll it out to the wider defence.

COMMISSIONER FITZGERALD: Do you know whether that's occurred?

MR LARTER: I don't know where that's at yet, no.

COMMISSIONER FITZGERALD: No. Because we heard positive things about that, and you've reiterated that. Is there any final comments

that you'd like to make, Peter? And we will certainly look at the comments you've made in relation to the design elements of that scheme too.

MR LARTER: No, that's fine I think. It's a tough job. My big one would be any decision you make, any adverse to the veteran will have significant errors for the care of that veteran.

COMMISSIONER FITZGERALD: Can I make a comment? Our intention is not to make changes that would be adverse to veterans. There are some payments that we think should disappear and there will be arguments about that and that's fine, but in relation to the major areas, our aim is not to do that but it is actually to try to come up with a much better system going forward to the next 20, 30 years, and so we are conscious of that. Our aim, and if there are significant disadvantages in what we're proposing, we want to hear about that. That's the whole purpose of the draft.

MR LARTER: Yes, that's right.

COMMISSIONER FITZGERALD: So thank you for raising those and we'll look at them. But the aim is not to save money and it's not to disadvantage veterans, but it is to change the system if that's warranted and any unintended consequences we need to know about.

MR LARTER: Well, that would be that - the initial one with the dual eligibility.

COMMISSIONER FITZGERALD: Sure.

MR LARTER: And it may be a case, you've mentioned there's only 4,000 or so people in that space, but maybe look at grandfathering those ones.

COMMISSIONER FITZGERALD: Sure.

MR LARTER: So they're not disadvantaged.

COMMISSIONER FITZGERALD: No, we'll look at that. Thank you very much.

MR LARTER: Yes, well, thank you very much.

COMMISSIONER SPENCER: Thanks, Peter.

COMMISSIONER FITZGERALD: Thanks. And if we can now go back to the schedule with Rick Ryan, please. Thanks very much for that.

MR RYAN: That's all right.

COMMISSIONER FITZGERALD: And being put out of it. So Rick, if you could give us your full name and the association or organisation that you represent.

MR RYAN: Yes, Ricky Raymond Ryan, major, retired, and I'm the President of the Australian Army Training Team Western Australian Branch Association.

COMMISSIONER FITZGERALD: Thank you very much, and Rick, I think we've received a written submission from you or your organisation.

MR RYAN: Yes. Yes.

COMMISSIONER FITZGERALD: So thank you for that, and if you'd like to make a brief opening statement that would be terrific.

MR RYAN: Okay, if you don't mind I'll read from this, but what I'll do, I'll pause at appropriate places where I'm sure that you may have something to say if that's okay with you.

COMMISSIONER FITZGERALD: Easier if you just go through and then we'll come back.

MR RYAN: Okay, righteo. As you mention, Commissioner, I refer to that after report submission made by our association on 14 December 2018, the day the draft report was released. This was responded to from your organisation but not on the website until I resubmitted the submission on 12 January this year, so I don't know what went wrong there. Anyway, that aside, in that submission our organisation took issue with the definition and the methodology as used by the Commission in relation to the term "veteran" used in the report.

There has been much angst among war veterans since the release of the report and to the definition used. I am sure that the Commissioners would have received feedback on the use of this terminology. There is no doubt amongst war veterans that the Commission needs to redefine this terminology or to ensure that in the acts that there is clear distinction between war veterans, non-war veterans, operational, non-operational, war-like and peace time service whichever way you wish to define it.

Also as stated in our submission, it appeared to be the easy way out for the Commission to come up with the definition of "veteran", that is a veteran now being a person who serves one day in the ADF so that all service personnel could be put in the same basket. Maybe the Returned and Services League of Australia should now remove the word "returned" from its logo and just be a services league, and when I refer to that angst amongst veterans, there's been - it's been virtually viral across the veteran community on the internet about that term, "veteran".

COMMISSIONER FITZGERALD: Well, I might just pause just there for one thing. That wasn't our definition, that's the definition of the Government that's been in place for some time, so in the report we indicated that we would use the term defined by the Government of Australia. We didn't define that, so if it's viral, that's okay, but I want to be very clear, we did not redefine the word veteran.

MR RYAN: Okay.

COMMISSIONER FITZGERALD: We accepted the government definition.

MR RYAN: Well, the government needs a kick in the pants because - - -

COMMISSIONER FITZGERALD: So when I saw your submission I thought thanks for crediting something which we didn't do.

MR RYAN: Yes, okay.

COMMISSIONER FITZGERALD: I'm quite happy to say it's the Government, but I will come back to it later and we'll seek some advice about that.

MR RYAN: Okay. Righteo. That aside, our association here in WA found that the draft report also seems to be taking the acts to those that come under VEA Act 1986 which particular section being given to the totally and permanently incapacitated veterans and war widows. My comments are directed mainly in the defence of this act. In our submission, we have asked that this act be left to die a natural death. Our reasons are outlined in our submission, but in the main our arguments are based on the fact that this act mainly related to service of Vietnam and pre-Vietnam war veterans and of course service personnel on peace time service during this period.

There have been changes through legislation that have been made due to pressure from the veteran community or through government policy,

changes over the years. The reason why I want to refer to, I'm one of the older generation veterans, to the VEA Act 1986 is that, yes, we believe that the three acts are complex, and we believe that those acts, the complexity, within the complexity of those acts they deal with the generations of veterans from World War I to today's service, and I'll just go on, and you'll probably get the inference from what I say here.

COMMISSIONER FITZGERALD: Sure.

MR RYAN: Your draft report shows that the majority of those covered under this act are now in their later years of life, mainly 70's, 80's and 90's. We of the opinion just to let us live out our last years in peace and cease trying to make change to that act now. As also explained in our submission, the Acts that the Commission are reporting on are complex, but this comes from the change to service life ranging from World War I through to today's service personnel. For those that have served in uniform, we know the varying conditions of service that have been endured over the decades. The ADF has evolved from a poor-paying service career under lousy conditions with questionable clothing, uniforms, et cetera, to now where people have good service pay, good military superannuation, far better conditions than we endured in our day, and I can probably, as an aside, a Vietnam veteran, I think we got about $1.60, $2 a day for being in a combat zone as opposed to the allowances which we believe are quite generous for those that now serve in operational service.

Our submission also took issue at the appearance of the attack on the TPI's and widows' eligibility for the Gold Card on the demise of the TPI. Interesting to see that in the past week or so the PM at the stroke of his pen is proposing to give the Gold Card to civilian doctors and nurses that volunteered for paid service in Vietnam, no Acts to define their entitlement but a captain's call by the look of it. The same could be said for Prime Minister John Howard when he gave the Gold Card to those aged over 70 years with qualifying service.

In essence, our opinion is that the Gold Card should be issued to the wife or the partner of the TPI veteran once a TPI pension has been granted, or at the very least, at age 60 years. The Commission fails to see that the dependent spouse/partner often suffers from ailments after looking after and caring for their TPI partner. In the draft report there was an inference that the - and this wasn't from the Commission by the way - that there was an inference that the Gold Card was looked at as being a prize. This is so far from the truth. TPI's see the Gold Card as security that they will be looked after under DVA for all conditions. After all, they have been through a complex system that has finally granted them the TPI pension,

and I'm sure the Commissioner would be aware that it is quite a gauntlet that a veteran has to go through to be qualified for the TPI.

They do still have concern that the dependants still have a problem of their own health, management and cost, and see the Gold Card being given to their widow as a worthwhile benefit, but in a lot of cases this is far too late, as the Commissioners would be aware that if you get the TPI at, say, about age 50 or 55 or something like that, your wives and that have probably been carrying the can for quite a while and their health and that can suffer as a consequence of caring for that TPI veteran and when I say wife, I mean, if it's a female wife or partner.

COMMISSIONER FITZGERALD: Sure.

MR RYAN: I'm sure you understand that.

COMMISSIONER FITZGERALD: Yes, I do.

MR RYAN: In our submission, we also question the Commission's attack on a number of allowances One main concern for the TPI was that the vehicle allowance was seen as being far too generous. The government brought in the measure of removing the GST on new vehicles and spare parts for TPI's. The TPI, of course, still has to be able to afford a new vehicle, and although allowed a changeover after every 40,000 kilometres or every two years, in reality this does not happen. My TPI vehicle, for example, was purchased in 1998 and I still have that same vehicle. I still however do not have to pay for the GST on spare parts which is a small benefit, but there's still a benefit factor we've got. We ask that the Commission leave this benefit alone.

I will not make comment on the removal of allowances such as decoration allowance, but suffice to say that those allowances were made in the interests of the recipient. The fact that some never have been adjusted of the CPI, for example, that allowance, the decoration allowance is not a reason to remove that.

In closing, I refer back to our earlier suggestion that VEA Act 1986 be left to die a natural death. Us old veterans need to be able to live out our final years in peace and quiet and not have to cope with the nit-picking by various inquiries into benefits for veterans. Most of us have endured war service, fought hard campaigns to get benefits, while the government of the day disregarded us and brought a system through DVA to gain our compensation for our injuries.

I thank you for allowing me to have a say.

COMMISSIONER FITZGERALD: No, no, thanks very much, Rick, and thanks very much for your clear articulation of those concerns, and we'll be hearing from various groups that represent people that are TPI throughout Australia. Can I just cover a couple of things. A very important decision for us was whether or not and how do we deal with these three acts and one of the areas we came to is, we decided we would keep the VEA, as you're aware.

MR RYAN: Yes.

COMMISSIONER FITZGERALD: We recognised that because there are many veterans, as you've described, that have, being entitled to that, have been receiving those benefits for a long time, and we do not wish to disrupt those, so we share that view.

MR RYAN: Yes, yes.

COMMISSIONER FITZGERALD: The question for us was whether or not the VEA should, in essence, remain open for new participants or there should be a cut-off, and so we've made a draft recommendation and I'd like your views about it where it cuts off for new claimants somewhere in 2025, mid-2025. From your submission, I presume you're saying that there should be no cut-off, or not?

MR RYAN: No, I think because of what I mentioned before where you're going through the decades and the generations of service, you can - there's certainly a correlation between the sort of conditions that I served under as opposed to the conditions that people are serving under now, and I can see, in essence I can see exactly what those others Acts are looking at with more on the rehabilitation side.

COMMISSIONER FITZGERALD: Sure.

MR RYAN: And I suppose with their paying allowances and things like that it's more akin to, I suppose you could say, someone in civilian employment that's probably doing a hazardous job and getting paid the right amount of money for it, that appears from us older veterans as what's happening with the veteran of today where they are getting good pay, good conditions of service and when they're in an operational system, yes, they're getting good benefits there as well.

COMMISSIONER FITZGERALD: So, Rick, do you, sorry, can I just understand, Rick, from your - does your association and yourself object to having a cut-off point for new claimants into the VEA of 2025?

MR RYAN: No.

COMMISSIONER FITZGERALD: Not in principle?

MR RYAN: And because of what I've stated there, I find that probably a little bit hard to accept how someone under today's conditions could fall back on that under VEA 1986.

COMMISSIONER FITZGERALD: That's fine. The second thing is, in relation to those that are currently eligible for the VEA, the changes that we're recommending, there's no changes to the benefits at all effectively.

MR RYAN: No.

COMMISSIONER FITZGERALD: There are some of those allowances, and in fact the eligibility criteria, the definitions remain unchanged. So the only thing we're looking at is whether the statement of principles which should apply across the three acts should have two tests, you know, there's two standards, and some people have said that should stay. One recognises a war like, a non-war like service and others don't so we're looking at that. Your view in relation to that, Rick, would be what?

MR RYAN: Our view is that that definition of war like and non-war like remain.

COMMISSIONER FITZGERALD: For the purposes of the standard of proof under that SOP?

MR RYAN: Yes, exactly.

COMMISSIONER FITZGERALD: Okay. No, that's fine. So we're looking at that and we understand the arguments. There have been previous inquiries that have talked about a mid-point which you actually have one, but it's a mid-way between the two, but I won't complicate this discussion. So this is an area that's been looked at before, and that's your view, it should stay as they are.

MR RYAN: Yes.

COMMISSIONER FITZGERALD: That's fine. In relation to the other issues that you've raised about health care cards for widows of TPI veterans.

MR RYAN: Widows, yes.

COMMISSIONER FITZGERALD: That's a really difficult call that we've made in this report and we expect feedback from it. Can you just explain to me why you think, right at the moment the partner of the TPI does not receive the Gold Card.

MR RYAN: Right.

COMMISSIONER FITZGERALD: Correct. The government has chosen that it only stays with the TPI recipient, the actual individual.

MR RYAN: The individual, and then when - once we kick the bucket then there's - - -

COMMISSIONER FITZGERALD: So - - -

MR RYAN: Just, can I just - - -

COMMISSIONER FITZGERALD: Yes, sure.

MR RYAN: - - - add to that point about once we kick the bucket? There seemed to be an inference in the draft report that the TPI, that you are looking at the TPI dying of service-related - - -

COMMISSIONER FITZGERALD: Yes, conditions.

MR RYAN: - - - conditions before the wife received or the spouse or whatever received the Gold Card. We don't agree with that at all. We're under all conditions. Our health varies.

COMMISSIONER FITZGERALD: I understand.

MR RYAN: Our problems with our health vary right to our demise. I'd like to see that knocked on the head.

COMMISSIONER FITZGERALD: So can I just, can I explore it because it is a difficult area and I know that your association and others will oppose our recommendation. I want to understand it a bit more fully. During the life of the TPI the partner does not receive a Gold Card.

MR RYAN: No.

COMMISSIONER FITZGERALD: Correct. So some people would say, well, the logic is that, in fact, that just continues on; that in fact once the TPI, the person passes away, the Gold Card ceases. It was never given

to the partner during the their life. Why would it now be given to them once the TPI partner has died?

MR RYAN: Because it's a condition.

COMMISSIONER FITZGERALD: So just explain that. When you say that, you mean it's an entitlement, or do you believe it fulfils a particular need?

MR RYAN: It's an entitlement under the VEA Act for the TPI that once he's gone, the wife becomes a war widow and receives the Gold Card. One of our arguments, and I've brought this up with the Minister for Veterans' Affairs on a couple of occasions, and that we believe that the carer or the partner carer of the TPI should receive the Gold Card at an earlier date.

COMMISSIONER FITZGERALD: And I was going to come back to that, so you'd actually extend it to the living.

MR RYAN: Yes.

COMMISSIONER FITZGERALD: But just let me deal with the current - your basis is that it's an entitlement under the act. I agree, it is.

MR RYAN: Yes.

COMMISSIONER FITZGERALD: The question is whether the logic behind that is sound. In other words, yes, it's an entitlement, but the question is, what is the reason for that entitlement. So if they're not receiving it when the partner is alive, why should they receive it when the partner is dead? So I'm just trying to understand, not that it's an entitlement, I understand that, but why should it continue in that way?

MR RYAN: Well, you could probably see it as a repayment for what the partner of the TPI's had to put up over the years. You know, I mean, it's like, to me it's a condition of service. If you're entitled to it, if it's been legislated that you're entitled to it, that's the expectation of the TPI that once he's gone, his wife's health will be looked after and she'll be on a war widow's pension. That takes a lot of stress off the TPI during his living, his time of living and that, whereas what I'm trying to say is that because we see the stresses that we put on our partners and our kids and things like that, that you know, if the Prime Minister can go at the stroke of a pen and ignore any acts or any definitions that are around and give the Gold Card to paid civilian doctors and nurses who served in Vietnam, without any

question to any act whatsoever, to me that's demeaning of the value of the Gold Card. And it's certainly not doing our spouses or anything any benefits whatsoever.

COMMISSIONER FITZGERALD: And you'd be aware that we wouldn't have recommended that anyway. Can I just come to the issue of the over 70s years of age and that was a Howard Government initiative.

MR RYAN: Yes.

COMMISSIONER FITZGERALD: Can I just understand, you're critical of that. Do you think it needs to be changed or do you leave it as it is?

MR RYAN: Well, once again, that was a captain's call by John Howard, but (indistinct) at the time, I don't know if people in the room can recall back, but I certainly do. But it was more a vote-catching exercise then because it was the time of election, if my memory serves me right. And it got up the nose of a lot of us; TPIs and that in particular, because we've been through the gauntlet of the complexity of the Act of the VEA Act to be able to get the TPI.

And here you have a Prime Minister who once again, at the stroke of a pen, and that, without any deference to any of those acts, whatsoever, is handing out Gold Cards willy-nilly. How do you think you as a veteran would feel? You'd think that the value of the Gold Card's been demeaned and that, which is one of the reasons I put in a – many years ago, I put in the proposal through the TPI Assoc. and that, but TPI endorsed on our Gold Card, which was accepted and the TPI has got TPI and his Gold Card for all conditions.

COMMISSIONER FITZGERALD: Sure.

MR RYAN: That's how much angst it caused within our association. I'm talking about the TPI Association, in that respect.

COMMISSIONER FITZGERALD: Okay. Yes, thanks. Thanks, Rick. The – I just want to go to the comment you made in the last paragraph of your submission, because we're trying to deal and we've obviously been exploring it in this discussion, but the complexity of the Acts; we know that creates a lot of confusion and stress and you put in a very interesting suggestion in that last paragraph saying that maybe case officers for veterans could be looked at. One of the comments we've heard a number of times is that the department seems quite passive when approached about "How do I go about making a claim, what are my entitlements?"

Are you suggesting here that there should be a change within the department, that'd be more pro-active about engaging with veterans and advocates around to assist them in (indistinct) their homes?

MR RYAN: Well, first of all, I've really got – I've got no complaints with the Department of Veterans' Affairs as such. I think it's a magnificent organisation. I think they're headed in the right direction with this reformation that they're doing or transformation, I think, that's the correct word, isn't it, Peter? A transformation that you're – they're doing, and that. They're going down the right track.

But the case officer aspect of it within the department, and I don't know how that'd go with the administration process within the department because they've probably got so many veterans to deal with, but I think it'd be nice if a veteran that was under, you know, a big White, Gold or whatever card under DVA, that they have a person that they could turn to within the department that knew their case if they had – had things to discuss rather than – you hear some people (indistinct) that they'll contact the department, might get referred to Queensland or something like that and they might speak to someone that they may get on with or then next time they call, there might be someone that seems to be not so communicative with what their problems are. Hence the suggestion of the case officer.

COMMISSIONER FITZGERALD: And just a quick comment, Rick, about – you mentioned earlier about the difference for contemporary veterans, compared to your experience some time ago, high levels of remuneration.

MR RYAN: Yes.

COMMISSIONER FITZGERALD: Additional allowances on deployment, that kind of thing. Just to – and it comes back (indistinct) sometimes to this issue of distinguishing between an injury in war, war-like or peace time service. And as you know, we're coming from a point of view which says an injury is an injury. But the question of whether being in war or war-like situations, should be recognised in a different way, goes to the comment that you made that today that is quite often, because of additional remuneration. And we understand that there may be, sometime in the near future, another review and look at how that remuneration works.

So one of the things we're wrestling with is, is how does the system best respond to the situation you've described that our current view on it is that an injury is an injury and that it should be looked at and to the extent that

war, war-like, involves, you know, exposing people quite clearly to additional risks that can be recognised in OA. So that's what we're trying to wrestle with at the moment.

MR RYAN: Yeah. I still believe that – and probably a lot of veterans of my ilk believe the same – the same thing, that if you serve in a war-like or an opportunity, a war-like situation, that it is completely divorced from whether you're in a peace-time situation. Often, the injuries are a lot more terrible than what you're faced with, generally, in peace time and things like this. That the stressors that are upon your body and your mental stability and that are a lot higher and we believe that the – that war-like – war-like situation sort of thing and that definition of war like and the gauntlet that you have to run through the system to be able to get recognised for that operational service needs to be left as is, that you do have – if you've got your (indistinct) war-like services and that, that's it.

COMMISSIONER FITZGERALD: Okay. So I think you mean - - -

MR RYAN: Leave it alone.

COMMISSIONER FITZGERALD: Well, effectively, we've done that with the VEA.

COMMISSIONER SPENCER: Yes.

MR RYAN: Yes.

COMMISSIONER FITZGERALD: So by – we've recognised your point in coming from a slightly different angle. But whereas for younger veterans, we are of the view and I think this is now universally accepted that we treat an injury as an injury. But by keeping the VEA, we leave that effectively in place for older veterans. And as you rightfully say in your submission, the – you know, the conditions, the payment you will receive were very different to that which has been received or by more modern services.

MR RYAN: Exactly.

COMMISSIONER FITZGERALD: So we think – we came to the view of keeping VEA, not only because it would be very difficult to get rid of it. But actually, we actually thought it was right. It's not a well-written Act. It's a horrible Act, I have to tell you.

MR RYAN: Yes, yes.

COMMISSIONER FITZGERALD: I think it needs to be re-written. But nevertheless, the basic core of it serves your needs and we've respected that, even though we have made some minor changes to some of the allowances or recommended those.

Could I just come back to the word veteran itself? I understand – when I made the comment, I wasn't necessarily being critical of the Commonwealth Government, that's the definition they've chosen. We have not tried to redefine that. We've looked at the different Acts and all those, but for the purposes of legislation, we have dealt with it differently. But, can I just ask this question. You said if Government is to come up with a definition of veteran, the reason behind the definition that it's one day or service was to basically say that at some stage, all service personnel become veterans. That is, they become ex-service personnel and they may need various forms of support going through their life.

So the whole notion I presume was to recognise this continuity through the life of a service person and post service. Your view, however, is contrary to that.

MR RYAN: It doesn't – being an Australian we're probably a little bit different and I think that's taken off the US and probably the UK modelling.

COMMISSIONER FITZGERALD: Is it?

MR RYAN: But being an Australian serviceman, you're certainly – I certainly when I was in uniform, didn't earn the veteran status until I actually come back from war service. And hence my comment about the Returned and Services League.

COMMISSIONER FITZGERALD: Sure.

MR RYAN: And that maybe they should just call it the Services League, you know. It's a bit – and then again, you can, if you want to marry the same term that they're using for the veterans card and lapel – lapel badge, and that as well, whereas once again, you know, businesses and that, if they look at the definition of a veteran as being someone that served for day 1 in the ADF, they're not going to – they're not going to give him the discount that they'd want to give to a war veteran. I may as well go down and return – wear my return from active service badge.

And that to me would have more – more ammunition for a business and that to give me a discount. It's just – it just goes against the understanding within, as far as I'm concerned and as far as all my peers are concerned, is

exactly what a veteran is. It's very poorly defined. Whether the Government come up with it or not, I don't give a damn. It's not the definition that a veteran like myself sees as what a veteran really is.

COMMISSIONER FITZGERALD: Can I just ask one last question. It's not in your submission, but I'll ask it. It's in relation to access to health services. The Gold Card is a funding mechanism for you to be able to receive health services.

MR RYAN: Yes.

COMISSIONER FITZGERALD: We've heard in some particular places that accessibility to some services is restricted, some would say because the DVA doesn't pay the market rate to the providers. You know, the doctors. Some say that an access to service is pretty good. In the Western Australian experience, from your members' point of view, are they able to access both the health and mental health services that they need, pursuant to both the Gold Card and the White Card?

MR RYAN: I have never, nor have my members, ever, ever had a problem with accessing services with the Gold Card. And that I cannot recall any - any problems whatsoever. As a matter of fact, if you go into any place where you can, you know, be a specialist or a doctor's surgery or a hospital and that, if you've got the Gold Card they're only too happy to look after you. And if anyone's ever had any sort of any problem by anyone, and they've contacted DVA, here in WA, DVA has resolved the issue just like that. So, the answer is no. No problems whatsoever.

COMISSIONER FITZGERALD: Good, thank you very much. Any final comments or questions?

COMISSIONER SPENCER: No, thank you very much.

COMISSIONER FITZGERALD: Thank you very much for that, Rick. That's good.

COMISSIONER SPENCER: I think we're going for the (indistinct). Yes, appreciate it.

UNIDENTIFIED SPEAKER: Thanks Rick.

COMISSIONER FITZGERALD: Could I now have Geoff Shafran. Is that the right pronunciation?

MR SHAFRAN: Shafran, yes.

COMISSIONER FITZGERALD: Thank you. Geoff, if you could give us your full name, and if you represent an organisation, the name of that organisation.

MR SHAFRAN: My name is Geoffrey Edward Kevin Shafran. I don't represent any organisation. This is a personal submission. I'd just like to apologise for my missing tooth. I have a prosthetic arrangement to stick in place, but it actually makes me sound more lisp-y than I do without it. So, given no one's really looking at me, I will - - -

COMISSIONER FITZGERALD: I was going to say, some people might find lisp-y quite attractive or something, so you never know your luck. No, it's no problem at all. So, Geoff, if you can just give us a short opening statement, that would be terrific.

MR SHAFRAN: Sure. The draft recommendation 10.2 in the Productivity Commission report relates to taking the - essentially taking the outreach element of the - that's currently being housed at the VRB, and relocating it, for all intents and purposes, back into the commission. And I believe this is unnecessary. I don't feel there's a need for an outreach at either the VRB or the Commission, and I believe that what was installed in the legislation via section 137, back in 1986, actually does this task. It's just that no one's ever used it.

I presented the Commission with a sample of a comments of concern report, which is what I'm entitled to put to the Secretary under 137(3), and I believe that's quite extensive. And I feel that if these type of comments are concerned were actually issued to the Secretary on a regular basis, in relation to the 137 report, then the - there will be an overall improvement in how decisions are made, and not so - in regards to the individual, but also in the procedural processes as well.

COMISSIONER FITZGERALD: So, have you got any other comments, or?

MR SHAFRAN: I'd like to read from - - -

COMISSIONER FITZGERALD: Yes, please. Sure. Thank you.

MR SHAFRAN: I think it's fair - and I'm not reading all this, by the way.

COMISSIONER FITZGERALD: That's good.

MR SHAFRAN: I think it's fair to suggest I've become somewhat of a dirty expert on claims review and administration. I've identified a number of points that I raised in my earlier submission, have percolated into the draft report. I've initiated the creation of a number of SoPs, I've created and administered a number of veteran social media groups, and in the last three months I've been invited to two Secretary's roundtables. This is despite having a Client Liaison Unit restriction.

It's with these credentials that I would state, like to state, that the Productivity Commission report generally, is a shallow as the aspect of which I have some detailed knowledge, then it is difficult to conclude it's little more than ill-informed, expensive, tax-payer funded thought bubble. I simply can't come to any other conclusion that the Commissioner's investigation into claims and review practice is made. I feel it's apparent he hasn't mined the appropriate material, especially the legislation, and if he has, he certainly hasn't digested it. And he definitely hasn't read the legislation as it was created.

Had he done so, he would have quickly identified that in isolation, paring back the review processes to as they were in 1986, and addressing the education of delegates will largely solve all the decision and review issues. To support my criticism, I would like to highlight an important recommendation from the draft report, and I say that's important because delegates getting decisions wrong is devastating to a veteran, and getting decision right builds foundations, trust and confidence in ongoing dealings.

Recommendation 10.2 from the Productivity Commission reports reads:

> *The Australian Government should introduce a single review path for all veterans' compensation and rehabilitation decisions. The pathway should include internal reconsideration by the Department of Veterans' Affairs. In this process, a different and more senior officer would clarify the reason why a claim was not acceptable, partially or fully, request any further information the applicant could provide to fix deficiencies in the claim, and then make a new decision with all the available information.*

The Productivity Commissioner seems to have lost sight of the fact it is the job of the primary delegate, not only to decide, but to make adequate enquiry as to the fact, and if this was done, the additional layer in a decision making process that Productivity Commissioner would not be necessary.

Having a follow up officer explain why a claim was not accepted, and request further material, will in fact be confirming the primary delegate did not make an adequate enquiry as to the facts.

I would like to read not from a recommendation, but an actual commission decision in relation to expanded section 31 powers, which were introduced in the mid 1990s, to which major ESOs agreed. In part, the decision was:

> *In all cases, contact should be made with the applicant, or advocate, to explain the original decision, ascertain the basis of the section 31 review request, the VRB - - -*

Sorry:

> *- - - basis of the section 31 request, or VRB AAT application, clarify the issues and establish what additional evidence, if any, the applicant/advocate has or intends obtaining. And exception may be made where the section 31 review involves acceptance of entitlement matter, without the need for more evidence. The aim of this strategy is to make the right decisions at primary level, including section 31 reviews, and reduce the flow of applications to the VRB AAT.*
>
> *It's quite clear that the expanded s.31 powers that were introduced some twenty plus years ago, to address - - -*

I'll start again.

> *It's quite clear the expanded section 31 powers that were introduced some twenty plus years ago to address exactly the shortcoming of the Productivity Commissioner has identified and based a recommendation on. The VRB also has made no secret of the fact that assessors of the outreach process is largely as a result of the applicant providing further evidence.*

So the question is, bearing in mind the expanded section 31 powers, why aren't s.31 review officers identifying this same additional evidence at commission level that the board is unearthing at outreach? Well, the fact is, s.31 review officers don't contact the applicant. To digress slightly, the other question also needs asking, is why was outreach established at VRB, when clearly it largely replicated the function of the expanded s.31?

In relation to section 31 investigations, if you can call them that, DVAs bog-standard s.31 conclusion is: decision was open to delegate, matter to proceed to the VRB. And given the legislation provides for further option

of a reconsideration by a section 137, this statement is erroneous and misdirects.

Some very wise person is quoted in the draft report as stating:

s.31 is little more than a procedural tick in the box.

The fact that s.31 review officers don't contact applicants confirms I was right. No matter how poorly a s.31 review officer conducts their review, they have every right to formulate and present and opinion in relation to the original decision entirely as they see fit. However, in directing the matter prematurely to the VRB, and before 137 options have been explored by the applicant, it is intentionally misleading and unethical, and largely confirms the commission see the VRB as an element of the decision making process, rather than independent decision review instrument.

VEA section 137, sub-section 3, provides for an applicant to put comments of concern in relation to the evidence pertaining to the decision to the secretary. And sub-section 4 provides for the secretary to investigate these comments of concern. This happens prior to the board enrolment. This provision was drafted into the original Act in 1986, and there is no reason why this secretarial investigative instrument can't function as outreach and a reconsideration - sorry, can't function as the outreach and reconsideration process the Productivity Commission is searching for.

In relation to 137, Creyke and Sutherland, the Department's go-to reference for veterans' entitlement and military compensation law states, "To correct factual errors or to supply additional information in support of a claim, so the report of a claim, so the report will enable the Board to have the whole of the evidence before it at the hearing." Noting the commission's capacity to vary and substitute decisions, it's reasonable to consider the comments of concern have the potential to rectify decision in favour of the applicant prior to board involvement. Other than the primary delegate's investigation, any contact with an applicant prior to them receiving the 137 report is pointless.

The applicant will only be able to consider the next step when they are fully informed of and can digest what the delegate considers to be evidence, and if necessary, put it past an advocate lawyer, et cetera, and from there unearth and discover new evidence and present it to the secretary as comments of concern. Once the decision has been made, reviewing or reconsidering a decision or contact the applicant prior to the

applicant receiving the 137 report is simply an illogical and pointless waste of time and resources.

To summarise, the Productivity Commission has made a recommendation to introduce a commission level reconsideration instrument that on the face of it, looks very much like replicating the VRB's outreach process. However, this process already largely replicates DVA's expanded s.31 powers, which in turn largely replicate what those drafted into the legislation, built into the VEA, and by default the MRCA back in 1986 via section 137.

I have provided the Productivity Commissioner with a draft comments of concern in relation to a live matter with DVA. I am hard pressed not to believe that if those concerns were legitimate, it would bring about significant policy and process change in relation to how the commission makes decisions.

Finally, I can't help believe the system and its policies and processes would have been held to far greater account if applicants were able to be represented a the VRB by lawyers, which only seems just. In this regard, I feel the Commonwealth is failing in its duty of care by supporting a system and an agreement that deprives an individual of legally qualified representation, and I can't understand how this can be remotely considered ethical. Despite general support from ESOs for the VRB to remain lawyer free, presumably to allow unqualified advocates to play at being Matlock, the 90 year old agreement that supports the prohibition needs to be a focus point of the Productivity Commissioner.

Lastly, and slightly unrelated, as I pointed out earlier I am an admin of a number of Facebook groups and I have discussed this with a number of other group admins. And although it's not possible to support it with figures, over the last six to eight months we feel there have been more postings outlining satisfaction on how veterans are being treated by DVA, and less postings of concern concerning prior or wrong treatment.

COMMISSIONER FITZGERALD: Thanks very much, and we appreciate your detailed understanding of the section 137. However, the end point – can I just ask you this, is we end up at the same place. We've recommended in 10.2 a formalisation of the review processes that should apply across the three acts, the first thing, and the second thing is we bring forward in what we call internal reconsideration the elements that you've referred to in section 137.

MR SHAFRAN: Yes.

COMMISSIONER FITZGERALD: So in a sense, we're very conscious of 137. We're trying to bring that to life as a formal part of the internal reconsideration process. So we're not actually at cross-purposes. VRB has outreach, that's true. But you're absolutely right, we think that DVA is, should and always has had the capacity to do outreach, and you've identified 137.

MR SHAFRAN: Via 137, yes.

COMMISSIONER FITZGERALD: So I think we're at one.

MR SHAFRAN: Okay, well it wasn't spelt out as clearly as it might have been - - -

COMMISSIONER FITZGERALD: No, no, yes.

MR SHAFRAN: - - - in the commissioner's - - -

COMMISSIONER FITZGERALD: No, but as you were going through your submission I was – yes, you're absolutely right, our draft doesn't refer to the section. But in a sense, what you're saying is you believe that DVA has always had that capacity.

MR SHAFRAN: Absolutely.

COMMISSIONER FITZGERALD: And just fails to use it.

MR SHAFRAN: I think it fails to use it because as I've said, when someone receives a 137 report, it says, "Matter to proceed to the VRB." Now if it said, "Comments of concern in relation to this document can be put to the Secretary," people would take that up. But they don't, because they sit there and wait until they get a letter from the VRB saying, "You're outreach is at this date or your review board is at this date."

COMMISSIONER FITZGERALD: So just so that I'm correct, just so that – and you may have a different view to us. We think that firstly, the whole goal of trying to improve the performance of DVA, both through the VCR, the Veteran Centric Reforms, and generally, is to get better decision making at the first instance, by the delegate.

MR SHAFRAN: Absolutely, no question about that.

COMMISSIONER FITZGERALD: So our report is all about that, trying to design that when we come to these reviews. So the second thing we see is once that delegate makes that decision, if the individual claimant

has a difficulty or a problem with that decision, wants to review it, it goes to a reconsideration. And it may well be that section 137 is the way to go it.

MR SHAFRAN: It's 137, because anything else – the applicant must be in possession of a 137 report. Now just to give you an idea, this is a 137 report that I had made up about six months ago or so. This has got 71 pages in it. Thirty-one pages of this – sorry, 13 pages are actually evidence, and eight pages of that are my original application form. So the other material shouldn't be in here. Now if they started putting just the evidence in these reports, then it would be a lot easier for people – for veterans to understand, and from there they could move forward. Now it may well be that one of those comments of concern is that the evidence that's on here doesn't support the original decision, in which case that would go to the secretary and she obviously would look at that and go, "Oh, he's right, let's redo this," but it must happen via 137. This outreach happening prior to receiving 137 is pointless.

COMMISSIONER FITZGERALD: Okay, well we'll look at that in more detail, but I just want to get to the general point. The general point: are we in agreement that you believe that after the original delegate makes the decision, there should be an internal reconsideration that is dealt with within the Department and not at that stage referred to the VRB? Whether it's by 137 or something else, just leave that open for a moment, that's what we're trying to get to, isn't it? A detailed reconsideration - - -

MR SHAFRAN: Yes.

COMMISSIONER FITZGERALD: - - - in which additional information can be extracted; there is communication with the claimant, and a determination made at that stage.

MR SHAFRAN: But it must be made after they've received this document.

COMMISSIONER FITZGERALD: Yes, I understand what you're saying.

MR SHAFRAN: Because this is the evidence, and if they don't have the evidence, how do they understand the decision?

COMMISSIONER FITZGERALD: So they've got to have enough information, as you say, to be able to understand how the decision's been made.

MR SHAFRAN: Exactly.

COMMISSIONER FITZGERALD: And you think the best instrument at the moment is section 137?

MR SHAFRAN: Absolutely.

COMMISSIONER FITZGERALD: Okay, well - - -

MR SHAFRAN: They got it right when they created the legislation, and there is no reason to have fiddled with it, ever.

COMMISSIONER FITZGERALD: Well you're more expert in it than I am, but I'll take that on board. The next stage, however, is if there's a failure – if there's not an agreement at that stage, then we've recommended that it goes to the VRB and goes through that dispute resolution procedure. And if it fails at that point, it goes to the AAT. So we've got a four stage approach. Original delegate, reconsideration, VRB dispute resolution, AAT. Can I have your view about that?

MR SHAFRAN: Outreach – the board functions well at the moment. But it functions well at the moment because no one is using the 137 process. And I believe if 137 was used as it was created and intended, then there would never be any requirement for outreach at the review board. It's so transparently obvious. I actually have a case live at the moment in the review board – sorry, comments of concern of my own at the commission level, and I put one in for somebody three months ago. It still hasn't been addressed. They don't know how to deal with it.

COMMISSIONER FITZGERALD: Sorry, who's "they" in that?

MR SHAFRAN: The Secretary does not know how to deal with comments of concern in relation to this matter that was put in three months ago.

COMMISSIONER FITZGERALD: Sure.

MR SHAFRAN: This despite a direction that was issued by the review board at an outreach that the commission was to deal with these comments of concern. They still haven't.

COMMISSIONER FITZGERALD: So why do you think, assuming what you've said is correct and I have no reason to doubt that the 137 exists and you believe it's a good instrument, why do you think it's not used in practice?

MR SHAFRAN: Firstly, because a matter to proceed to the review board. It's got a lot also to do with the fact that the advocacy corps is very familiar with taking something to the review board process, and they just do not know about the 137 as it stands. They are just totally ignorant to it. I've spoken to advocates that have done the job for 20 years, and they do not know about it.

COMMISSIONER FITZGERALD: The other thing that's happened, and I just ask your opinion, some people believe that the Veterans' Review Board, which is much loved by veterans and we understand that, has become a default mechanism. That in fact delegates – I'm not saying they don't care about the decision they make, they do. But in the sense they always know that there's the VRB that can be – to make that decision. And in fact some people, some advocates speak to us in those tones, that VRB has become a default.

MR SHAFRAN: I'm not an advocate, by the way.

COMMISSIONER FITZGERALD: No.

MR SHAFRAN: And I think if I were an advocate, I wouldn't have unearthed what I have. Because I've actually taken my processes through a very legalistic process.

COMMISSIONER FITZGERALD: Right.

MR SHAFRAN: I've followed the legislation bouncing ball process. I sense that what you're suggesting is correct, that there are a lot of advocates out there that do believe that DVA looks very much at the review board as part of the fault finding process in a decision, if you like. But I've had some horrifying decisions made. In fact the reason why I got into all of this is because two and a half years ago, I had a decision that was that bad that it caused me to almost become suicidal. And I just can't allow that to happen to someone else. So that's why I've spent the better part of two years trying to understand administrative law, the administrative decision judicial review process, and I started to really mine into the legislation, including the legislation as it was created. And you start to – these things just come out like – they're like, they're so obvious, it becomes unbelievable that people aren't using it.

COMMISSIONER FITZGERALD: So can I ask you a question – can I just shift you from the 137?

MR SHAFRAN: Sorry.

COMMISSIONER FITZGERALD: No, no, that's fine, to the Veterans' Review Board itself. Can you tell me what your views are about the VRB and any changes you think or modifications that would help that process?

MR SHAFRAN: I actually think – well the first thing I have, I have problems with lawyers actually being on the board. Because the Review Board is a review of a natural justice decision. And I fail to see how someone with a legal mindset can actually look at a natural justice scenario and make a natural justice decision. I think they must be tainted by that legal knowledge.

I think it's going to – like I said, I assisted this gentleman three months ago in relation to comments of concern. And I read a 137 report that he had on his file, and the Review Board referred to all kinds of case law.

Now I just find that totally irresponsible. They should be referring to the evidence that was available to the primary decision maker, and that is it. And once they start introducing case law, this thing starts to blow into a surrogate AAT, and it shouldn't be that. It must be a much lower level, much more understandable sort of process, where somebody can actually go in there and understand exactly what's going on, and not be blown out to some – and you read it on Facebook all the time, that the Review Board is a very adversarial process.

COMMISSIONER FITZGERALD: The VRB advised us that they've put a great deal of effort into the alternative dispute resolution, the ADR, including their version of outreach and a number of other aspects. Do you have a view about that shift over time?

MR SHAFRAN: I've been to two ADRs. The first one was in relation to a TPI matter, and essentially all of the evidence that the original decision maker refused to address was addressed at the ADR. So if I'd have known about 137 back then, it would have never got to an ADR. I would have taken it to the Administrative Decisions Judicial Review before it ever goes anywhere near ADR.

The second one, I was sent – and again, I sent you the documentation on this. I was actually sent to an ADR under a subsection of the VEA, and it's quite clear that I was sent – sorry, that the principal member of the VRB does not have jurisdiction over the matter until they're in command of the relevant documents. So in that regard, I've been bullied into an – sorry, into an Alternate Disputes Resolution process, and I should never have been there in the first instance. And when I did get in there, they issued another direction that they don't have the jurisdiction to issue.

In my instance, it's a very bullying and uncomfortable process to be in, and I've asked for further and better information in relation to the decision, that's five or six weeks ago. I've not received anything.

COMMISSIONER SPENCER: Just to comment, Geoff, that if – I mean I think there's – we're in sort of fierce agreement I think around some of the essential principles underlining these matters, back to what Robert earlier, is getting better decisions, correct decisions earlier in the process, we'd all agree with that. So this 137 process, I mean I think what you're suggesting, if that was fully utilised, there would be less need to go forward to the VRB.

MR SHAFRAN: Absolutely.

COMMISSIONER SPENCER: Right.

MR SHAFRAN: I couldn't imagine how many matters could be resolved by the 137 process that are currently going to outreach, and also – and remember I mentioned that the section 31 review officer is supposed to contact the veterans. They don't.

COMMISSIONER SPENCER: So accepting that, and if that's the case, then it comes – so what is the VRB at that point? And as you know, our recommendation at this stage is the VRB not be a determining body; that it be actually a resolving body through the ADR if it's needed, and to your point that may be very few cases where that's needed.

MR SHAFRAN: I honestly think so.

COMMISSIONER SPENCER: Yes.

MR SHAFRAN: I actually believe that the reason why the Secretary and the Principal Member actually have a hand to hand handover of the relevant documents in this process, is their belief when they created the legislation, was there would be so few matters actually go to a Review Board that it needed that level of contact so that those people were cognisant of how there had been an error made somewhere in the process. I don't believe for one moment that when they created the legislation, they would – they believed that thousands and thousands and thousands of matters would go to the Review Board every year.

I think if they'd have believed that that was the case, they would have changed the processes so that that didn't occur.

COMMISSIONER SPENCER: So just a final observation, and you may want to comment on this. So we're seeing that over time, VRB would be retained, but it would be through an Alternative Dispute Resolution process. After everything we've been talking about, that may bring up the question of therefore, what is the appropriate skillset that's needed within the VRB. It may or may not be lawyers, don't know, but so to your point – so that scenario, do you think that works in terms of how you would see an effective process?

MR SHAFRAN: I actually don't see a need for the – now that the AAT has an outreach process, I really don't see a need for the VRB, because I believe the outreach process at the AAT – because when you look at the VRB, everyone thinks of it as being a bubble or an offshoot of the – of DVA. In fact it's not. It should be more viewed as a fact of like a bubble from the AAT. It actually serves their purpose more so than the veteran's purpose, because the decision has already been made. So it's not – it's part of the review process of the decision, if you like.

And so now that there's this outreach process, which from accounts is fairly comfortable, I see that the VRB, especially if the 137 process was fully utilised, the only thing that should really be going through to the review process is something along the fact of either (a), our decision is absolutely bulletproof, in which case it can go to the AAT, or alternatively, there is an issue with the decision and then the comments of concern from the secretary would say something along the lines of, "We recognise we've made an error, or the new evidence has provided us with a capacity to approve this," so it just ping pongs in and out of the Review Board, back to the Commission for the correct decision. Honestly, I think you made a recommendation about looking at it in 2025.

COMMISSIONER SPENCER: Yes, yes.

MR SHAFRAN: I honestly believe that if there was will, the VRB could be extinguished entirely as an entity.

COMMISSIONER FITZGERALD: Well let me be clear about it. There have been reviews previously that have indicated the VRB should be merged into the AAT. So there is a view that the VRB should not be there. Our view is a midpoint. We've described it - - -

MR SHAFRAN: Well Migration – sorry, Migration and Immigration have already merged into the AAT, yes.

COMMISSIONER FITZGERALD: No, no, most have. Our starting point was it's very unusual to have two external bodies that can make

review decisions. Very, very few parts of public policy in Australia have that, and there's good reasons why you don't have that. We understand fully where VRB came from. The question is, what should its purpose be going forward, and ultimately whether or not it's required. But our point has been as Richard's explained. So we understand where it's come from, we understand the veterans like it. Nevertheless, it's a very unusual arrangement and in many other parts of public policy, that layer of review has disappeared. Nevertheless, our recommendation we are keen to get feedback on is to retain it, but in the way that Richard's described. But we do believe it should be reviewed in five years' time, so yes.

MR SHAFRAN: I do feel that if the 137 process was exploited, that the amount of material or matters that would go to the Review Board would just – it would just drop down to virtually zero. I honestly think that that would be the case.

COMMISSIONER FITZGERALD: Okay. Well just to repeat what I said, our aim is to get the better decision making in the first instance, and a quick reconsideration, full reconsideration, as early as possible, so that reviews to the VRB and/or to the AAT would reduce over time. That's our goal. It's not to save the VRB and have that having more and more work, it's actually the reverse. It's to actually push it back.

MR SHAFRAN: Yes.

COMMISSIONER FITZGERALD: Into the decision making process within the Department, and I think we're agreed on that.

MR SHAFRAN: And like you said, a good initial decision is a great grounding for a relationship with the Department.

COMMISSIONER FITZGERALD: Sure.

MR SHAFRAN: And a bad one ends up with people up in the Client Liaison Unit, because they know they're right, and they know the Department is wrong.

COMMISSIONER FITZGERALD: Yes. Okay, any other comments, Richard?

COMMISSIONER SPENCER: No, that's fine.

COMMISSIONER FITZGERALD: Thank you very much. Thanks very much for that.

MR SHAFRAN: No worries.

COMMISSIONER FITZGERALD: I just want to check, Imogen, are we – that's it for this morning's session?

SPEAKER: (Indistinct words.)

COMMISSIONER FITZGERALD: So we'll resume at 1 o'clock. If anyone hasn't got their name down and would like to make a short statement at the end of the proceedings, they might just see Imogen at lunchtime. We have a couple of people who've added their names to the list, but we will try to finish around 4-ish. But if you'd like to make a comment and you – but a very, very brief one – then just see Imogen.

COMMISSIONER SPENCER: Thank you very much. We'll come back at 1.

SHORT ADJOURNMENT [12.10 pm]

RESUMED WITH CONFIDENTIAL PARTICIPANT [1.01 pm]

RESUMED [1.36 pm]

COMMISSIONER FITZGERALD: Max Ball, please.

MR BALL: Good afternoon.

COMMISSIONER FITZGERALD: Good to see you again.

MR BALL : Yes, nice to see you here.

COMMISSIONER FITZGERALD: Max, if you can give us your full name and any organisation that you're representing.

MR BALL : Maxwell Joseph Ball. I'm not representing any organisation. I'm here on my own.

COMMISSIONER FITZGERALD: And that's enough. So that's good.

MR BALL : Yes, I'm involved with some organisations but we are still working through this.

COMMISSIONER FITZGERALD: That's terrific.

MR BALL : So these are my views.

COMMISSIONER FITZGERALD: Max, if you can give us an opening statement that would be terrific.

MR BALL : Well, this will be a little bit variation to my notes but on the same line. My view is the Commission should be commended for the work it's done so far. I think it's a complex matter and I'm of the view that there has been significant change external to DVA and by the nature of any government department, the department has not been able to keep up. That's not a slight on anybody, that's just a fact of life. So I do welcome the major recommendation, which I think is the major recommendation, which is 11.2. So I'm coming from that position overall.

But I would like to just comment on some other parts of my theme. First all, I did note in my first comment that it does seem to me that overall, and perhaps outside the terms of reference of yourselves, the government does address the matter of compensation and rehabilitation benefits separately to the matter of remuneration of members of the Defence Force. So we have the situation where members of the Defence Force who are deployed overseas on operational duties receive tax-free salaries and benefits, and some of the benefits are, in your words perhaps generous, and the benefits that accrue to their employment through compensation and rehabilitation legislation seem to be different and I think there's a debate needed to put the whole package of employment because that's what we would do in private industry as you would know. We don't have this bit and that bit, so that's a very broad thing which may be outside the scope.

Look, I do acknowledge the improvements made in DVA in recent years, but I do, as I said earlier, believe the only way forward is with radical change of the nature you've recommended. I notice in the rhetoric from ESOs an absence of recognition or acknowledgement that the current inquiry was an outcome of the Senate report on suicide in veterans, and of course, what seems to be getting a little bit lost in the atmosphere is the fact that there were a significant number of suicides and I think that needs to be on our plate all the time, and without trying to draw bows at anybody, bows and arrows, there does seem to me to have been systemic failures in the Department of Veterans' Affairs, notwithstanding the best efforts of all involved.

On another broad comment, I think the definition adopted recently of a veteran is incorrect. I think it's clouding the debate. I think it's causing confusion and if it's not changed some other definition is needed. If I

could just comment briefly on some of the recommendations, I won't comment on all of the ones I've written in my notes. 10.3 proposes changes to the Veterans' Review Board. I do not agree with this recommendation in totality and I particularly - you have not addressed this issue, but I particularly still draw attention to the fact that at the Veterans' Review Board a veteran cannot be represented by a legal practitioner.

On the other hand, the alternative dispute resolution process is being praised as successful, and lo and behold, at the ADR a veteran can be represented by a legal practitioner. If the ADR process fails the matter goes back to the VRB and then the ability to be represented legally is removed. I just have noted in my comments here that I just think that's Gilbert & Sullivan policy, and probably from HMAS Pinafore.

Statutory authority, 11.2, which I refer to. By way of explanation of part of my thinking I recall that in the fishing industry in the 1980's we had a serious situation where the industry, the Commonwealth fisheries industry, or the industries that were Commonwealth fisheries, suffered a severe lapse of confidence within the department. The fishing industry was changing dramatically due to external factors such as the floating of the dollar and the change in tariffs and other export/import arrangements. The department just did not keep up. It was no way. We in the industry were struggling to keep up, but private enterprise will always move much faster than any government department.

We had a review which went for more than a year. The outcome of that was the creation of the Australian Fisheries Management Authority, a statutory authority with a board of directors appointed by the Minister, a chief executive officer, a CEO, chairman, I'm sorry, who I think was one of your colleagues at the time, Jim McColl, you may recall, and we took over and I was fortunate enough to be an inaugural member of the board.

We took over many of the function of the Department of Fisheries. We took over a lot of their staff, we discarded quite a few. We rearranged and retrained quite a few and within a very short, an amazingly short time in my memory changes were made to the way Commonwealth fisheries were managed in Australia and I think that's an interesting lesson of the past that perhaps is relevant to what we're doing here.

It is of concern that there are a lot of people who are opposing the idea of change. I think again they forget that the department itself was formed in 1976. Prior to that it was called the Department of Repatriation and something, and before that there was the Repatriation Commission itself, so it has not been a changeless face. The Department of Veterans' Affairs has been reasonably new in generations, but the generational change has

been more significant. Vietnam veterans got along reasonably well with the department, and I think the Vietnam generation was closer to World War II veterans in many ways than the current veterans, and I think it's impossible to expect a government department to change its attitudes and policies and method of working to match the speed with which society is changing, and so that's why I'm in favour of a statutory authority.

An issue has been made about war-like and non-war-like compensation being the same. I think that there is no comparison between circumstances in training and circumstances in operation of (indistinct). The most stringent conditions in training can never replicate where you might be in reality; where things go wrong and what is supposed to happen doesn't, and generally the world is upside down. And when things go wrong sometimes help is not at hand. And, of course, all those alternatives are what happens in peace time. And what interests me about the argument that compensation arrangements should be the same for both operational and non-operational circumstances is, if the circumstances are the same, why then do members of the ADF who are on deployment be paid additional allowances? It seems to me that's in recognition that their lives are in danger. So I am a fierce advocate that compensation arrangements should be different for those who are injured mentally or physically in operational war, or war-like conditions.

Finally, the recommendation 17.1 is the creation of two schemes of veteran support and I just draw to the fact in my notes that there have been some presentations or representations by ESOs that suggested that the three Acts that currently are in use be harmonised. I think that would be a silly mistake, an administrative nightmare, and I'm pleased to see that the Commission and the report agrees with that view. I suggest that the creation of the two schemes as put forward might not be perfect, there might be some fine tuning but it is surely the most economical and efficient way to go forward. In that sense, I would also note that in the not too distant future, it might be 20 years for some of us, the number of people under the VEA will have diminished dramatically and be fairly settled. Thank you.

COMMISSIONER FITZGERALD: Thanks very much, Max. Just if I can just go back to the VRB one for the moment. You've raised before I think with us this issue of being able to get legal representation and not being able to get legal representation within the VRB. There is a report being done by Robert Cornell, as you are aware, and we have seen that report but it hasn't been released yet by the department or by the government. To some extent that may help inform some of that discussion, so that's a piece of work and we've really been waiting for that report. It was only completed in December.

By and large though, can I just understand this, most people are still saying to us, I think, that at the VRB level where the board makes a determination, there are not many people in favour for that having legal representation at that level. At the AAT certainly that happens, and there's issues around that. But can you just explain to me, are you proposing that - there's an inconsistency, I understand that.

MR BALL: Yes.

COMMISSIONER FITZGERALD: But is the inconsistency resolved by allowing legal representation, both in the ADR process and the Board. Is that your proposition?

MR BALL: Yes. Where I come from is purely, in a sense, an academic point of view perhaps because I have never attended a VRB meeting or review session. But I'll just put it this way. The legislation says that the VRB is designed not to be a legal process. Well, if you take the services members off the VRB panel, the majority of the members of the VRB are all lawyers. The registrar, or whatever chain it's called now, is a highly qualified lawyer. So it's a legal process and there's just no question it is a legal process. So why do we deny the right - I'm not saying veterans who appear before the VRB have to be accompanied by legal representation, but why do we deny them the right? And no one can answer that question.

Now, it is on the record that some years ago the ESO round table discussed this and the ESO round table members gave advice to the department and the minister that that denial of rights should continue. But I put to you that despite all that might be said, the ESO round table meetings do not represent broad consultation with the ESO community. For a number of reasons; such as the agenda is often put out very late. Sometimes the items on the agenda are embargoed, in other words the only person that can deal with it is the person attending. And it is a fallacy to think that what is discussed at the ESO round table necessarily represents the views of mainstream veterans. So I'm just taking it from the point of view of, if I'm going to the VRB - if I'm going to the Supreme Court on an action I can take a lawyer with me. If I'm going to VRB I can't. Why am I denied that right? Explain that.

COMMISSIONER FITZGERALD: We have, as you know, proposed that the VRB lose its right to determine matters but rather just simply deal with the ADR matters, and from what I'm understanding, you're opposed to that. Is that correct?

MR BALL: Yes, I think that's an error. I think, and I'll acknowledge that the VRB seems to work reasonably well, although the ADR seems to be working better. Again if I've read your recommendations correctly, what bothers me is that if you get down to a review by one member of the VRB, that member's a lawyer and the person he's dealing with is not a lawyer. And we all know how lawyers are trained and how they operate and the range of skills they have, and that includes sometimes being difficult with people who are appearing before them. That's all fine, it's part of the game. But I just get back to the fact that there should be legal representation, but I don't really see the need for that change. And again I do stress the point and I'm happy to admit I have not appeared myself before the VRB.

COMMISSIONER FITZGERALD: No that's fine. But could I just make a point about that. Whether the VRB, in our proposal where it's alternative dispute resolution only, and that's an extensive range, so it's many different forms, the board member or the registrar, whether they're a lawyer or not is only acting as a mediator or seeking to get a resolution between the two parties, the claimant and the, in this case, the department.

MR BALL: Yes.

COMMISSIONER FITZGERALD: So whilst what you say about lawyers is true, they can be inordinately difficult - both of us, and we are - the process is actually meant to be one that gets resolution. So it doesn't actually matter who's the person - the mediator, in effect, in that case, not the determiner, which is the full board, but actually just simply trying to get resolution. And of course as you know, our recommendation is a single person can make a recommendation and either party, the department and/or the claimant, can say "No, not happy with that" and it goes off somewhere else.

MR BALL: You're on the edge of my experience here.

COMMISSIONER FITZGERALD: Right.

MR BALL: I'm prepared to concede that that may be the case. The way I read it, I - it seemed to me that it was a different situation.

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

COMMISSIONER SPENCER: Just a couple of comments. Thanks very much for the - what you describe with the Department of Fisheries and what happened in the translation or transition to a statutory corporation. Part of our thinking behind that is what you picked up on.

We think the departmental structure is a very difficult one to be able to respond and to be appropriately capable and flexible to provide the sort of service that's needed. So it's interesting to see an example from a quite entirely different sector.

Just coming back to this, it's a difficult issue, it's this distinction between war-like and peace and you commented about, you know, your family or you that there should be a difference in the compensation arrangements. We at this stage have taken a different view, as you know.

MR BALL: Yes.

COMMISSIONER SPENCER: But we are trying to respond to this issue that, yes, there is a difference. But the point that you made, the remuneration arrangements are very different when we go on deployment.

MR BALL: Yes.

COMMISSIONER SPENCER: So we're looking at the view that, yes, that needs to be recognised but it is recognised and could be recognised in ways of additional remuneration or additional benefits whilst you are exposed to that risk.

MR BALL: I would just reinforce my view that the circumstances that prevail, in a combat situation particularly, are totally unlike anything else we experience in our lifetime. And so that needs to be taken into account in a very serious way. And I'm certainly not suggesting that people who are injured in peace time training, receive any different medical treatment. That should be the same. That's the same. The question runs around compensation.

But I go back to my very opening large comment about the total matter of compensation and rehabilitation of veterans and their remuneration. Again, coming from in more recent years an industry background where we have high risk occupations, we employ deep sea divers, we employ crew, sometimes quite young unfortunately, who operate on small fishing vessels, medium size fishing vessels in significantly rough seas and distances from shore, down as far as - I'm not involved anymore but down as far as Antarctic waters. And so we have all the combination of when you're out there commercially fishing of the risks that occur when you're on the battlefield or in a combat zone. Now, the remuneration that the fishermen get is a total package which takes into account the risks involved in the occupation. The total risks. The same as when I've had to employ deep sea divers, you find that you're paying - you know you have a rate to employ a deep sea diver and then, in my day, you then had

another rate you had to pay on top of that which went towards his either superannuation fund or his insurance fund. Because if he was injured, and deep sea divers do get injured, as you know, he may not be able to work. Abalone divers have a high rate of injury as well.

So when I come to the point of recognition of the two circumstances I think there are two parts. First of all, what I haven't mentioned is I think that - and this gets back to the definition of a veteran - there needs to be recognition of people who served in the ADF and who, at the direction of the government or their superiors, have had their lives put at risk. Now, part of the counter to that is, yes, but in peace time they're all volunteers, they volunteered for the job as well, and I acknowledge that. And the second part, which I commented earlier on, was that we shouldn't - I think it's not logical to have one part of government setting out high levels of compensation for people who are injured, on the battlefield or not, and another part of government setting out high levels of remuneration for people because they're in a - where their lives may be at threat. So I do agree with the idea of a broader overview of those circumstances. So I don't want to be seen as saying members of the ADF should be paid less, they probably should be paid more but I don't know that, I have no measure of that. But I do think that that debate has, at a high level, not been conducted. And I suspect it probably has, whilst you can refer to it in your report, I suspect it probably has to be dealt with outside the recommendations of the Productivity Commission itself because the focus of this government or the next government will be more important at a departmental structure than this issue of remuneration. So, in part I agree with you, except I do think there is a distinction.

And for the persons themselves there is this question of their own self-image as to the fact that they have done something in a substantial way for their community, as opposed to having served but not served.

COMMISSIONER SPENCER: And we understand that there may be a review at some point in the future around that whole remuneration structure. So as you say, the principle is an important one to grapple with but we only see part of that.

MR BALL: Yes.

COMMISSIONER SPENCER: I just wanted to - just a follow up question to, I think if I understood you correctly you indicated in broad terms you support the notion of moving to a two-scheme approach.

MR BALL: Yes.

COMMISSIONER SPENCER: There is no perfect solution, I think as you said, and we're acutely aware of that. When you look at what we're proposing for the two-scheme approach do you have any comments or thoughts of issues we should be looking at, to, in a sense, fine tune that?

MR BALL: No, not in detail, no. I'd certainly like to place on record, because you know it's very easy to be seen as criticising the department, I do remind my colleagues that, when they grizzle about the department and the legislation, I do remind them that the department doesn't pass legislation. Indeed, doesn't write it. And they should talk to their local member because it was in the House and the Senate the legislation was passed. I think the MRCA legislation is not perfect. No legislation is, but I think it's sufficiently imperfect to require review and change, but in the meantime the short administrative solution, to me, is this two-scheme thing, and allow government time to get on with making change. Because there are other matters that may have to be dealt with before that occurs, from your report.

COMMISSIONER SPENCER: Thank you.

COMMISSIONER FITZGERALD: Well just on that, as we've indicated earlier, we looked at whether or not we become one act or keep three acts, whatever.

MR BALL: Yes.

COMMISSIONER FITZGERALD: VEA is a unique creature and it serves its purpose and serves older veterans sufficiently well, and as you know we've decided to keep that, basically.

MR BALL: Yes.

COMMISSIONER FITZGERALD: So it's for the emerging veterans and younger veterans that second scheme and it will become, of course, the ultimate scheme, but it is, as you say, tricky. And again I just want to comment, the analogy you used in relation to the Fisheries. When we looked at the VSC, the Veteran Services Commission, it wasn't just about what are the failings in DVA. It was actually trying to say what is the new mechanisms by which we deliver these sorts of services; compensation, rehabilitation and others, and nowhere else in the rest of Australia do we deliver it through a department.

MR BALL: No.

COMMISSIONER FITZGERALD: Because the departments have inherent weaknesses. Whereas the commissions, as you understand, have particularly unique features that make them ideal, not perfect, but ideal for these sorts of arrangements. So our view was, it's not about whether DVA is good, bad or indifferent, which is what people are interpreting. It's actually about is there a better way? And frankly the better way has been around for a while, and you identified that. So thank you for that intervention. This is not a unique or revolutionary concept that we're putting forward. In fact its time came many years ago, but your point was valid. So whether or not there is a DVA or not, the notion of a VSC remains very important in the scheme of things if we're really going to use the best practices available. We'll see where that gets to. Any other final comments, Max?

MR BALL: Well just to follow that up, if I may. Again this is a little bit of a gloss perhaps but broadly in the public's eye departments are there to serve the Minister and serve the Government. That's not what we want. We want an organisation that serves the veterans. And the first word is the right word, it's a Veterans' Commission. It's not a department of veterans. I think that's important. These little things are overlooked frequently but I do think that part of the virtue of your recommendation is the very nature of the name.

COMMISSIONER FITZGERALD: Well thanks for raising that. People have different views to that, so we'll just see where it all goes.

MR BALL: Yes, I know that.

COMMISSIONER FITZGERALD: That's fine. Thanks very much, Max.

MR BALL: Thank you indeed.

COMMISSIONER FITZGERALD: Can we have Angela Rainbow and Lisa Smith. Is that right? That's right. Make yourself at home. So, Angela and Lisa is it?

MS RAINBOW: Yes. Angela.

COMMISSIONER FITZGERALD: Great.

MS RAINBOW: We've just got a copy of our - - -

COMMISSIONER FITZGERALD: Fine, thank you very much. That's great. So if you both can introduce yourself and the organisation you

represent, and then either one or both of you make a short presentation and then we'll have a bit - oh, my goodness, this is the long version. Richard, just read it.

MS RAINBOW: So that was just an analysis that Lisa and I did on the proposed DVA allied health reform, which we've been promoting.

COMMISSIONER FITZGERALD: All right. Just stop for a second. If you could give us your names and your organisation, and then you can explain it.

MS RAINBOW: My name is Angela Rainbow. I'm actually here presenting myself, but I do have an occupational therapy service that does service a number of veterans.

COMMISSIONER FITZGERALD: And you're representing yourself?

MS RAINBOW: Myself, yes.

MS SMITH: And I'm Lisa Smith and I work with Angela.

COMMISSIONER FITZGERALD: And can I be very clear for the record, are you representing Life Live It or not, or are you both representing individual views?

MS RAINBOW: I'd probably say individual on both.

COMMISSIONER FITZGERALD: Okay. That's fine by us.

Sorry, can you just – you were explaining before I rudely interrupted, that this document here is?

MS RAINBOW: That was an analysis that we did on the proposed DVA allied health reform which is a part of the veteran centric reform.

COMMISSIONER FITZGERALD: Okay.

MS RAINBOW: And we have some serious concerns about it and we have been promoting it with various ministers and MPs as well as speaking to both the Shadow Minister and the Senior Advisor to the Minister for Veterans' Affairs.

COMMISSIONER FITZGERALD: This document, however, just for the record, is from the organisation, Life, Live it?

MS RAINBOW: It's from me, as an individual.

COMMISSIONER FITZGERALD: But it's under the title of Life, Live it. Is that right?

MS RAINBOW: Okay. I see that, there. Well, that was a letter sent to the Minister Keenan who we first raised the issue with, yeah.

COMMISSIONER FITZGERALD: Okay. But you want me to treat this as being from you?

MS RAINBOW: Yes, please.

COMMISSIONER FITZGERALD: No, that's fine. I know I'm just being a bit pedantic.

MS RAINBOW: No, no.

COMMISSIONER FITZGERALD: But it's necessary we do that.

MS RAINBOW: Yes, we've sent a hard copy to you as well, yes. Yes.

COMMISSIONER FITZGERALD: Thanks very much. So if you'd like to make an opening statement. That would be great.

MS RAINBOW: Okay. Thank you, firstly, for the opportunity to provide comment on the Productivity Commissions' draft report. We are occupational therapists providing home visiting services to veterans and their dependants under the DVA RAP program.

I have been providing services to veterans since 1997 over a 21 year period. During this time I have also provided occupational therapy services to other government and non-government organisations and client groups. My colleague, Lisa, who is here with me, has been providing occupational therapy services to veterans since 2007 and helped me, I guess, articulate my point of view and consult and confer with my position.

We would like to provide our opinion and experiences as a health professional involved in the delivery and management of veteran health support services. In particularly, occupational therapy services. Our feedback relates to findings and recommendations formed by the Productivity Commission relevant to the DVA program. And basically, what we've done is, eight of your key points, we have provided some – or will be providing some response to.

COMMISSIONER FITZGERALD: Thank you.

MS RAINBOW: Just to reconfirm, the DVA RAP program, it provides services to eligible veterans who hold a Gold or White Card. And it provides aids and appliances to veterans to enable them to be as independent and self-reliant as possible at home and in the community. As stated on the DVA website, the provision or the framework or objectors and principles of the RAP program is to minimise the impact of disability, illness or injuries, maximise quality of life and maximise independence and participation, and that is – it is – that's a – you know, a fantastic wellness approach.

Just the first key point that we will address is the statement, "The veteran's compensation and rehabilitation system is not fit for purpose. It requires fundamental reform. It is out of date and is not working in the interest of veterans and their families or the community." We strongly affirm and believe the RAP program's framework or objectives and principles is fit for purpose. We strongly affirm and believe however, the administration of the RAP program is not fit for purpose and, yes, does require fundamental reform.

When allied health professionals undertake services for the DVA RAP program, we are all governed and directed by the following documents. These documents are legally binding and include the Acts, the treatment principles, DVA notes for allied health providers and the relevant DVA schedule of fees.

These governing documents, as mentioned, are legally binding and set the expectations upon the way in which allied health professionals service the DVA program and how we deliver these services to the veterans. These documents, however, do not translate to a fair and workable day-to-day system and we therefore strongly assert and believe that this is actually due to the poor administration by the DVA management and clinical advisers, which has been going on for decades. As a consequence of this poor administration, it has led to and will continue to result in a decrease in a veteran's ability to access allied health services in general and, in particular, quality allied health services.

In the very near future, with the DVA allied health reform, which has already commenced rollout, it will not be financially viable for practitioners to continue to provide allied health services to veterans. I can personally confirm with the plan implementation of the 12 treatment cycle due for implementation July 2019, it will no longer be viable for my organisation to provide OT services to veterans.

The NDIS, which is the National Disability Insurance Scheme, they have commissioned an independent pricing review into the NDIS or the NDIA and following the release of the report by McKinsey & Company, the NDIA stated they were "Committed to ensure a vibrant market for disability supports that enables participants to achieve better outcomes." They also state that "A vibrant and financially viable market is essential to the longer term sustainability of the scheme."

In order for DVA to ensure a long term sustainable allied health service to the veteran community, they must also fully commit to ensuring a vibrant and financially viable market exists to allied health professionals as per the NDIS or just like the NDIS. The level of DVA reimbursement for the RAP program, equates to approximately 20 per cent of NDIS and all other current and state funded hourly rates for occupational therapy services. The DVA RAP remuneration, in accordance with their schedule of fees is approximately $40 per hour. So that's what we're being remunerated per hour for our services, compared to the NDIS which is at a rate of $180 per hour.

Despite continued, regular, frequent and formal discussions, since 2008, from our professional association, OT Australia, DVA have side-stepped and delayed their promise to address our hourly remuneration rate and service structure. Most recently, DVA said they would address the matter in the DVA's review of dental and allied health arrangements, however, DVA has still shown no commitment to address the issue in any meaningful way.

We have compiled an analysis of DVA's allied health reform package, which is that bound document there and we'll provide that electronically, as mentioned. In summary, the objectives and principles of the RAP program and the allied health practitioners delivering the service for the DVA RAP program, I believe, are working in the interest of the veterans and their families and the Australian community. The DVA administration processes, management and clinical advisors, are not.

Moving on to the second key point.

COMMISSIONER FITZGERALD: So we're just going to be careful on time.

MS RAINBOW: Yes. Sorry.

COMMISSIONER FITZGERALD: So I just want to make sure. If you can pick up, just for a couple of minutes, the key. And then we'll start to have a discussion about that.

MS RAINBOW: Okay. Sure. Okay, yes, no worries. Okay. So the second point about "The system fails to focus on the lifetime wellbeing of veterans. It's complex, difficult to navigate, inequitable, poorly administered, places unwarranted stress on claimants, supports in it will not focus – are not wellness focussed and not well-targeted, are archaic and dating back to the 1920s".

We believe the DVA RAP program does focus on the lifetime well-being of veterans as it focusses on their health and well-being, post-service, up to and including their death. In terms of their health and related well-being. Yes, as said, DVA RAP program addresses this very well.

We strongly agree with you that the administration of the DVA RAP program is poorly administered and mentioned we've got serious concern with the rollout of the allied health program. This reform – this will place unwarranted stress on veterans. It will reduce their access to allied health, especially quality health. Basically, what it will be doing in essence, it will be forcing the veteran back to the GP on a regular basis, purely to request and gain consent for continuation or completion of clinically required allied health treatment. And this reform package is part of the veteran centric reform. However, the treatment cycle is certainly not based on a wellness model and instead adopts an archaic and non-contemporary medical model of health care.

This model is very disempowering form of health service, and it does not support the Veteran's Entitlement Act and Repatriation Private Patient Principles Legislation which was designed to promote the veteran's right to health.

A Gold Card allows access to and funding for all clinically indicated services. Furthermore, this reform does to support basic human rights to dignity and freedom. GPs are already thin on the ground. This will place further time demands on an already overloaded GP service and I heard last week the Productivity Commissioner reviewing the overload on GP services and emergency admission, you know, unnecessary emergency hospital admissions, and also this reform is only going to increase red tape for DVA and a part of the veteran centric reform was about decreasing red tape.

The Productivity Commission made a comment regarding equitable access and a proposal to provide a lump sum payment instead of the Gold

Card. However, I affirm this does not support the overarching wellness approach for veteran care which is, I feel, like the crux of the new reform for veterans.

The DVA Gold Card communicates lifetime support, care and an importance and value on an individual's wellbeing. A monetary benefit communicated by a lump sum payment does not support a lifetime wellness approach.

COMMISSIONER FITZGERALD: Okay. We might have to just stop it there.

MS RAINBOW: Okay.

COMMISSIONER FITZGERALD: And I've just flipped through the rest of the paper which reasserts a number of those comments over and again. So can I just understand, the fundamental change to the - you're obviously a greater support of the RAP program.

MS RAINBOW: Yes.

COMMISSIONER FITZGERALD: And you believe it's wellness focus and it's got a lifetime approach, but the changes, as I understand it, from what you've just said here is two things. Firstly, in order to access the services you're going to have to go back through to a GP on a regular basis.

MS RAINBOW: Yes.

COMMISSIONER FITZGERALD: And the second thing is, correct me if I'm wrong, it limits the number of sessions to what you call a 12 session treatment cycle. Is that right?

MS RAINBOW: Yes.

COMMISSIONER FITZGERALD: And are they the two components - and a third thing you've raised is what you believe to be an under-funding or an under-pricing by DVA.

MS RAINBOW: Yes.

COMMISSIONER FITZGERALD: Are they the three major concerns that we've got?

MS RAINBOW: Yes.

COMMISSIONER FITZGERALD: Okay. Why do you think the DVA is moving to this new model if it has those weaknesses in it. What do you think's driving the new arrangements?

MS RAINBOW: Well, I sort of feel like, I mean, they talk about - well, they're sort of saying that it's not wellness, it's not supporting wellness, so it's sort of like the health services aren't actually making people better. It's creating a dependency and they're concerned about over-servicing. So I feel a lot of these changes are about trying to control that, whereas I feel strong, just like the NDIS have done, they've got their own internal audit teams where they create a lot of rigour around, you know, accountability and evidence base around supporting why you're actually visiting that veteran.

I also feel that, you know, they talk about the whole point of the reform is actually -like, they've actually got no measures or evidence to say good, bad or otherwise, personally DVA, and I guess there's no talk about, like, you know, putting - as long with our guiding notes for allied health practitioners, a part of that should be in-built saying, look, you know, with every client you see with any service delivery we want you to use a standardised assessment and then provide that in the report back to the GP or make sure you have that on note so that will actually provide some evidence around outcomes. So I guess that's sort of why I'm feeling that, I feel like it's a bit of a knee jerk reaction in terms of health service provision from my perspective.

MS SMITH: The other point to make in relation to the allied health reform package is, it's centred on more or better feedback to the GP but they propose no measure for allied health practitioners to do that so there's no, currently there's no reimbursement to pay for reports from allied health practitioners to GPs, but they continue to propose no measure to facilitate that ongoing communication.

COMMISSIONER SPENCER: Could I just understand, you've referenced NDIS a couple of times.

MS SMITH: Yes.

COMMISSIONER SPENCER: Do you have NDIS clients?

MS SMITH: Yes. Yes.

COMMISSIONER SPENCER: So NDIS is obviously quite a different approach so the individual gets their assessment They get their package.

There is this issue you've referred to here, what are the costs if they're not self-managing. So that's quite a different (indistinct) that came from the McKinsey, did it?

MS SMITH: 180?

COMMISSIONER SPENCER: 180.

MS SMITH: Yes, well, that's what we get paid, but also you get paid that through Comcare, the Insurance Commission of WA. Like, it's a standard.

COMMISSIONER SPENCER: Quite common.

MS SMITH: Yes, it's a standard hourly rate across the board. I mean, we know that, in our written submissions we'll reply to a response, like you quote some Victorian remuneration rates so we'll provide some comment around them which we feel are not a true reflection of national, state and Commonwealth remuneration rates for allied health services. Yes.

COMMISSIONER SPENCER: So when you say just the issue of the financial viability of the service that you've raised, I appreciate it's early days for a National Quality and Safety Commission, but in terms of being the safeguard of our quality and you've referred to that and suggested, I think, that there be something similar here.

MS SMITH: Yes, yes.

COMMISSIONER SPENCER: What's your experience to date of quality of outcomes focus in the NDIS environment as compared to what you're experiencing with DVA or is it too early to - - -

MS SMITH: Well, I mean, I guess we're due for an audit in March, so they're coming out and there's - they've got a three-stage process of auditing, so the first one, it's a bench top audit, but they're looking at, I guess, the administration of the organisation, looking at policies and procedures. What other things, just, complaints, how, you know, customer satisfaction.

MS RAINBOW: Quality improvement.

MS SMITH: Quality improvement.

MS RAINBOW: Staffing.

MS SMITH: So all those things that sort of, you know, yes.

COMMISSIONER SPENCER: If I come back to another observation and it seems that you could comment on this, you say the Gold Card is a good wellness, lifetime focussed way of responding to need, but at the same time saying, "But you're not allowed to effectively do what needs to be done in order to respond to the needs" and - - -

MS RAINBOW: Well, with their proposal that's going to be rolled out in July, yes.

COMMISSIONER SPENCER: Yes, so we have, in our report, when looking at health care, currency's one way to go and we've put forward an argument that we don't think it's well-focussed because it doesn't respond to the particular needs. It's all conditions, so it seems to me that, say, if you look at the NDIS there's a scheme which is actually trying to identify what is the need and how best to respond to that need and how to give the flexibility and a sustainable system to providers like yourself to be able to operate in that system. So when you think of a model like that, how could something like that be better focussed for the veteran on what they need? How could - - -

MS RAINBOW: Well, I guess I just probably want to go back to the start in the Productivity Commission report that they say that the overarching objective of the reform is that it's going to be a wellness approach, so in terms of wellness you have to be holistic, so I guess that term with the Gold Card saying that they want to reduce it down to some identified work-related. service-related injury, like, that's not wellness focussed because wellness is looking at the whole person, so I guess just on that point, I, you know, it's not going to be supporting wellness if you're reducing it down to, you know, a fracture that someone had in their arm, like, you need to look at that person in totality, and as they age, I mean, they could get a secondary condition subsequent to that initial condition from overuse.

You know, we've had a veteran that, he has bilateral - he's a bilateral above knee amputee from service and now he's got, as a result, because he's in a wheelchair and he has to transfer using his arms, I mean, he's had to have shoulder replacements, so because of the initial injury, it's produced a secondary injury somewhere else, and then you might get some depression or adjustment disorder, and you know, it sort of has a flow-on effect, so if you're looking at wellness, I mean, you know, you actually do need to have a look at the whole person, but is there another point with that?

MS SMITH: I guess from the perspective of the NDIS, we've had a client that's had a head injury and is confined to a wheelchair and required some stockings for leg swelling and the application was made and it was declined because the stockings weren't - the leg swelling wasn't a listed condition, but in terms of relating that back to her head injury, it is actually related, so it's looking at the whole body and the whole person and how the medical conditions interrelate to each other. So was it because she had a head injury, she wasn't walking as much so the circulation was poor and it was building up oedema.

COMMISSIONER SPENCER: But if one thinks about the Gold Card, I mean, the theoretical right to get what you need when you need it for the whole of lifetime wellness approach, I mean, what you're illustrating here is that that may well be the theory, but in practice there are a number of restrictions, and we also hear that sometimes veterans are seeking services but they can't find the services and there are some providers who won't provide the service, and you're indicating that the viability of your service may be at risk here due to - - -

MS RAINBOW: It might be. Yes, I mean, some - - -

COMMISSIONER SPENCER: - - - these sorts of restrictions.

MS RAINBOW: Yes.

COMMISSIONER SPENCER: So whether it's via a card system, whether it's via some other system, I think what we're all trying to do is to work out how do we maximise the possibility and opportunity for the needs of the veteran to be met, whether it comes through a card system or some other system such as the one that's being designed for the NDIS, and that's not an easy thing to do. So part of the request that we have out is to think about how can it be better done, but it's - I mean, this is obviously quite a piece of work, so we will - - -

MS RAINBOW: I mean, just basically the first - it's abbreviated in the column, so it's our main points.

COMMISSIONER SPENCER: Sure. Yes.

MS RAINBOW: It's only 23 pages and there's about 500 pages of references to support the facts.

COMMISSIONER SPENCER: That's reassuring.

MS RAINBOW: Yes, yes, so that's one thing.

COMMISSIONER SPENCER: No, no, that's terrific. Thanks very much for sharing that.

MS RAINBOW: And we've got a key message which summaries that. There's probably a couple of other points I wouldn't mind mentioning.

COMMISSIONER FITZGERALD: Yes, can I just ask a couple of questions. One of the things we've been very critical of DVA in relation to the fact that it is not very outcomes focussed, and you've identified that and DVA acknowledges that, I might say to a lesser degree but nevertheless a significant degree, so too is Defence, other than of course returning to duty. You can actually measure whether people return to duty or not.

Clearly the DVA as part of this is trying to get some handle on outcomes and they're using both the GP, the regular going back to the GP as the way of doing that, but you indicated to us that there's actually no - there's no prescription, there's no way of actually reporting in a sensible way back. So how do you think DVA should deal with this outcomes issue, and it's related to the comment. You think the DVA is trying to deal with what they believe is over-servicing, but as you also said, there's no evidence because nobody collects any information, so nobody knows. So just tell us, how do you think DVA should deal with this issue of understanding outcomes for veterans?

MS RAINBOW: Yes.

COMMISSIONER FITZGERALD: And secondly, dealing with that issue which could arise, that is over-servicing, I'm not suggesting it does exist but I'm saying it could exist.

MS RAINBOW: Yes.

COMMISSIONER FITZGERALD: So how do you think DVA should approach those twin issues?

MS RAINBOW: Well, I mean, a part of them say that a report back to the doctor is mandatory which they've always said but they've never paid us for. Maybe also say that it's also essential or mandatory that a standardised assessment is also provided, so, and each health discipline could come up with a number of suitably satisfactory assessments that each professional could go on to the website and say, "Oh, they like to use this one and this one", and it could sort of develop from there. I guess the point about over-servicing is that, I mean, APRA now is our governing

body, and also we've got a - and within that we've got the OT - well, each professional's got their registration board.

COMMISSIONER FITZGERALD: Sure.

MS RAINBOW: And AHPRA's been running for about five years and I mean, my sense of it from other colleagues and personally is that it's a very, you know, they're running a very tight ship, and there's a great amount of rigour with what they're doing, and part of us being a health professional and our code of conduct and our AHPRA registration is that we're only delivering, you know, clinically appropriate services. We're not over-servicing and basically that we're doing the right thing, so basically if I don't do the right thing and I get found out then I've lost my profession, so I mean, that's a pretty big incentive for me to do the right thing. So, yes, so I just - - -

COMMISSIONER FITZGERALD: No, that's fine.

MS RAINBOW: Sort of lost my point there, but - - -

COMMISSIONER FITZGERALD: Can I ask this question, you deal with Comcare or like agencies?

MS RAINBOW: Yes, so WA Insurance Commission.

COMMISSIONER FITZGERALD: Yes, and your experience with that organisation, vis-à-vis DVA, how different is that?

MS RAINBOW: So Insurance Commission we would deal with case managers or therapy provision, so we get the referral. Then we would provide our report on our assessment; provide, you know, say we want to see this person X amount of times to achieve these goals, go and do it, report back, how's it gone, continue on that way.

COMMISSIONER FITZGERALD: And how does that operate from your point of view? Is that a good way of operating?

MS RAINBOW: Yes.

COMMISSIONER FITZGERALD: And how does that differ from dealing with DVA?

MS RAINBOW: The GP's not involved in terms of referrals. I guess the client and their goals are more involved.

MS SMITH: You mean equal?

MS RAINBOW: Yes, and they're more informed.

MS SMITH: Yes, it's client-centred.

COMMISSIONER FITZGERALD: And is the level of oversight of what you're doing through that organisation, not DVA, the insurance, WA Insurance, do you think that that's an appropriate level of oversight and engagement with you as a provider?

MS RAINBOW: I think so.

MS SMITH: Yes, yes. And if the - - -

COMMISSIONER FITZGERALD: Because what we've - sorry.

MS SMITH: I mean, I guess that they all, they, yes, in our experience, they've always supported clinically indicated servicing so, you know, you can actually get really good outcomes from, like, clients that we've had. I mean, there was a man that I saw for four years almost five times a week and he had a catastrophic injury and he was bedridden and he was in his 20's, and he was, by the end he was actually walking around with a quad stick and doing meal prep and it was just astounding just the improvement and that he got his life back.

COMMISSIONER FITZGERALD: Okay. Look, the reason, just to sort of explain that, is we've been looking at different systems. This hasn't been an evaluation of DVA in isolation. We've actually looked at other insurance arrangements, other workers' compensation arrangements, and we're trying to say, well, what's best practice in this space.

MS SMITH: Yes.

COMMISSIONER FITZGERALD: And we're trying to learn from that and then to say, well, how would we put this into, you know, the Veteran Services Commission or whatever the delivery agency is, or DVA as it currently is. So we're trying to get these comparators and they all operate differently, but there are some industry best practice and we just try and say, well, you know, what does that look like which is hardly revolutionary but it's not what's happened so far.

You said you wanted to make a couple of points. We've just got a couple of moments left.

MS RAINBOW: Okay, I guess this is on the - - -

COMMISSIONER FITZGERALD: So you've got three minutes.

MS RAINBOW: Okay, thank you. Just regards to the best practice models in the final report, you know, I would like to know what the best practice models were, and I do feel that, you know, doctors just aren't going to be interested in reviewing the allied health intricacies and outcomes that the veterans had and they're not the - we're actually the expert in terms of working out if they need more services. I hurt my hand and I went and saw the doctor and she said, "Oh, well, you'd know more about it than me", because I'm the professional in that area.

One thing I wanted to raise was just around the comments around wellness and the Commission made some comments regarding the Gold Card discouraging wellness on page 19 of the overview, and I do believe that those comments were misleading and out of context, and, yes, it appears that the comment made by the RSL New South Wales reference in the Commission's report has been made out of context and I believe that the view of the system as a contest to be won is the view of the DVA, not the entitled veterans, but I felt like how it was written in the heading above it, I felt like it actually came from, New South Wales were saying that about veterans are not actually - they're actually referring to the department staff, so I, yes, need to point that out.

COMMISSIONER FITZGERALD: That's fine. Any other final comments or questions Richard?

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

COMMISSIONER FITZGERALD: Thank you very much for the written submissions, the short one and the other documents. So thank you for that. I mean, it is a really important issue, this whole issue of rehabilitation, and obviously the work of allied health is very important and we are ably convinced that there is a better way to do this going forward over the long-term, so you coming forward today and also putting so much effort into that is very helpful.

The issue about pricing is also very important to us, and there does appear that DVA under-prices some things and is relatively comparable to the market in others, but from what you've said, if it is the case, is there's a very substantial difference between the payment by DVA and what other organisations are paying in this particular area.

MS RAINBOW: Yes, yes, that's right. Yes.

COMMISSIONER FITZGERALD: So we'll have a look at that.

MS RAINBOW: All right. Thank you very much.

COMMISSIONER FITZGERALD: Good. Thank you very much, that's good. Thank you very much. That's good. That's really helpful.

COMMISSIONER SPENCER: Thank you very much.

MS RAINBOW: Thank you.

COMMISSIONER FITZGERALD: Rebecca Coghlan I think I think it is. Is there a Rebecca or have I got the wrong name? We're right on time.

Just grab a seat. Just sit in the middle. Just the middle seat would be terrific, and grab some water if you need it.

MS COGHLAN: Thank you. So the people in the audience are - - -

COMMISSIONER FITZGERALD: Sorry, just one moment. Sorry. If you want to grab a water or that, please just do that. So Rebecca? It's Rebecca Coghlan?

MS COGHLAN: Yes.

COMMISSIONER FITZGERALD: That's fine. Now, you had a question, sorry?

MS COGHLAN: I wanted to know who would be in the audience today.

COMMISSIONER FITZGERALD: Anybody who likes to be. It's the general public.

MS COGHLAN: Okay, that's good, but no reporters?

COMMISSIONER FITZGERALD: Well, I'm not aware if there are.

COMMISSIONER SPENCER: We can check on that,.

COMMISSIONER FITZGERALD: But the reporters are entitled to be here.

COMMISSIONER SPENCER: We'll just check on that in a moment because we had asked anybody from the media to register and I'm not sure - - -

COMMISSIONER FITZGERALD: There's nobody from the media in here at the moment.

COMMISSIONER SPENCER: I don't think so.

COMMISSIONER FITZGERALD: Having said that, this is transcribed and is publicly available.

MS COGHLAN: Yes.

COMMISSIONER FITZGERALD: Unless you request otherwise, but public hearings are what the name entitles.

MS COGHLAN: Exactly.

COMMISSIONER FITZGERALD: Unless you ask otherwise. Is that okay?

MS COGHLAN: Yes, yes. Sure. It's Robert and?

COMMISSIONER FITZGERALD: Sorry, Richard.

MS COGHLAN: Richard, yes. Yes, no, that's fine.

COMMISSIONER FITZGERALD: So Rebecca, we've got 30 minutes maximum.

MS COGHLAN: I thought it was five, so.

COMMISSIONER FITZGERALD: So if you'd like to give your full name and - give your full name, and any organisation that you represent.

MS COGHLAN: I'm an individual and my name is Rebecca Coghlan.

COMMISSIONER FITZGERALD: That's fine. Just pause there. And if you can just make an opening statement of five or 10 minutes and then we'll ask some questions.

MS COGHLAN: Certainly. I'm here because my mother passed away and I actually wanted to honour her. That's a younger photo of my mum, but she was a Gold Card holder with DVA after my father's death in 2011.

So Dad died in December 2010, so Mum got the Gold Card some time in 2011 and she was extremely grateful for that, and Dad got a Gold Card from services in Borneo in the Second World War.

But one can say while you're here your parents benefited as did my mother-in-law, but we're less familiar with how she went because she was in Victoria. My husband wasn't close, but I always worried about the open risk to the taxpayer. The reason I worried about the open risk to the taxpayer was because I never saw an account the entire time my mother was under the DVA, so Mum actually had a lengthy period of hospitalisation unfortunately, and had to wear a very heavy poly jacket, and that poly jacket made her life a misery, but she wore it, and she wore it with some dignity.

But unfortunately what happened was, the poly jacket was hard and rigid, and she had to go from Sir Charles Gairdner, so when you go to Sir Charles Gairdner they can't wait to get rid of you. They say, "Let's go up to Hollywood Private Hospital". So the last hospitalisation on 1 October we refused for Mum to go up to Hollywood Private Hospital, and she stayed at Sir Charles Gairdner, and then 10 days later she went to Royal Perth Hospital where she went into the spinal unit and then 10 days later after the poly jacket was measured she went to St John of God, Mount Lawley, and I've been a health consumer advocate probably for 25 years, and I always worried about the accounts and I worried about the contract. Mum was less worried, but I just had no idea.

Now, when she was in the spinal unit at Royal Perth one of the nurses said that the DVA contract at Hollywood Private Hospital had expired. See, they bought the hospital, Ramsay, from the Department of Veterans' Affairs when it was put up for sale, and they had obviously some years of a contract, and then there was a new contract. So because we were told she would have a lot of rehab the first time when she went into hospital in June, but she didn't. She got a pressure ulcer, and so my brother and my husband and I decided to take Mum home. So we got her home for nearly two and a half months and then she fell again.

So I ask those questions because I want to know about the quality use of the health service, the end point for the health service. What I'd actually like is for the recipient, and she was entitled to choose a doctor. When I read your draft report, and she was never asked, you know. So did she have real private hospital patient status? No, she didn't. At Hollywood Private Hospital veterans, Gold Card holders like my mother are put in the Woods Ward at the back of the hospital and the same geriatrician that treated Dad when he had heart failure and subsequently died at 89 in 2010, Dr AC, was still there, and I think he had 14 or 15 veteran patients and he

moved them, and I pushed hard for Mum to go into the heart ward when she had a heart attack, and he came down and he held her hand and he said, "Mrs Cubitt, I can't give you optimal care here", and wanted her back in that medical ward at the back and she was moved back to the medical ward.

So DVA can't fix the health system, and you would not expect them to, and I'm really just thinking more about the allied health services that Mum got at home, the physiotherapy Mum got at home, the dental bills that she had. I just had no idea what any of those providers were collecting from DVA. Why couldn't she have a statement sent every month, just like HBF sends, and then there's some transparency and then the end user, as well, has to take some responsibility for usage, because I think, and I don't want to make any offence to anybody here, that that age group, and Mum was a very dignified person and she can't defend herself, but that age group, well, most had an attitude that DVA would take care of things for them, and she was always very good. There was no rorting of the system or anything like that, but they've got benefits that the rest of us will never have, and there really needs to perhaps be a greater appreciation of that. It's like a credit card where you never receive a bill.

So one has to wonder sometimes whether the physio coming was doing a social visit for Mum or was it actually improving her physical care. The OT was marvellous. You know, sheepskins would come, lights in the house. A hospital bed came in. It was marvellous, but again, do they get a mark-up? Does a physiotherapist buy the light and then get a 50 per cent mark-up like the drug companies do? What does DVA pay for prostheses? What does DVA pay for medical devices because you know that until the devices were listed they were going up like this, and Ramsay just makes a big mark-up on them all.

So it's well-known, there's been huge reports in The Australian about what Australians pay for these prostheses, and the government pays much less than the private hospitals pay because the government's got fixed contracts, but I digress. Mum got to choose a doctor when she had scheduled elective surgery but not if she went in through the ED Department which they so frequently do at that age. I noted in the report - we're jumping around a lot about the health system - that you have a lot of veterans over 79 years of age. What's the risk, the open risk, you see it's uncosted. DVA is costing 13 billion dollars a year to run. I worry for the future, I really do. I worry for the sustainability for the young veterans, I worry for the army, the defence forces, I worry for , does that budget take away from equipment for the army; does that budget take away for greater resources for them when they're discharged. Does that budget take away from optimal training.

My husband was in the army for nine years. I was an army wife in Townsville and I was an army wife in Melbourne, so I have a greater than normal interest in the defence force. He had no involvement since he was discharged at 24, and went on to work for the Water Corporation for 35 years, but he's very interested in defence, and he follows it and so it flows on to me a little bit. But mum couldn't have cared less. She just dropped her private health insurance. Dad was given the Gold Card. Remember when John Howard gave the Gold Card to everybody, and when we were over in Victoria last year we met up with one of Peter's friends from Perth, from Irwin Barracks, and he said that his Gold Card had just arrived in the mail at 70, because he'd been in Vietnam but he hadn't been in the army for years. And, you know, he doesn't pay any tax in Australia. It's worrying that – it's just worrying about the lack of accountability, and taxi fares.

COMMISSIONER FITZGERALD: Sure.

MS COGHLAN: What do you do with that in regional areas? If you live in Albany there's a PAT scheme here, so patient assisted travel. What does veterans do? I don't know, because we always lived in the city, so you can see that there's risks all over the place for – what does a GP get? I saw the enrolment and then the quarterly payments in the report, and you've got a new quality use of general practice initiative came in last September. But that puts a lot onto GPs who are busy and who have got extensive numbers on their books. They've also got to get in a partnership with the veteran.

COMMISSIONER FITZGERALD: So I just need to bring that to a conclusion and thank you.

MS COGHLAN: Yes, stop.

COMMISSIONER FITZGERALD: Firstly, thanks for honouring your mother. Could I have your mother's name? Her first name?

MS COGHLAN: Pamela Lylie Cubitt.

COMMISSIONER FITZGERALD: Cubitt.

MS COGHLAN: C-u-b-i-t-t.

COMMISSIONER FITZGERALD: Good. Thank you very much. Thanks for raising the issues, and there are different issues that have been raised in the couple of days, so thanks for that insight. When your mother

was receiving the care, various services, who was authorising those services? So do you have to act on behalf, was she dealing directly with DVA? How were those services approved, whether they're in-home or otherwise?

MS COGHLAN: Thank you for the question. If mum was receiving in-home help, like, via a service such as a cleaning lady, that was organised through veterans' home care on the phone and mum would make that call, and they were always very good on the phone line, as I said in my submission. If she was receiving any form of respite care, which she had after her first hospitalisation in June, and her later hospitalisation in 1 October. We went over east to help my daughter and my brother's wife went into hospital and we had carers in for four hours a day. We rang up veterans' home care, which is separate to DVA, so mum initiated that, and we were able to have that because she was at least in hospital, discharged. But you can't just ring up yourself. It can be verified. If it was anything to do with general practice it was always the GP, and if it was any prescription medication it was always the GP. If it was a referral to a specialist it was always the GP. So mostly her GP.

COMMISSIONER FITZGERALD: So she basically organised it in a sense through various avenues, either the GP or through the department?

MS COGHLAN: She did. She did.

COMMISSIONER FITZGERALD: Yes. And your point is that – was there any checking up by the department as to whether the services were delivered? So did people say to your mother, you know, "Have you been receiving these services? Are they adequate?" or anything like that?

MS COGHLAN: I think mum might've got a – years ago might have got a survey sent in the post, but she was a wonderful woman, but she wasn't very form literate, and I think I helped her fill that out. But, no, there were no phone calls, and, in fact, I think lights lit up behind providers' eyes when they knew she had a DVA Gold Card. As soon a she said, "I've got a DVA Gold Card", "Oh, good", said the pharmacist, "Oh good", said the doctor. So that number, that WX whatever number was just a passport to a whole raft of services.

COMMISSIONER FITZGERALD: Sure. Had the information – you indicated that those statements are produced certainly to the owner of the Gold Card, your mother in this case, or anybody else, and we're aware of that. That has been raised with us previously. If statements were produced and your mother, in this case, would've received a sort of a

summary of the services that DVA had approved and supported, would anything have changed?

MS COGHLAN: Yes, I think so. Yes, I think she would've thought, "Wow, that physio visit was $95", you know or, "That kettle cost DVA" so and so, and someone stole her brand new walker when I took her to the Andre Rieu concert, because they just put them all outside, and I made sure that the stadium paid for that, not DVA, because it was a lovely new one. She never knew what anything cost. Yes, I do think so, because I think it's like anything, I know you're not allowed to charge gap payments, it's illegal with DVA, so there's no co-payment, there's nothing. So there aren't any – it's invisible to the user.

COMMISSIONER FITZGERALD: You make the point and very colourfully - - -

MS COGHLAN: Sorry.

COMMISSIONER FITZGERALD: - - - and it's true. No, no, I'm actually praising you, because in the sense that it is actually an issue in the system. The controls in relation to the expenditure of these matters is an issue we've been looking at and so your comments are – can I just go to another issue and then Richard may have some comments. You talked about – am I correctly understanding this, when your mother went into, it was either a retirement village or a nursing home at Sir Charles Gairdner?

MS COGHLAN: She went into Sir Charles Gairdner from independent living, so she lived 15 years at the old Salvation Army which became Regis Nedlands in Monash Avenue directly across the road from the old Repat hospital.

COMMISSIONER FITZGERALD: Sure.

MS COGHLAN: So she lived and was independent and didn't own the unit, but she paid hundreds of thousands to go in there. So when she fell the first time I got her back home there only because of DVA, the second time she went into residential care.

COMMISSIONER FITZGERALD: She went into residential care. And just so that I understand it is that Sir Charles - - -

MS COGHLAN: For two weeks.

COMMISSIONER FITZGERALD: Only for two weeks.

MS COGHLAN: She died in residential care.

COMMISSIONER FITZGERALD: What was the unit where you said that she had to be moved back into the medical ward at the back of the building?

MS COGHLAN: Sorry, that is Hollywood Private Hospital, the Woods Ward. It's the oldest ward in the hospital and it pays less than private health insurance. The DVA contract must pay less because it's all four shared – they've only got four single rooms. The front of the hospital is the more glamorous parts that Ramsay – I'm sorry, I'm colourful again, but it's true, you step into an atrium and you see Brislee wing, and, you know, bring in Bullwinkel and then you step right up the back and that's where all the veterans go.

COMMISSIONER FITZGERALD: So what I'm supposed to take from that is that the level of care and the quality of care for those that are presented with a Gold Card or Veterans was of a different character to those in the rest of the hospital?

MS COGHLAN: I think the hospital care is outstanding but, yes, the quality of the accommodation if you measure a hospital on accommodation, the choice of geriatrician was missing. It was supposed to be the rehab ward, and that's what we were told, but the rehab was a social worker appeared when mum – I think she got good care but it wasn't – yes, it must be because the daily fee is less than the private health insurers because you had to fight really hard to get into the bathrooms and the equipment wasn't as good. Far better than Charles Gairdner but let's think about that for a minute. What is the contract with Hollywood Private Hospital per day, has it changed since the first contract expired, do veterans get a choice of doctor, which they have a right to, and if they do choose the doctor, is it just the second doctor from the same practice, which is not a choice as such, that's just a different voice to the same practice, but a different person delivering it sometimes. That's what I mean by second opinion.

How do you empower the veterans to know their rights, and how do you empower the veterans to ask the right questions about the treatment that they're getting, and that's an individual thing, unfortunately. A family and individual thing. There's no measuring lengths of stay. Certainly we experienced it with that polyjacket on, it's St John of God Mt Lawley because we were asked to leave.

COMISSIONER SPENCER: Rebecca, thank you for that. You're describing a very opaque system, and as you say, there's a lot of money

flowing around the system. It's not clear to the outsider what exactly has been purchased, how much and if that's been delivered. So that raises nearly a concern, obviously. But the other issue is one that we're particularly focused on, and that is whatever the amount of money being spent is, it should be used efficiently, but it should produce outcomes. It should actually deal with the issues that the individual, you know, is concerned about, and - and give good outcomes.

So, from your experience, you clearly, you know, have described very well the lack of transparency around the money, but from the point of view of your mother, was she - leaving the accommodation aside, was the treatment that she was getting, generally speaking, appropriate? Was it achieving what you think it should have been, or were you concerned quite often that there was -there were things happening that wasn't entirely clear. Is that treating the current conditions, is that currently changing her condition?

MS COGHLAN: I think if you went in for a knee replacement, I remember when mum had her knee replacement just after dad died, she did a little bit of extra time there for rehab, and she went home, and that was fine. As I said, the July, unexpected entry from the fall at home, when she fractured two ribs - sorry, fractured two vertebrae, T10 and 11, and then had a mild heart attack in there, she became disabled in there.

So, Simon and I quickly looked at the new nursing home, with an entry point of $550,000, at one point $2 million, smack-bang next door to where she lived, and thought, "We'll have to get mum home with help from DVA." We were, in our own minds, pressure ulcers formed on mum's bottom. We could see she was just lying there, becoming - she had no stimulation, so we literally asked to be discharged, and they discharged mum very quickly.

The social worker came, and the doctor watched her walk with a walker, and she went home. She did very well at home for two and a half months, with a lot of support, Silver Chain showering her, and 15 minutes at night to give her medication, but she went to the pictures at the Windsor Theatre with her 97-year-old friend, and toppled backwards before the movie started. Then, did a nasty T8 fracture.

Now, I asked that here. I said to them at Royal Perth, you've got my mum here, in the spinal ward. You're measuring her up at Fiona Stanley for this polyjacket. Would her care be any different is she was a Medicare patient, or a privately insured patient, and they said, "No. This is the standard treatment for this spinal injury." Is her age taken into account here, because honestly, it was so uncomfortable going from here to here with

three pieces of Velcro. She was, you know - found it very hard to breathe. And they said that's the standard treatment.

And we never, ever saw the consultant. They said, "Oh, he doesn't come on the ward unless there's a very interesting case." So we found the spinal fellow on day 9, and my two brothers and I stood there, and he said, "Your mother's spine is ankylosed all the way through. She fits all the criteria for ankylosing spondylitis," and I knew what that was straight away. And I sat there, and said, "Well, she's complained of aches and pains, and it's been fobbed off as dramatics." That's irrelevant right now, but it meant that her (indistinct) spine pivoted off that and she needed to wear that jacket.

And it was clear that she couldn't go home, but her care wouldn't have been any different, and in fact, Royal Perth would have then sent her as Medicare patient, for rehab at that age, because she lived alone a well, to a bed that they costs at St John of God Mt Lawley or one of their other places.

COMISSIONER SPENCER: Can I just ask, you mentioned earlier on that you're - you know, you're a health consumer advocate. So, you're probably be familiar with - - -

MS COGHLAN: Was. Was.

COMISSIONER SPENCER: Was, okay.

MS COGHLAN: That's right.

COMISSIONER SPENCER: So you're probably familiar with the patient, and reported outcome measures, the patient reported experience - - -

MS COGHLAN: Yes, yes.

COMISSIONER SPENCER: - - - which increasingly is a way of trying to understand, from the patient's perspective, whether what is happening. Did your mother ever have the opportunity to participate in anything like that, to give feedback about her experience, or what was happening to her, that DVA would have been able to get line of sight on. Are you aware of anything that happened around - - -

MS COGHLAN: Never.

COMISSIONER SPENCER: - - - what was happening to her?

MS COGHLAN: Absolutely never. No, no. No. And in fact, when she went to St John of God Mt Lawley, she - she toppled at physio one day, and she toppled with the nurses one day. I was with her on one of those occasions. It was low level rehab. It was for people with ankle injuries, and other people who couldn't go home. But I haven't answered your question.

There was never a form filled in. In fact, the geriatrician, sort of, (indistinct) in, and looked at Mum, and I didn't think he was pro-actively looking after her, and he would have charged for that case conference, you know, on that last day. So we didn't get a report. Mum never saw anything. It was a lovely view down the river, lovely view down the Perth Stadium. I'm ashamed to say that it was, in my opinion, excellent accommodation, a bit of low-level rehab, good food, and all being billed to DVA.

COMISSIONER SPENCER: Thank you very much for that. And it wouldn't surprise you to hear we've commented on in our report, is that there is just a distinct lack of information to demonstrate any sort of outcomes, what's been achieved. So, your story, of what your mother experienced, is consistent with what we've heard, and what we've commented on in our report. Which obviously needs to change in future. We're suggesting (indistinct).

MS COGHLAN: Yes, yes. Especially for the younger cohorts, who are - need to be active partners. Towards the end there, mum was in such a state of shock from it that she became quite passive, and we had to advocate for her. To give the hospital credit where credit is due, they did try to discharge mum through the social worker before her first follow up at Royal Perth, and we said we'd wait until the first follow up, if we could. And then the day after that follow up they said look, she's got to go, so we quickly went on a maintenance fee, and a lesser room. And we quickly got her into an aged care facility.

And she toppled over on Christmas Day, and had a head injury, so she went down to Sir Charles Gairdner Hospital, and then she - yes, the palliative care was very poor. But that's for every consumer. You catch the Christmas-New Year period, it's not distinct to DVA.

COMISSIONER FITZGERALD: No. Well, again, just to echo was Richard said, thank you very much. You've been able to illustrate in a short period of time a number of concerns that we're tried to address. So, thank you for that. Thank you for honouring your mum. And again, just as Richard indicated, this whole issue about outcomes, accountability,

value for money - all of those things which you've talked about in different ways, are part of the sort of reforms we're trying to - to bring in, or at least recommend to government. So thank you for that.

MS COGHLAN: I hope it's helped. And no disrespect to the other people, the Gold Card holders.

COMISSIONER FITZGERALD: That's all right. They're a hardy bunch.

MS COUGHLAN: They are. And you're hardy commissioners.

COMISSIONER FITZGERALD: Thank you very much.

MS COUGHLAN: And I came as an individual. I want to stress that.

COMISSIONER FITZGERALD: No, that's fine.

MS COUGHLAN: Don't want to get in trouble with the family, you know?

COMISSIONER FITZGERALD: That's all right. So, we now have a couple of shorter presentations. Marc Jones, is that right? Hi, Marc.

MR JONES: Hi. How are you doing?

COMISSIONER FITZGERALD: You'd like to grab a seat, just in the middle.

MR JONES: Yes, no worries.

COMISSIONER FITZGERALD: Good. Marc, if you can give your full name, and whether you're representing an organisation, or here as an individual.

MR JONES: Full name is Marc Allen Jones. No, I'm not representing an organisation.

COMISSIONER FITZGERALD: So Marc, if you just want to make a short presentation, and then we'll ask some questions.

MR JONES: Yes. My name's Marc Jones, I've just - I left the Army as of two weeks ago, so I've just come back from 8/12 regiment in Robertson Barracks, Darwin. So, I was former artillery. And, pretty much, I heard about this hearing through the RSL, and they said they were going to, like,

talk about the compensation, rehabilitation program. The fact that you come back home, and there's nothing to fall on. I couldn't even get my hands on a forklift licence or a HR licence while in the army. There's very little services programs, fitness programs for soldiers leaving the Defence Force, and so thought I'd come here and just let it be known that I'd like to know what DVA's doing about it.

You know, because of services for former veterans who are leaving, I just – it's not really that good. I could have stayed in Darwin and gotten a HR and forklift licence up there through the universities, but they don't have that service down here. Like, Queensland, New South Wales and Victoria have all got veteran employment programs. WA's not even at that level yet. So you know, it's just constantly frustrating falling behind the other states when, you know, so many people come from Perth. And considering the fact we've got a large number of reserves in the thing, and we've also got the SAS based out here and the moment your time's up, you're just left to fend for yourself and, hopefully, you can find a job.

COMMISSIONER FITZGERALD: Mark when you left the service in Darwin - two weeks ago?

MR JONES: M'hmm.

COMMISSIONER FITZGERALD: Can you just explain to us what's happened in the last eight months of that. Were you offered any transition supports, packages, advice?

MR JONES: Yeah, so pretty much the thing we were offered was, they went into DVA. My staff will like try and get you a White Card before you leave. I've got my White Card. It's very limited on what I can get. It covers full mental health, which I'm doing counselling for now.

COMMISSIONER FITZGERALD: Sure.

MR JONES: Yeah. As for transitions, they said that they'd ring me. They're meant to ring you once a month because of the high suicide rate for soldiers and they said that's come down from Scott Morrison, the Prime Minister. I'm yet to receive that phone call because I haven't been out for a month, yet. So that's probably happening next week or the week after.

Yeah, they said that there would be a program that DVA would be a separate program. I'd be able to move in and do transitions on base. And help soldiers go through the transition process. And you'd be able to work with that. I've heard nothing of that since leaving Darwin.

COMMISSIONER FITZGERALD: Who did you liaise with as you were moving towards a discharge? So did you go to a transition seminar? Was there a person in a particular transition office or anything like that that supported you?

MR JONES: Yeah, so the company we worked with was, I think, IP – I think it's IPAC, they're based up in Darwin. You go with those guys, they put you in a two day course where they set you up with writing resumes and cover letters and possibly helping you with applying for jobs and, yeah, that was pretty much – that was pretty much it. Apart from that, you get a couple of – you get like five days where you're allowed to have – you can take time off to go to job interviews, if you had job interviews. And so the – you know, you'd have to pay for travel yourself and then – and then they – you know, they fly you back and this and that. So there are all those services, but there was very little jobs going in Darwin.

COMMISSIONER FITZGERALD: So if you were moving, as you have from Darwin to Perth, what was the advice that was given to you when you landed back near Perth? What were you meant to do when you got back here?

MR JONES: Pretty much, when we got back here, there was really – there was no advice. There was just like, hey, just keep looking around for jobs and see what you can get.

COMMISSIONER FITZGERALD: Were you put in touch with a particular ex-service organisation or a particular branch of DVA or anything like that?

MR JONES: The only services I've been in contact with – I've only been in contact with two services, so far. One's Open Arms. I have – they organised for me to do counselling up the middle neck of the woods, so I am seeing a bloke there. And I've contacted Soldier On. But they have not got back to me.

COMMISSIONER FITZGERALD: And in relation to your discharge, were you voluntarily discharging?

MR JONES: Yes.

COMMISSIONER FITZGERALD: All right.

MR JONES: I wasn't medically discharged.

COMMISSIONER FITZGERALD: No, no. That's fine. And what was your expectation? What did you think the Army should have provided or were going to provide on discharge? What did you think would happen?

MR JONES: So with me it was very – it's very touch and go. I went through the Aboriginal programs. We were offered a fair bit, so we all went in as ECN 500. I was kind of hoping that, you know, I'd be able to leave and at least, a truck driver qual, or maybe some forklift qualifications, like even a couple of certificates, just to help you gain a better foot to land a job, since I've got out. Like, most of the recognition of prior learnings, with all your weapons training and all your debriefs you've been in, nothing. Diddly-squat to fall on.

COMMISSIONER FITZGERALD: Did that surprise you?

MR JONES: It did. It's quite frustrating, considering that the Army pushes so hard for people and that they're like, no, no, no, you know, you've got to come to these training, like – like it's mandatory. So if you don't rock up, you get charged for it. And so, you know, you're sitting in these debriefs and everyone's sitting there going what are we doing here? It's wasting our time. Like this isn't helping us get a job on the outside. So it's quite – it can be quite frustrating and I can understand why a lot of guys have, you know, have suicidal tendencies while sitting in these programs. I mean, I've got a couple of my mates I'm still in contact with up in Darwin and their discharges are already in because they're just like, "Mate, we're over it."

COMMISSIONER FITZGERALD: You indicated just then, that these – sitting in these sort of seminars or programs. What programs are you referring to there? Is this this two day program you're talking about, or is this something else?

MR JONES: Well, this is like mandatory briefs, like, you know, that – make sure that your training's up to date, you know, that someone's been fooling around on base, like drink-driving and that, you have to go and sit in mandatory briefs for that. So everyone has to be, you know, make sure you're – because in the Army, it's one in, all in.

COMMISSIONER FITZGERALD: Sure.

MR JONES: So if someone stuffs up, everyone gets dragged in to a meeting.

COMMISSIONER FITZGERALD: One of the issues we have heard from veterans is – and this is a serious issue – is many expected to come out of the Army with readily useable qualifications. And as you've indicated, certain parts of the Army do not lead to that. And you've identified, and that's a significant issue, because the expectation is quite different. So your experience is common. We've heard that. From our point of view, what do you think needs to be in place? You're only recently discharged, so I'm sure there'll be some supports around. But what do you think needs to be in place to assist people like yourself?

MR JONES: I think, personally, there needs to be like – maybe like a fitness program. Something like three months where DVA can chip in. And you know, you think – because that's the one thing that veterans do. We're used to doing PT twice a day. Like, you know, you're used to working out and keeping your fitness up. A lot of guys that leave the Defence Force end up putting phenomenal weight on because that – you know, the access to gyms aren't there anymore. And you know, we can't, you know – unless you've saved and the majority of us do, I mean, I've got a mortgage, so you know I bought a house before I joined the Army. So, you know, and now I've got to worry about payments of that, this and that and that's why I'm trying to look around and find a job.

So I think that maybe, you know, where they've got – they can put you into, like, certain areas where you can study. They're like, hey man, what do you want to do. Like, you know, can I step into maybe counselling or somewhere along those lines where they can set you up, where you can, you know, step into like maybe a certain trade, like carpentry and this and that and work as trade assistants and at least you've got some form of money coming in. And then you can – you know, you've got that – something to fall back on. You know, qualifications to fall back on, or, you know, as they do up in Darwin, you go down to Charles Darwin University and most are veterans there. They go in and do, like, you know, traffic management courses, HR, forklift and all you do is pay for the licence and the university takes care of the rest.

Where, none of those – I've been looking around. There's none of those programs down here in Perth for veterans. Like, they ring you up and they're like, all, you know, where if you ring them up and tell them that you're a veteran, they basically – Charles Darwin University would purposely put your name on the list, they'd give spots to you because they realise that you know, the high employment – high unemployment rate for veterans is through the roof.

COMMISSIONER FITZGERALD: You've said that you've contacted Soldier On. What's your expectation of what they might be able to provide for you?

MR JONES: I've contacted them about like, you know, a couple of education courses, maybe, you know, support and that. I mean, because obviously when you leave, a lot of your mates disappear.

COMMISSIONER FITZGERALD: Yes.

MR JONES: Because all your mates are based up in the base and this and that and you come back here and it can be quite lonely. A lot of your mates that you had before you joined have all moved on because you've trained to a better – like, because – without training, we are trained to a better standard. You know, we're more disciplined in certain areas, you know. Very rarely, will we walk around without shaving within like a day or two. So you know, it's just that thing. And you've got different mindsets to what everyone else has got. So most of your mates that you had before you joined have all disappeared. So you come back home, you've got no qualifications to fall on and you can't get jobs and then you're struggling to find mates and you know, have that social ability, where, you know, you live on base. And the boys are literally across the cul-de-sac from you and you go and have a couple of beers with them. And then, you know, you communicate with the boys that way. Where, here, it's a different story, you know. You text some of your mates and they don't get back to you and you're just like, what's going on.

So and then all of a sudden, that's when soldiers start to fall into that pit and go down a very dark road.

COMMISSIONER FITZGERALD: You've not thought of contacting any of the other ex-service organisations around?

MR JONES: I've contacted – I think Soldier On, I'm - - -

COMMISSIONER FITZGERALD: Soldier On, you have. Yes.

MR JONES: Yeah. I've contacted RSL, because I was looking at joining an RSL. I wanted to possibly join up where I live or out, where – out where I'm living at the moment, in Midland. So, yeah. I don't know of very many other services. I mean - yeah, apart from what they gave us in a book 'cause they give you a list of services and some - some of the services are based over East and they're not even over here in the West, yet, so it's a little bit hard.

COMMISSIONER SPENCER: Okay, can I ask how old you were when you went into the ADF

MR JONES: I was 29.

COMMISSIONER SPENCER: Okay.

MR JONES: I'm 32, now.

COMMISSIONER SPENCER: And you served in the ADF for how long?

MR JONES: Two years.

COMMISSIONER SPENCER: Okay.

MR JONES: I was given a two-year ROSO.

COMMISSIONER SPENCER: Right, look, we've heard - and you're probably aware up there - but there are various employment schemes, educational support schemes - I mean, there's been some recent announcements by the government around those and presumably, I assume you've sort of been looking at that.

MR JONES: Yes, exactly.

COMMISSIONER SPENCER: When you look at that, are they helpful? Do they give you any indication of where you might be able to go to address either educational support - educational opportunities or employment or do you look at it and go - - -

MR JONES: Yeah, I - well, me - it's good seeing them on there, you know, and - yeah, I mean it's a little bit disappointing that the army can't pick that services up themselves and, then, get soldiers into that thing. So it's good that they're out there and they start to realise that that, you know, the government's like, you know, "We're not looking after veterans when we should be." So it's been - it is - it is a bit - like, kind of - it is a bit hard when you've got that kind of thing where a lot of the services you look at, a lot of them are over east and they're ringing you from Sydney or Brisbane or Victoria and because WA is so far behind, we don't have daylight savings, so majority of those states are anywhere between two to three hours in front of us and, then, they're like, "Oh, yeah, here's, like the progress we've got." Then, you tell them you're in Perth and they're like - they get you in contact with, like, someone that they've linked up over

here and, then, after a while it just fades away because WA's not as advanced on those programs as the eastern states are.

COMMISSIONER SPENCER: And just to follow Robert's earlier question about for somebody in your situation, we hear about a lot about that. That you've served in one part of Australia and then you move back somewhere else, so there's that disconnect and so - yes, here, in Perth, what would have been helpful to you? What's the one thing that could've been helpful to you as a point of contact, someone to answer questions, somebody providing information? What tangibly would have helped or could be helping right, now, in the situation you're in?

MR JONES: Yes, it would've been good to have an organisation where they - where you're based up in Darwin, they find out where you're going to and you're like, "Oh, you're going to Perth. Sweet." "Contact these guys when you get to Western Australia and they'll look after you. And then in the process, while you're going through your discharge, because it takes three months, you contact them. They're like, "Hey, man, once you're in come see us and then we'll start going through some stuff in Perth. We'll start putting you onto educational programs," you know, "We'll start giving you those support things where you can catch up with all the veterans who are also going through the same stuff and then you've got the mentality where they can" - you know, "You can meet up with other people who have served like yourself."

COMMISSIONER SPENCER: Right, and you knew you were coming back to Perth and so that - - -

MR JONES: Yes, I think it was half and half at one stage. I was trying to get a job in the prisons in Northern Territory. Didn't kind of work out so there was not a lot going in Northern Territory at the time, job-wise. So I'd been looking around for a while and I just went, "I think the best option was to come back to Perth," because the employment rate was a lot better here - here in Western Australia than it is in the Northern Territory. Their employment rate was going downhill, like, quite fast, where WA's was picking up because the mining boom had kicked back in again.

COMMISSIONER SPENCER: Right, thanks, mate, yes.

COMMISSIONER FITZGERALD: You're accessing some sort of counselling or support through Open Arms?

MR JONES: Yes.

COMMISSIONER FITZGERALD: Did you say - and correct me if I'm wrong - that you've already received a White Card?

MR JONES: Yes, yes, I have, yep.

COMMISSIONER FITZGERALD: You've got that? And how are you finding the support from Open Arms? I mean you've only been here a short time, but are you able to access that when you - when you actually need it?

MR JONES: Yes, yes, I've got a session tomorrow.

COMMISSIONER FITZGERALD: Good.

MR JONES: Tomorrow's my fourth session. So I'm getting along really well with the guy that - that Open Arms have hooked - have kind of thing - and hooked me up. So they do about six. I'm probably going to do another couple sessions with him, so Open Arms has been really helpful. Like, it takes them 24 hours and you've already phone call from one of their - from one of their trained registered counsellors and they're like, "Yeah, man." Like, you know, and when I left the Army there was a lot of resentment there, you know, a lot of anger that, you know, you'd just been, like, turfed and left, you know, after serving your country. So, you know, they said, "Look, you've got to get that out," and I didn't want to get into a work place and, then, you know, have the resentment and, then, you know, kind of get angry at someone at work and, then - yeah, 'cause I mean a lot of soldiers that do come out end up, you know, having border-line PTS - like, D - conditions, so and that's what I didn't want. I didn't want to be stuck in that situation.

COMMISSIONER FITZGERALD: And we are looking at some of those issues. So we are looking at educational allowances that might be appropriate when people leave. We're going to look at these issues, you know, like, veterans' hubs that some of the ex-service organisations are looking at where people like yourself can go and get both support and also some services. So there are some initiatives underway or at least going to be proposed. But right at the moment you're a bit lost in this. In the process of dealing with Open Arms, would I be correct in assuming that they may assist you in better identifying some of these services around or that's not there, that hasn't been their role to date?

MR JONES: I don't think it's been their role to date. Like, they've helped with the counselling side of things, so they've actually done a really good job in that area.

COMMISSIONER FITZGERALD: Right.

MR JONES: And they've identified a lot of areas in the whole mental health area for me a former veteran. So they've been really helpful with that and I think they've kind of really stuck with that. Where, you know, the whole education side of things and this and that is not really their forte at the moment. I think they're trying to move into that field but, yeah.

COMMISSIONER FITZGERALD: Okay, no, that's good. In terms of your own support, family and what have you, are you part of a supportive network here; a family or friends and all that?

MR JONES: Oh, yeah, my Pops is a veteran himself. He was a major in Vietnam, so my grandfather was an ex-officer who served, so he's seen a fair bit of tours back in the day when Vietnam, Malaya and all that were around. So Pop kind of understands what it's like and he's got a Gold Card and so, like, my mum's grown up in army bases most of her life. So my parents and my family and all that are quite supportive and they understand what's going on.

COMMISSIONER FITZGERALD: Can I ask a question? Given that you've been in the service for just on two years, maybe a little bit longer than that, do you look back on that decision as a good decision to have gone into the Army or is that something you're thinking about?

MR JONES: Look, I mean, serving in the Army is a huge honour. I mean only 3 per cent of the Australia population are good enough to make it into the service. For me, it was something I wanted to do and I was happy that I achieved it. You know, I felt I could've probably stayed and maybe done another two to three years and maybe I was in the process of trying to move to a different corps, maybe to like ordinance or something like that where I could get good qualifications. But, look, it kind of didn't work out. There was nothing going on at the time and, yeah, I mean I don't regret serving in the Army. I mean I'm proud to - you know, I'm proud to be a veteran and, you know, to successfully say that, you know, "I've served my country."

COMMISSIONER FITZGERALD: Look, thank you very much, Mark. Is there anything final you'd like to say or do would you have any other final questions?

MR JONES: No, no, nothing at all.

COMMISSIONER FITZGERALD: Terrific, thank you very much, Mark, for that.

MR JONES: No worries.

COMMISSIONER FITZGERALD: That's great.

MR JONES: Thank you, guys.

COMMISSIONER FITZGERALD: Thank you very much. Yes, thanks for coming in.

MR JONES: No worries, mate.

COMMISSIONER FITZGERALD: And our last participant for the day, I understand, is Beverley Benporath. You know the routine so that's good.

MS BENPORATH: I do by now.

COMMISSIONER FITZGERALD: That's very good. Thank you for being here all day.

MS BENPORATH: Thank you, gentlemen.

COMMISSIONER FITZGERALD: Beverley, if you could give us your full name and any organisation that you represent.

MS BENPORATH: Sure, my full name is Beverley Benporath. I am representing the Partners of Veterans Association of Australia Inc. I am a national board director. I am also the president of the West Australian branch of Partners of Veterans' Association.

COMMISSIONER FITZGERALD: Thank you very much, and am I correct in saying that we did hear from an organisation associate yesterday?

MS BENPORATH: You did.

COMMISSIONER FITZGERALD: In Adelaide.

MS BENPORATH: You heard from Cleo Field in South Australia who was also a national director. Our association did put in a submission last year to the Commission.

COMMISSIONER FITZGERALD: Yes, no, that's fine. Thank you very much. If you'd like to make an opening statement.

MS BENPORATH: I would. I am part of that association. But I would also like to let you know that I am a wife of a Vietnam veteran; I am a carer for a World War II veteran and my Vietnam veteran husband. I'm a wellbeing advocate for our association and doing my training under the national scheme. I attend the female veterans forum as a representative of our association as well. The submission we made was on three parts. The first part was about the education scheme for children. There seemed to be an anomaly that over the years that they have - for DVA children - it stopped at 15. Whereas if we're in reality, children now go to school and are educated until they're 18. I do believe that that is being addressed, but it needs to be addressed as well because that payment that's there for the scheme is very important for children to continue their education. That, I might point out, is not my field either. It was a national decision to put that through.

The second emerging issue, which is a part of my field, is the emerging issue of the home care services. I understand under VEA there is one set of home care services that are provided, and then under MRCA, DRCA, there are (indistinct) issue.

DVA provides the in-home service and community support programs focused on assisting veterans and war widows to continue to live independently, and to manage their daily life, and that is very important. The services offered under the veterans home care facility is great. But, like anything, it needs to be updated and brought into relevance.

The example I gave is of a 95 year old veteran living alone in his independent unit. During winter, the weeds come up through the cracks in the pavement. Now, that is not classed as an issue where the gardener can come in and do it. The gardener doesn't do the weeding. But to me, it's a safety issue. Because if he slipped on that, then he needed them out.

So it's broadening that side of it. We're trying to minimise the issues that happen to people, so that then, at the other end, you're not looking at hospitalisation. You're not looking at operations. You're not looking at ongoing care products.

By putting these services in, you are minimising the impact on those sorts of things. And also, a veteran, in those sorts of situations, or any of them, like to have their independence. It's very important for them to have their independence to keep going.

There is another case of a study of a war widow who had, living on her own, again unable to maintain her garden over a lengthy time due to

illness. Again, the weeds got high, so again, it wasn't covered, so she pulled them out. That caused a back injury, which then caused hospitalisation, then caused surgery, which has caused ongoing rehabilitation.

They are both in the same line, but there are many other issues and cases that I could put. That was just simply one of them. But I do think, as our population is ageing, that we need to broaden those services to maintain them in the home.

The 95 year old still goes out seven days a week in the morning. He still goes to rehabilitation gym. He plays pool. He goes to indoor bowls. He goes to church. That lifestyle is making him live longer and healthier. His wellbeing of that social contact is really important.

The third area that we brought for recognisation on our submission, and I was very pleased to hear – I'm just looking at his name. The man this morning, Ryan, speak – was about getting identification for partners or carers of a veteran for our health issues.

I would like to have a definition of what you think in the same – that you say about living veteran. Not a deceased veteran, and then they get the Gold Card. I know Cleo brought this up yesterday.

Because we are the ones that are there supporting that veteran. We are the ones there providing the care for that veteran. We are the ones that tread on eggshells when things are not so good, but we stay, we maintain, we help that veteran through his life.

I've heard other submissions today where they ask, well, why should we have that Gold Card. But I think, also, the point made was that the veteran wants to feel security that their partner or carer who's looked after them all these years will be looked after, after he is gone.

They have served their country. They have been there and done their job, and I would make the distinction there, whether it's overseas or at home. I know that there is some talk about that. But a veteran who has trained in our forces has that right, I think, to have that sense of security.

The other thing with us asking for this card is for our health. If you maintain our health, we will look after the veteran. But if our health goes down, then the veteran is going to require greater services.

A simple example of these stress related ones, there was a study done and I know that Cleo brought that to your attention yesterday, was the – I'll

just look up what they called it. I'm sorry. Excuse me. It might be in this part.

That it was done on stress related illnesses called the road home, and that study showed that partners or families of our veterans do contract stress illnesses. There is a link.

So we need to be able to treat those. We need to know that we can go and get help when we need it. Not just Open Arms. Open Arms is a wonderful organisation, and our one here in WA run excellent programs, and I have the highest regard for them, because it's so easy for us to say, hey, we've got a problem, and they're there to help.

But there are other things that come out of this stress. It could be Parkinson's. Shingles is a big one. Now, the Australian government and under – I think under DVA as well, they have a program out for Veterans between 70 and 79 that can get the free shingles injection. My dad, at 95, cannot get that injection free, and just for the moment, I've forgotten how much it costs, but it's quite an expensive thing.

It's those sorts of things that will help keep the partner, the carer, and the family healthy.

COMMISSIONER FITZGERALD: Thank you very much for that, and you put the arguments very well, Beverley. Can I just deal with the home care one at the moment, and perhaps Richard will take over the health one.

We understand from, I think, Cleo yesterday that there are two different types of health – home care services operating, and if I recall her submission yesterday, it was to have one single scheme across all of three Acts.

MS BENPORATH: Correct. Yes.

COMMISSIONER FITZGERALD: And that seems eminently sensible to me. But you also indicated today, Beverley, that you believe that they need to be changed and made a bit more expansive, or is more expansive or simply more flexible as to how they operate?

MS BENPORATH: That's a great word, flexibility. They need to be tailored to the veteran. The service should be there for the veteran, to maintain the veteran's health, and that might be flexible. That might not be the same for someone else, but for that veteran, it's a services that's required.

COMMISSIONER FITZGERALD: So when a person is accessing either of these two sort of home help schemes, if I can use that term, is that part of a package that is given to you by an officer within DVA, or is there a third party provider? How does that operate?

MS BENPORATH: I think the girls from Life Live It said it, the RAP program.

COMMISSIONER FITZGERALD: Right.

MS BENPORATH: It's under that, and the rehabilitation program. If there is something specific needed, you can ring Canberra and talk to the DVA person there.

It has to be referred. Your provider, and I know this again through personal experience, once they are on that program, that provider comes and does a home visit once a month.

COMMISSIONER FITZGERALD: Right.

MS BENPORATH: To check up on how things are going. The OT girls have a contract for how many. Maybe it's once every six months, come and check how safe the house is for the person, how they're going, what their requirements need – are.

COMMISSIONER FITZGERALD: All right, and from your members' point of view, or the people you're associated with, are people able to access these services as and when they need it? You've identified some issues around what they do, the gardening one, but is it a service that is generally able to be provided as and when needed?

MS BENPORATH: Yes. You need to ring DVA and they will give you, whether or not it's – who's available, who the provider is, and what happens there.

COMMISSIONER FITZGERALD: So there's not a problem with accessibility?

MS BENPORATH: No. I don't think so.

COMMISSIONER FITZGERALD: No, that's fine.

MS BENPORATH: From my personal view, it's not. My comment that I was going to make further, I think people have to understand that DVA

do run on statements of principles and what's available out there, and you have to be eligible.

COMMISSIONER FITZGERALD: Sure.

MS BENPORATH: But I have always found our DVA very positive. I've always found them very helpful and if I need to find out something, I get on the phone and ring the person and say, "Where do I go? What do I do?"

COMMISSIONER FITZGERALD: And can I just go back to the education scheme. We are looking at the education schemes and your point is really it should be extended to young people of age 18.

MS BENPORATH: Yes.

COMMISSIONER FITZGERALD: So we're looking at – we are making some further adjustments to our recommendations in relation to those schemes, so thank you for that. Richard?

COMMISSIONER SPENCER: Yes, just a follow up question with the help in the home. We had the system which operates generally across Australia where there's – which you're probably familiar with, the level 1, 2, 3, 4.

MS BENPORATH: Yes.

COMMISSIONER SPENCER: That in the last few years has moved more to a – the choice of the individual as to how they – what services they want to get, and they in a sense have control of the funds.

MS BENPORATH: Are you talking about home care, the Australian package, or DVA?

COMMISSIONER SPENCER: No, no, I'm talking about the Australian home care packages.

MS BENPORATH: Yes.

COMMISSIONER SPENCER: Yes.

MS BENPORATH: And that is entirely different.

COMMISSIONER SPENCER: Yes. But does aspects of that – would that be of interest in the context to veterans?

MS BENPORATH: I can tell you no.

COMMISSIONER SPENCER: Yes.

MS BENPORATH: Because I have been down and looked at that.

COMMISSIONER SPENCER: Right.

MS BENPORATH: It sounded wonderful when it was rolled out.

COMMISSIONER SPENCER: Yes.

MS BENPORATH: But when you put it into practice and you means test it and you look at the super income and all those other bits that go to that veteran, I went down the track with the 95 year old and that then turned out he was entitled to $14,700 a year for services, which gave him a great range. Yes, he could get someone to take him to church. Yes, he could get someone to have a cup of coffee with. All the social sides. But to put it into place he had to then co-pay $14.72 a day.

COMMISSIONER SPENCER: That's the administrative costs, isn't it?

MS BENPORATH: Now you add that up per week on top.

COMMISSIONER SPENCER: Yes. So, from your experience the veterans' scheme is a more beneficial scheme?

MS BENPORATH: It's far more beneficial. It can be tailored to the veteran.

COMMISSIONER SPENCER: Right.

MS BENPORATH: Your issue of how do people know, is often the issue. How do they know where to ask and what to do? DVA has a wonderful website but you need to be literate and able to use that and that often – our association, and particularly here in the west, hold information days. So coming up in March I've got DVA coming in to talk about MyService because that's changed. We've got someone on palliative care. We've got someone from Life Live It on pain management.

That's what I see our organisation's role, is to get the information out to our members.

COMMISSIONER SPENCER: So, if I could switch to the health care needs at the moment, and you make the arguments very strongly and very well about supporting the care of the support the veteran. Look the issue we're grappling with is whether the card is the best solution to that or whether there are other ways in which when there is the need and the support that's required can be provided in better and different ways. Now you mentioned Open Arms and for a certain range of services Open Arms obviously is there to respond to that need, and as you said that's been a, you know, very worthwhile service here in the west and highly valued. But it's around a specific set of issues.

So what we did in our report is we asked for what other ways could the system respond to that need. The difficulty we're having with the cards is we think that's very broadly based for a whole range of issues which may go well beyond what's related to the needs of the veteran and the role of the carer, and we've got to strike a balance here between the needs versus a system that starts to not focus the available resources on those who really do need it, and that's a difficult thing to do in the system design. So, that's what we're struggling with. So, what other ways could that work? Could that be possible?

MS BENPORATH: I can't work through that one because for me it comes back to knowing that like the pharmaceutical card is an orange card. When I need my service I've got something I can tangibly go in with and get it. It allows me to know, and I may not access it, you know, it's that knowledge that it's there. When I need it, I can go and get it. Go and get the help or go and have – go and have – I'm trying to think. Have the shingles injection for an example without having to think, okay I've got to carry through the cost of doing that, where's that coming out of the budget? Who am I going to have to – you know, talk to to get from that point of view? I'm lucky, we can afford private health cover but not a lot of our members can. So they don't have that help.

COMMISSIONER SPENCER: Some people might say, and this might sound a bit harsh but, you know, we're exploring all the possibilities here. Some people might say look we have a universal health system, and there are many people and many families who experience similar situations for all kinds of reasons which is beyond their control, and yet the universal health system is there to offer support and provide that support to individuals to meet their needs.

So, in a situation like this why wouldn't the universal health system be adequate? There's particular issues around the counselling and support and Open Arms' response to that, but what would you say to those people who say, well, I'm in the same situation you are, I arrived in a different

way. Why should there be a superior, in a sense, set of benefits or supports for you?

MS BENPORATH: I don't call it superior.

COMMISSIONER SPENCER: Yes.

MS BENPORATH: I'm saying to you, I have looked after a veteran who has served and given his all to his country, been away, been on deployment. I have carried a family. I have organised all sorts of things. Dealt with PTSD. All of that. So do I not get any value or benefit for what I have done? I'm not saying I'm superior, but what I am saying is that is what I have done to be where I am now.

COMMISSIONER SPENCER: Okay, yes, thank you for that.

COMMISSIONER FITZGERALD: So the issues of carers is something we're looking at. I've just completed another inquiry into a part of the disability system in Australia and the issue of carers for people with disabilities was a very important part of the inquiry and the government just – we handed the report to the government last week. So, that issue of carers is very – a very – is a very important issue.

MS BENPORATH: Yes.

COMMISSIONER FITZGERALD: So thank you for your comments on that.

MS BENPORATH: I'm not asking for monetary side.

COMMISSIONER FITZGERALD: No, no.

MS BENPORATH: I'm asking for support.

COMMISSIONER FITZGERALD: But just in relation to the support of carers generally. In the ESO area we're looking at the way in which – in this next (indistinct words), how could governments better leverage off the extraordinary commitment of ESOs generally? You regard yourself as an ESO?

MS BENPORATH: Yes, we are an ESO.

COMMISSIONER FITZGERALD: Yes you do.

MS BENPORATH: We're a part of it.

COMMISSIONER FITZGERALD: So putting aside cards and what have you, do you have a view as to how governments could better utilise, support ESOs generally? And the term we're using is leverage off that, now there are thousands of ESOs, some of them don't want to be supported and shouldn't be, they're quite content where they are. But we see this enormous commitment of volunteers everywhere but frankly we don't see much value for money in terms of service delivery, supporting, helping members, the stuff you're doing, extremely important.

So, the question is whether or not they could be better used to provide direct services in a more formalised sense or not? You may have no view about that. But we're not trying to diminish what's happening out there, it's terrific. But we're trying to say, but is there something additional to that? And that would require government support to do that.

MS BENPORATH: It certainly would and I think from – again, from our organisation point of view, if we have an issue we take it to ESORT, which is the national one.

COMMISSIONER FITZGERALD: Yes.

MS BENPORATH: But we also take it to the Minister.

COMMISSIONER FITZGERALD: Sure.

MS BENPORATH: And say these are the things that we are facing, these are the things that need some tweaking, if you like, in legislation. I understand legislation and policy takes time.

COMMISSIONER FITZGERALD: Sure.

MS BENPORATH: And I certainly want to give credit to Liz Cosson at this point here. She is wonderful for listening to what is happening and because she is a veteran, because she's had a veteran father and all of that, she at least identifies with what we are saying.

COMMISSIONER FITZGERALD: Yes, and you'll continue to have access to the Minister no matter what happens.

MS BENPORATH: I certainly will.

COMMISSIONER FITZGERALD: There's no question about that, we can assure you. So, that's good. Is there any final comment you'd like to make before we conclude?

MS BENPORATH: Am I allowed to make a couple of comments on what I've heard today?

COMMISSIONER FITZGERALD: Yes, but briefly so, yes.

MS BENPORATH: All right. Firstly, was the one about the Gold Card and TI - - -

COMMISSIONER FITZGERALD: TPI

MS BENPORATH: - - - TPI Vets have peace of mind. The secondly was the definition of family I would like changed. That it includes the living part of the family, not when someone - - -

COMMISSIONER FITZGERALD: Can I ask a question about that? I - we think it does and so could I – and I know you clearly yesterday raised this. Our definition – we haven't got a definition. Families for us includes living partners and everybody. But Cleo raised that yesterday. So what's behind that concern?

MS BENPORATH: Well, if you look at that, DVA is very good at cope – or working with the Veteran, and then, part of the Gold Card being passed on to the deceased's partner.

COMMISSIONER SPENCER: That's right.

MS BENPORATH: If they're eligible. Because there is criteria.

COMMISSIONER SPENCER: Yes.

MS BENPORATH: But then they can get access to the services.

COMMISSIONER SPENCER: Yes.

MS BENPORATH: Right. But again, the living partner of the family doesn't have that access. But it comes back to your other issue. I understand that, but if they're going to say "family" when they do their inclusiveness of what they're providing for, they need to make it living family.

COMMISSIONER SPENCER: So can I just clarify that. The definition of "family", we would think, includes living partner. But that doesn't mean that the entitlements – then you get down to who's entitled to what.

MS BENPORATH: Yes.

COMMISSIONER SPENCER: So the definition, certainly from our report, we would believe it includes living partner. But that's a very different issue to then one of the benefits, and that becomes much more complex.

MS BENPORATH: Okay. Yes, that is more complex, and I understand that.

COMMISSIONER SPENCER: So I just wanted to understand that, because we actually do include them in our thinking, absolutely.

MS BENPORATH: Yes.

COMMISSIONER SPENCER: That's good.

MS BENPORATH: Okay. The allied health changes, you've heard the presentation, and that is something that concerns us. Because again, it puts more stress on the partner who's got to take the person to the doctors and the – I'm not going there. I went in there a month ago, and whatever. We understand that it's about the over-servicing and things like that, but that is a stressor for us.

The other one was the transition process. From my work in the voluntary scene, ADF and people like Karyn Hinder that's here with Working Spirit, are working quite hard at the transition process, and I was surprised to hear that young man talk, because I know that the female veterans I talk to, it started at least six months before they – but, the point there is, the person then, the ADF member, isn't ready to hear it then.

COMMISSIONER SPENCER: That's right.

MS BENPORATH: So I really appreciated the point about it going to the partners as well.

COMMISSIONER FITZGERALD: Well, I can just comment on that. In the substantial recommendations we've made in relation to transition, one of the things that became very clear to us is, firstly, the point you raised is people have to be ready to listen, and often they're not.

The second is, partners are always ready to listen, and if we involve partners, we'd actually have a better outcome for the Veteran. That is very clear.

So one of the emphases we've put on the transition arrangements, and they are very significant recommendations, is a much greater involvement of the partners and family members, and you're spot on.

MS BENPORATH: Correct. Thank you.

COMMISSIONER FITZGERALD: So we've recognised that. It's a very change to make, but it's operationally not happening.

MS BENPORATH: And also, some of the legislation has to change for it to happen as well.

COMMISSIONER FITZGERALD: I agree.

MS BENPORATH: I do appreciate it.

COMMISSIONER FITZGERALD: Thank you very much for that.

MS BENPORATH: Thank you.

COMMISSIONER FITZGERALD: That's much appreciated. Good.

MS BENPORATH: Thank you, gentlemen.

COMMISSIONER FITZGERALD: Well done. Thank you.

MS BENPORATH: (Indistinct).

COMMISSIONER SPENCER: No, that's terrific. Thank you.

COMMISSIONER FITZGERALD: Imogen, is that it? So, unless there's anybody else who needs to, or wishes to, make a comment, and there isn't, I just need to formally adjourn the public hearing until Thursday, when the next hearing will be in Darwin.

So again, thank you for your participation, and this public hearing process continues on throughout the month of February. And just a reminder, if you're going to make a written submission, we would like to receive it as soon as possible, but certainly no later than the end of this month.

So thank you again. Thanks very much.

COMMISSIONER SPENCER: Thank you.

COMMISSIONER FITZGERALD: Good.

MATTER ADJOURNED UNTIL
THURSDAY, 7 FEBRUARY 2019

Australian Government
Productivity Commission

PRODUCTIVITY COMMISSION

COMPENSATION AND REHABILITATION FOR VETERANS

MR R FITZGERALD Commissioner
MR R SPENCER, Commissioner

TRANSCRIPT OF PROCEEDINGS

AT HILTON DARWIN, 32 MITCHELL ST, DARWIN
ON THURSDAY, 7 FEBRUARY 2019 AT 9.06 AM

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COMMISSIONER FITZGERALD: Okay, we might just start. Thanks. Okay, might start.

MR TELLAM: Yes.

COMMISSIONER FITZGERALD: And Dan if you want to grab a seat in the middle there somewhere.

MR TELLAM: I feel so special.

COMMISSIONER FITZGERALD: You are very special.

UNIDENTIFIED SPEAKER: You are.

COMMISSIONER FITZGERALD: Everyone in the Territory is special. Unique and different I think are the two words that everybody says all the time. Anyway, ladies and gentlemen, just thanks for participating this morning. This is our return visit to Darwin. As you know we had a really successful forum here in the lead up to the draft and thank you for those that participated in that, and that was very valuable indeed. Today is very different, it's a bit more formal and it's the opportunity for those that wish to put their views on the record in a public way. So this is the third day of our public hearings of the Productivity Commission's inquiry into veterans' compensation and rehabilitation, following the release of our draft report in December last year.

I'm Robert Fitzgerald, I'm the presiding commissioner. And my colleague is Richard Spencer, the other commissioner on this inquiry. So the purpose of the hearings, as I say, is to give people the opportunity to put their views publicly on the record, but it's also an opportunity to publicly scrutinise the work of the Commission and to get feedback on our draft report. We have so far held hearings in Adelaide and Perth this week and we had full days there, quite a lot of participants. Today's a much shorter and compact session. Following this hearing in Darwin, we will be in Wagga Wagga, Canberra, Melbourne, Hobart, Sydney, Brisbane and Townsville in the next few weeks.

We'll then work towards completing the final report, which will go to the government at the end of June. That report will be released by the government and it has to release the report within 25 parliamentary sitting days of its completion. The draft report is produced by and published by the Productivity Commission but the final report is actually released by the government. But the good thing is that they have to release it.

We will conduct the hearings in a reasonably informal manner, although I don't think you think this it'd be very informal, but nevertheless. But I remind participants that a full transcript is being taken. For this reason comments from the floor can't be taken during the sessions but at the end of the proceedings, I will provide an opportunity for anybody else who hasn't participated to come up and make a brief comment if they'd like to do so. Participants are not required to take an oath but should be truthful in their remarks. Participants are welcome to comment on the issues raised by other people.

A transcript will be made available to participants and will be available from the Commission's website following the hearings, and as you know we are currently seeking written submissions. They need to be in this month, and they go up on the website when they are received. If there's any media representation, they have to see Imogen and she'll give them some instructions about how they can conduct themselves. Just to comply with the occupational health and safety legislation prior to - I draw your attention to fire exits and evacuation procedures and though you'll be directed by the hotel staff should that be required.

Otherwise, again I'd just like to thank you. The draft report is very substantial. It's the largest, deepest, widest inquiry that's been held into Veterans' Affairs ever. So it looks at a multitude of issues, including a whole lot of issues in relation to Defence and a very substantial number in relation to Veterans' Affairs. So, we expect people will take some time to consider all of the recommendations. Submissions, some people are concentrating on one or two issues, others are obviously looking at a much broader range of issues.

But we hope that the work that we've done at least raises the concerns that we've heard in all of our consultations, and at least puts forward our initial thoughts about what could be done to improve the system. But it is the draft report, we will listen carefully to the views the people put and the final report is likely to have variations on those recommendations should we believe that they are warranted. So, we might just start, and the first participant is Dan Tellam.

MR TELLAM: Thank you, sir.

COMMISSIONER FITZGERALD: So, what you need to do is just give me your full name and any organisation that you officially represent today.

MR TELLAM: Daniel John Tellam. I'm a welfare officer for the RAAF – sorry, for RSL Sub Branch Darwin.

COMMISSIONER FITZGERALD: Good, and you're representing that organisation today?

MR TELLAM: No, representing myself.

COMMISSIONER FITZGERALD: Good, thank you very much for that. So, Dan, the way we do this is if you can just make a short statement and - about any issues relating to the report and then we'll ask some questions.

MR TELLAM: Okay. When I first enlisted and I was - under the compensation Act I was under VEA, and was of the impression that that was the compensation Act that I had for life. However, things change and in some ways I'm grateful, however, I'm getting on in age and under the VEA I was entitled - I would be entitled to TPI at this current stage. I've got enough points. I'm on 100 per cent Gold Card with the VEA, and I'm on incapacity payments under the MRC Act. I've since applied to have – be TPI under VEA or intermediate under the VE Act, however, I've been told because of the other Acts which I've also got enough points to equal TPI I'm not entitled to it.

I just feel that I'm - through no fault of my own, I'm financially disadvantaged because of the MRCA and SCRA Act and not being VEA through my entire career.

COMMISSIONER FITZGERALD: In relation – sorry, do you have any other comments that you want to make?

MR TELLAM: No, that's about it, sir.

COMMISSIONER FITZGERALD: So, I'll raise a couple of questions. You said that you were originally in the VEA for injuries that arose at a particular part in your career.

MR TELLAM: Yes.

COMMISSIONER FITZGERALD: And then I presume you've then had subsequent claims in relation to additional injuries that have occurred at a later stage or at a later set of circumstances.

MR TELLAM: Yes, mental and physical.

COMMISSIONER FITZGERALD: And they brought you in under the, what's called DRCA or MRCA or both?

MR TELLAM: SRCA and MRCA, which I had no choice of which I was applying for. It should have been all VEA as far as I was concerned, however. I didn't understand the legislation.

COMMISSIONER FITZGERALD: And at the time that you put in the claims, did you have an advocate?

MR TELLAM: No.

COMMISSIONER FITZGERALD: And if you had had an advocate, do you think the results would have been different?

MR TELLAM: Unsure, because I put my claims in '97 through DVA. I don't wish to drop names, but I can. He was very, very helpful, who actually got me a Gold Card with my - after my injuries had been accepted at 100 per cent.

COMMISSIONER FITZGERALD: So, when you say you've got a 100 points for the Gold Card, do you have any other benefits under VEA? Did you receive a part pension or anything at all?

MR TELLAM: Only what you get with the - that comes with the Gold Card.

COMMISSIONER FITZGERALD: Which was?

MR TELLAM: I kept - - -

COMMISSIONER FITZGERALD: Which is?

MR TELLAM: It's $545 - - -

COMMISSIONER FITZGERALD: Yes.

MR TELLAM: - - - a fortnight.

COMMISSIONER FITZGERALD: Yes.

MR TELLAM: - - - tax free, and hasn't affected the MRCA or SRCA claims that was I was under, hence I was the belief that TPI would come in and act as a TPI payment, and what I'm also concerned about is that come 67, when I turn 67 and the MRCA and incapacity payments cut out, I'll still keep the Gold Card and the 100 per cent on that but will I be

entitled to TPI or intermediate or should intermediate between now and 65.

COMMISSIONER FITZGERALD: And what's the answer to that?

MR TELLAM: I don't know, I've got a claim in at the moment asking for that.

COMMISSIONER FITZGERALD: So, your preferred position would have been to be dealt with under one Act, just the VEA?

MR TELLAM: Yes, sir.

COMMISSIONER FITZGERALD: Yes. As you know in our recommendations we've recommended to keep the VEA, largely for older veterans and you fit into that category.

MR TELLAM: Thank you.

COMMISSIONER FITZGERALD: And then we were looking at MRCA and DRCA being combined for younger veterans going forward. But our aim is that people would be under one Act.

MR TELLAM: (Indistinct).

COMMISSIONER FITZGERALD: Eventually, and that's our aim. So, how far - how financially disadvantaged are you do you believe by the way the current system operates?

MR TELLAM: Approximately $700 a fortnight.

COMMISSIONER FITZGERALD: Worse off?

MR TELLAM: Worse off.

COMMISSIONER FITZGERALD: And the actual processing of the claims and the way in which they have been dealt with, what's been your experience in more recent times?

MR TELLAM: I found under the VEA and the doctors and the DVA specialist that diagnosed me and confirmed my injuries, was very, very simple. It was like two appointments, one with a GP, one with a DVA specialist, and the claim straight in through DVA. I didn't have a setback at all. I got backdated, back pay and tax free. With the MRCA and SRCA, it seemed to really, really muddle the waters, and it was just a

matter of the terminology used within the claim. For example, I was diagnosed with adjustment disorder, but the psychologist specialist had diagnosed me as a major adjustment disorder and my claim got rejected because what I claimed for and what DVA accepted was not the same, and because that words "major" was in it, I had to wait another six months before that claim was accepted.

COMMISSIONER FITZGERALD: And can I just ask, is that because you didn't use the right terminology when you put in the claim? I mean not as a criticism, but you weren't aware that you had to use a particular - - - -

MR TELLAM: When I submitted the claim, I submitted the psychologist's diagnosis with that claim.

COMMISSIONER FITZGERALD: Right.

MR TELLAM: Whether I didn't write it in my actual claim form or not.

COMMISSIONER FITZGERALD: Right.

MR TELLAM: Not knowing - - -

COMMISSIONER FITZGERALD: Sure.

MR TELLAM: But because of the - the specialist had actually written it, and then I got an apology back from DVA saying, okay, the person that had a look at my claim didn't read it properly, and I've still got that letter.

COMMISSIONER FITZGERALD: And when was that claim processed, Dan?

MR TELLAM: 2012.

COMMISSIONER FITZGERALD: 2012, and so where are you up to at the moment? You said that you've got another claim in at the moment. What's that for?

MR TELLAM: The claim is for intermediate or TPI under VEA. I've actually got an advocate helping with that one as well.

COMMISSIONER FITZGERALD: Right. Can I just ask this question? With this particular claim, without going into the details because that's not of relevance, but is it because you've - there's been additional impacts - adverse impacts arising from those injuries that

occurred early in your career - early in your military career? So, you're still under VEA if that's the case.

MR TELLAM: Yes, I have been diagnosed needing two new hips and two new knees.

COMMISSIONER FITZGERALD: Right and so as a consequence, you're saying they are related to service that put you at a particular time and that's - would bring you back within the VEA?

MR TELLAM: Yes, sir.

COMMISSIONER FITZGERALD: Right, yes, yes. Well, it's a very confused system, and we are determined to try to simplify it but only to a point. It's not possible to simplify the system completely and one of the things as I said we've done is we've tried to recommend the VEA stay for older veterans with some modifications, and then a second scheme be established, basically a MRCA DRCA brought together, for another cohort. But ultimately people are in one or the other, and we're just looking at the benefits of that as well.

MR TELLAM: I wouldn't have a problem if the MRCA claim was able like VEA for life, but because it cuts out at 67 that's what - - -

COMMISSIONER FITZGERALD: That's incapacity.

MR TELLAM: That's impacting me now, and I'm sort of like thinking ahead.

COMMISSIONER FITZGERALD: Okay, Dan, we were having a conversation prior to this and I'm aware from the forum that we held up here in Darwin that you've been very active with the veteran's community. I wondering if I could ask some questions just in relation to that?

MR TELLAM: Yes, sir.

COMMISSIONER FITZGERALD: (Indistinct) Richard would have some questions. What do you believe needs to change in the system to better support veterans once they've left the service? When you look back on your own career, your own time out of the service and you've been actively involved in the RSL and others, and you're about to establish a veterans' centre which you might want to comment. What do you think best is needed to change in the system to best meet the needs of veterans?

MR TELLAM: I believe you need a one stop shop. As soon as a veteran steps out, and steps out with injuries or steps out altogether, to go have a medical done GP, then go to DVA and talk to a professional advocate that's up to date with all the legislations involved with the member's service, and to give the members their entitlement and not to apply for something they may not even be entitled to and then get the disappointment. So, the veteran is set straight. Straightforward. So, okay, you've had knee problems, you've had ankle problems, you're entitled to that. You've have war like service, you may be entitled to that, so let's apply for it. Let's see what your entitlements are. Let's see what the diagnoses are, and you don't have to go backwards and forwards.

COMMISSIONER FITZGERALD: There's been a report on advocacy by Robert Cornell, and I'm not sure whether you participated in any of his forums.

MR TELLAM: I can't (indistinct words).

COMMISSIONER FITZGERALD: But that's okay. And he's – and that report has not yet been released by the government, but when we get hold of that report and can look at it, we'll have a look at advocacy and what have you. Some people have said to us the system shouldn't require advocates, it should be up to the department to assist you in putting in the appropriate claim. Your experience has been that the department doesn't necessarily do that and you would still need a - in your terms, a professional advocate?

MR TELLAM: In the middle part of my service, DVA really helped me. I went to DVA and there virtually weren't any advocates that I was aware then because I was still serving, and DVA got me my entitlements. I went in there with a history of my medical conditions and diagnosis, and like I said, here you go, Dan, you need to do this, this, this and that. I apologise but you have to do one form for this, one form for this, and (indistinct) for that, and I did it and it was an absolute nightmare but I had all the evidence, evidence there and I didn't have to do anything else until the DVA sent up a specialist, who went through – who went over me with a fine-tooth comb and I couldn't walk when I went - when I left him.

He sort of got a protractor out, went all over my body and the conditions that I was applying for and the claims was put through. I've since seen three DVA visiting specialists, a Dr Hobson. I'll drop his name. Saw me three times. Said, "Are you back again?" Said, "I thought I'd sorted that out the first time." And I've got the claims recognised but not for the - under the VEA.

COMMISSIONER FITZGERALD: Yes.

MR TELLAM: I've got my incapacity payments and that through, which I'm very, very grateful for and if I get incapacity for life, don't worry about the TPI but – yes.

COMMISSIONER FITZGERALD: Just on the incapacity, I mean the incapacity payments are paid for loss of income that you would otherwise get from work.

MR TELLAM: Yes.

COMMISSIONER FITZGERALD: So they do cut off at a particular point where the natural working life would come to an end. Whereas impairment payments go on because of recognition of the pain and suffering and the injury itself.

MR TELLAM: Yes.

COMMISSIONER FITZGERALD: But your view is that either you go under VEA or you would like to see those incapacity payments go on - - -

MR TELLAM: Yes.

COMMISSIONER FITZGERALD: - - - (indistinct) that age.

MR TELLAM: And the other unfair – sorry, the disadvantage of incapacity payments is they also reduce by 25 per cent after 45 weeks payment.

COMMISSIONER FITZGERALD: Yes.

MR TELLAM: But my costs of living didn't decrease by 25 per cent. I still have house payments.

COMMISSIONER FITZGERALD: Sure.

MR TELLAM: I still have the family and sort of things like that. So that's another thing I'd like you to look at too. I understand when you (indistinct) discharged, your pay goes down like that because you've got incapacity payments. That also cuts down by 75 – to 75 per cent.

COMMISSIONER FITZGERALD: Yes, we are looking at that, although I might say that's a - that's a feature of workers' compensation schemes and what have you.

MR TELLAM: Yes.

COMMISSIONER FITZGERALD: It drops over a period of time in order to encourage people back into work.

MR TELLAM: Yes.

COMMISSIONER FITZGERALD: So, it's a design feature across most compensation schemes (indistinct words).

MR TELLAM: It's just that when you can't go back to work it's a (indistinct).

COMMISSIONER FITZGERALD: So, did you get a diagnosis, Dan, that said that you are incapable of working?

MR TELLAM: Many times.

COMMISSIONER FITZGERALD: Okay.

COMMISSIONER SPENCER: Dan, just to clarify, what was the period of your service? When did you first join the ADF and your first date of discharge?

MR TELLAM: First joined the ADF in 1980.

COMMISSIONER SPENCER: Yes.

MR TELLAM: In the Army.

COMMISSIONER SPENCER: Right.

MR TELLAM: Transferred to the Air Force in '85, and then was medically discharged in 2015.

COMMISSIONER SPENCER: Right. Okay. So, that period of time just covers obviously the three Acts, which is why you've ended up in this, you know, very confusing situation.

MR TELLAM: Yes.

COMMISSIONER SPENCER: Have you engaged with the Veterans' Review Board at any stage through all of these claims.

MR TELLAM: Yes, yes. I've had a lot of phone conversations with the Veterans' Review Board and I've had a lot of claims rejected.

COMMISSIONER SPENCER: Yes. Is this recently or is it over long period?

MR TELLAM: This is from probably 2012.

COMMISSIONER SPENCER: Yes.

MR TELLAM: When I knew I was sort of coming to the – my use by date.

COMMISSIONER SPENCER: Right.

MR TELLAM: Because I really, really wanted to stay working. If I had the chance, I'd still be serving now.

COMMISSIONER SPENCER: And what's your - what's been the experience of dealing with the VRB when you (indistinct words).

MR TELLAM: A bit like this, a bit daunting because they come back and they stipulate the GARP statement of principles and meeting points, and because of this date, after this date you've claimed this and that and you can't now claim it under - you can't have that injury associated with that injury because they both stopped me from working. The stand-alone, which I was still and dumbfounded why the claims don't get up because it doesn't stand-alone, when as far as I'm concerned you can't work, you can't work. If you're hurt, you're hurt and you've got to accept it. It's black and white, it's accepted why have a stand-alone?

COMMISSIONER SPENCER: And during that period when there was this debate, for want of a better term, going on about, you know, the - and trying to understand what they were getting at, did you have an advocate assisting you at that time?

MR TELLAM: Only after 2012.

COMMISSIONER SPENCER: Okay.

MR TELLAM: When I knew my use by date was coming up. I was – yes, because I - I did most of my claims myself or went through the person at DVA, who is still there now.

COMMISSIONER SPENCER: Yes.

MR TELLAM: And then I went because I needed help,

COMMISSIONER SPENCER: Right.

MR TELLAM: And not only that but also wanted to belong to somewhere again. So, I approached the RSL here at the sub branch in Darwin.

COMMISSIONER SPENCER: Yes.

MR TELLAM: And I got help, and then since then we've had numerous VRBs and recommendations. Some are good. Some put us at ease saying, well that's it, you can't go any further. And they were for all different types of things, mental and physical.

COMMISSIONER SPENCER: And in terms of the communication from that both the – well, just talking about the Department. You indicated earlier that it was pretty good in the early days - - -

MR TELLAM: Yes.

COMMISSIONER SPENCER: - - - you felt that you were getting good feedback, (indistinct).

MR TELLAM: I did.

COMMISSIONER SPENCER: But in more recent times has that been - has it been clear to you - have you been given clear explanations about why certain claims are rejected or is it just, here's the decision?

MR TELLAM: I was given clearance and I got sent statement of principle forms with the rejections, and I met most of the statement of principles but with the stand-alone I couldn't go any further because there was more than one injury that stopped me from working and under different Acts. So, I've got enough points under the MRCA, i.e. getting the incapacity payments, and the Gold Card on the VEA.

COMMISSIONER SPENCER: Right.

MR TELLAM: Which I'm very grateful for.

COMMISSIONER SPENCER: Okay, and with the Gold Card, just to ask a more general question about here in Darwin, have you had any issues accessing the services you need with the Gold Card?

MR TELLAM: Only when I first - I was lucky, Dr Emery Burrell from the RAAF base, she put in place medical practitioners, GPs and specialists that were serving me through my service. So, helping me through my service and we carried on and they accepted the Gold Card without fail. That could be another avenue to help other veterans too to have a help line in place with respect to their medical conditions, dental, mental and physical.

COMMISSIONER SPENCER: Right. So from your point of view it's fairly seamless once you discharged from service in terms of your providers?

MR TELLAM: If you can find someone to - I've since had - been going in for anaesthetic and the guy said, "Ah, another bloody Defence person. I'm taking a pay cut because of you blokes." And you go (indistinct words).

COMMISSIONER SPENCER: Well, we've heard commentary about that and we've also referenced that in our draft report. There is this issue of about schedule of fees and whether it's adequate so - as we're going round in the different areas we're very interested to hear as to whether people can actually – you've got a Gold Card, terrific, but can you actually access the service and will providers provide the service (indistinct words).

MR TELLAM: In my case I've been – I'm okay, I've got mine in place.

COMMISSIONER SPENCER: Right.

MR TELLAM: All my support in place and other people who'll accept it, and I also tell my welfare recipients who to go and see that they will accept that card as well.

COMMISSIONER SPENCER: Yes.

MR TELLAM: Which is part of being in advocacy, I believe.

COMMISSIONER SPENCER: Right - no, thanks, Dan.

COMMISSIONER FITZGERALD: So, Dan, I just want to go back to this Veterans Centre that you're about to establish where the RSL is. What was - why did the RSL come to a view that a veterans' centre was needed, and secondly what do you think benefits it's going to provide to the veteran community here in Darwin?

MR TELLAM: I'll tell you from my personal point of view, if it wasn't for the drop in centre when I first went to the RSL I wouldn't be here now. I was in a bad space and I've had a few mates that have been in bad spaces and I don't want it to happen to anyone again. It's somewhere for a veteran and his family, her family, will be feeling comfortable, alcohol free, pokie free, smoke free, where you're under no pressure whatsoever, you go and talk to like-minded people and you can belong.

COMMISSIONER FITZGERALD: And the services that will be available at that centre or the – yes, the activities, you were mentioning previously when we were chatting that advocates may be present there?

MR TELLAM: They will be present there. I've offered up two rooms to the Palmerston RSL that have just been without a home and I've – they've got two rooms. As soon as I get wifi and the NBN on, they'll be moving in. However, there will be a welfare officer there all the time and they will have contact details of welfare advocates, DVA, Open Arms, Anglicare, Red Cross, a one stop shop that you come in there, you've got a problem, you go see this doctor; you got a problem in accommodation, you go see Vinnies or Salvation Army.

COMMISSIONER FITZGERALD: Can I just talk about the funding for that, you mentioned to me previously that it has a couple of sources of funding. Can you just tell me what that'll be?

MR TELLAM: The RSL paid upfront for the furniture that's currently in there, $6,000 which was supposed to be delivered two days after we had the fire. The federal member has given us $12,500. I've got - I had to have a grant raised for a lift chair for disabled people, not just veterans.

COMMISSIONER FITZGERALD: And that came through the Department of Veterans' Affairs?

MR TELLAM: No, that come through our local member.

COMMISSIONER FITZGERALD: Yes, but - - -

MR TELLAM: I don't – (indistinct words) - - -

COMMISSIONER FITZGERALD: You don't know where it came from.

MR TELLAM: I don't care where he got the money from.

COMMISSIONER FITZGERALD: That's all right.

MR TELLAM: I just know I got the money to spend on a chair and I'm setting up a community garden there, also for when people come there if they want to do a bit of gardening and - - -

COMMISSIONER FITZGERALD: And the modest running costs of that centre will be borne by?

MR TELLAM: The RSL.

COMMISSIONER FITZGERALD: The RSL.

MR TELLAM: Yes.

COMMISSIONER FITZGERALD: One of the things we're looking at in this next few months before we finalise is the role of ESOs going forward. It isn't up to governments to decide how the veteran community wants to organise itself. That's up to you, and Australia is a very diverse, rich, civil society in terms of lots of non-government organisations. But do you believe that the government - the Commonwealth government, DVA in particular, has a role in better utilising the work of the ESOs? Not advocacy, putting that on the side, do you - is there a view that the ESOs could be better utilised and supported than currently, and if so how?

MR TELLAM: Up here in Darwin, we come under a community of practice where every ESO submits support to a community of practice, and is run by all the ESOs under one umbrella, so that we're not doubling up. So, someone can't go to the RSL and say get $150 food voucher.

COMMISSIONER FITZGERALD: Sure.

MR TELLAM: And then go out to Veterans Australia and get another $150 food voucher. Under our community of practice, we support one another. Myself as welfare, I will send someone that comes to me with a pension problem, to a pension advocate. And like today I was utilised to look after welfare of a veteran, and I'll get - under the same umbrella. So that we cover everybody, I and other people in the community practice will send the details up the chain so to speak. That'll come under the umbrella, and then it will be distributed to the best person available, i.e. me in the northern suburbs and Sue McCallum or Bob Wood in Palmerston and the Darwin City area. It's working really well at the moment.

COMMISSIONER FITZGERALD: And this is a – when you say a community of practice, this is just simply like-minded organisations coming together.

MR TELLAM: Hundred per cent.

COMMISSIONER FITZGERALD: And it's funded by those individual agencies.

MR TELLAM: Yes.

COMMISSIONER FITZGERALD: Do you receive any Territory government funding? To your knowledge?

MR TELLAM: No.

COMMISSIONER FITZGERALD: Okay. Is there any other comments you might like to make in conclusion, Dan?

MR TELLAM: No, just thank you for listening to me.

COMMISSIONER FITZGERALD: That's good.

MR TELLAM: And hopefully I can get a win.

COMMISSIONER FITZGERALD: All right. Thanks very much, Dan, thanks also for participating in the forum last year as well. So, that's good.

MR TELLAM: (Indistinct words). Thank you, sir.

COMMISSIONER FITZGERALD: Okay, and if we could have John Kennedy please. That's good. Thanks (indistinct).

MR TELLAM: Thank you, sir.

COMMISSIONER SPENCER: Thanks, Dan.

MR TELLAM: Thank you very much, sir.

COMMISSIONER FITZGERALD: Good, thank you. John Kennedy? No John Kennedy? That's all right. Then can I have Peter Garton and Pam Garton. Are they here yet? So they're a bit late. And is David Coffey here?

MR COFFEY: Yes.

COMMISSIONER FITZGERALD: David, do you want go up now, or would you like to wait?

MR COFFEY: (Indistinct words).

COMMISSIONER FITZGERALD: All right, thanks.

MR COFFEY: Hello.

COMMISSIONER FITZGERALD: Hi David. David, can you give us your full name and any organization that you represent.

MR COFFEY: My name is David John Coffey. I'm just representing myself.

COMMISSIONER FITZGERALD: Good.

MR COFFEY: My - I went into the military at 17 and came out at 39. My opinions are based on 22-odd years of service in RAN and the RAAF, and then 27 years in dealings with the DVA and VRB and VVCS.

COMMISSIONER FITZGERALD: Thank you very much. David, if you just want to make a statement on any of those issues then we will have some questions.

MR COFFEY: Yes, I do. Thanks for the opportunity for appearing, it's good to be able to speak. My - I just wrote some rough points down last night, so I'm a little bit unprepared but - - -

COMMISSIONER FITZGERALD: You'll be fine.

MR COFFEY: I've got about six-odd points and they're just general statements. If you want to ask me any questions about that then I can tell you, otherwise I could be here for hours. Through my observations and that in the - in both the military and after the military, I've come to the belief that there's systemic methods of uncooperation and denial that have been witnessed over the last 27-odd years with my dealings in DVA.

Intimidation is used frequently in hearings with Veterans' Review Board. There's a heavy reliance with DVA on Defence details and information, and there's a lack of substance given by DVA. In other words it's like the blind following the blind. You know, if they get a little bit of information and not enough information then they form an opinion without asking for further information, and all the time and all the documents they say, you

know, give us a brief statement, further information will be requested. In all my dealings, I've only ever once been asked for further information and then they just dismiss that.

Defence, frustrating DVA's process (indistinct) when details are given and not complete, like dates, because you can imagine, you know, I joined 50-odd - nearly 50 years ago. So, something that you believe is related to something that happened some time ago, you can't back that up with information or the records. So, you're reliant on Defence backing you up. So DVA say, "Oh yeah, well, you know, we need details" and either they go or you go to Defence, and Defence say, "No, we've got nothing, no record of it".

There's a selective examination of details provided with claims, and there's a lack of specialist consultation against internal - based against internal opinion and also heavily relied on the delegate's experience. An example, is instead of them coming back and asking you for more material, or even consulting a specialist and sending you off to a specialist, I've not once been sent to a specialist by DVA, and yet when I have gone out on my own through my doctor, because everything is done via a doctor, who's sent us onto a specialist, then they pooh hoo or dismiss the opinion of the specialist and come back to their "oh well, in our experience" and so on. When claimant's details are first questioned but later proven, proven to be correct, very little acknowledgement, if any, is given on those particulars being presented.

And finally, I - it's just almost annoying, but I find it ludicrous that here we are further down the track, I don't know how many years since DVA was formed and since the end of the Second World War and all these other problems that we've had with serving and ex-serving members' health, that here we are - we have - we now have a separate organisation, namely, the VVCS and the majority of VVCS' clients, or customers, like myself, have problems or issues or we are there or in that situation either from problems associated with Defence and then our dealings with DVA. So, to me it's like going to church to deal with a monster. So DVA in my opinion has become a monster.

And one of their – I pointed out to them that one of their emblems that they've got (indistinct words) to put on the bottom of the papers "serving those who've served". They're not serving us at all. Anyway, a couple of other things I'd like to point out to you, which you may want to ask about, is on discharge in 1991 through my only claim that was accepted at the time, I was given - which we're all encouraged to do and even in those days I was – you know, you were encouraged to do, to put in a claim with

the DVA. In my case I'd had an accident 12 years - ten years beforehand on going home, all right, from work.

And so I was awarded a White Card which, you know, is as a specific injuries card. So, I was only on 10 per cent. By the time I've got to 2012, I'm on a Gold Card and I'm at 100 per cent and it's a general rate disability. Right. So at that time, and that's based on - that's based on points that, you know, Dan was speaking on and so on, you get points awarded for this and that and so on. A little bit similar to a civilian situation. I had 60 points.

I've since been accepted, several conditions and had many operations and so on and I'm still at 60 per cent. There's been no change in that even though they've accepted. I've been to the VRB on a couple of occasions for a couple of conditions and had a decision made by DVA reversed. To then be told there's no change in your points, which meant that I didn't creep up towards getting either an intermediate rate, which is double the general rate, and/or the TPI or special rate, which is treble of the general rate. So, in all that time I was still working, even though I stopped full-time work in 2010.

And in all my dealings with DVA and the VRB where when you put in for an increase, and every time you put in a claim, I don't know if you're aware but every time you put in a claim for a new claim you're asked "is there any change in your accepted conditions?" So, in my case ever since about 2010 and as I get older each time I've said "yes". So, then you're put through the mill again, oh, well how's it changed or whatever, and they should - the way the system is set up, they should re-examine your conditions but they don't, they just come back to that.

So in my case there's been four or five occasions where I've put in a claim since 2010 and there's been no change whatsoever to my - to the points. I forget what it is, but (indistinct) it'll be available to you. It's called a combined something or other, something or other rate, and you get points allocated for this, that and the other.

The advocacy set up has been a real hit and miss. In Darwin, when I first put in my claim in 2010, my first claim in quite a few years, there was two advocacies, both volunteers, both elderly people and they had 400-odd cases each. One of them, my advocate, he lived in Humpty Doo. Every time he came into town to the RSL to his office, he's paying for that out of his own money. Didn't even get travelling money. And I lived 110 kilometres south, and every time I came up to see him I couldn't put in a claim either. The only time you could put in a claim is if you're coming

up - a travel claim, that is, is if you're coming up to DVA for an appointment or something like that, or putting in paperwork, you know.

So, on that I think there's been – well, there's been a change in that over the last couple of years. So I must add, there has been a change on that whereby the DVA and I think the government are getting together and picking an ex-serviceman, who is already on a pension, a 20 year pension. So, he's financially capable and giving him an allowance which brings him up to a wage. But once again here in Darwin we only have one, and that's for the whole of the Northern Territory. As far as I know there's no one in Alice Springs, for example, and there's certainly no one in Katherine, where there's now a lot of serving people and a lot of ex-serving people that get out there and are living there.

One other point I'd like to make and then, you know, you can ask me question about whatever you like. The VRB, that's - if you put in a claim, and your claim is rejected, you can appeal and you appeal to the Veterans' Review Board, and that's a process where you really need the advocate. If you don't have an advocate, you're lost. It's like – it's like a toddler going for a swim that can't swim without floaties. Right. If you aren't prepared and you don't have an advocate, it's like – and it's also like lambs to the slaughter. Right. If you get knocked back at that, then they say to you "oh, you can go to the arbitration commission".

Up until that date, it's purely medical. So it's – you're arguing about medical or you're appealing about a medical decision and a better medical condition. If you go to the arbitration commission whereby you're not happy with the Veterans' Review Board decision, the veteran has to have a legal representative, cannot do it on himself, cannot represent himself and cannot have an advocate. And not only that, it gets worse. It then changes from a medical problem or medical situation to a legal situation, purely legal.

Now - so therefore if you're arguing about this, that and the other about your medical condition or how bad it is or how good it is or how it affects you or how it affects your income, earning capacity or whatever, it doesn't matter because it all becomes legal. So you might as well just walk out, you know.

COMMISSIONER FITZGERALD: Yes, good. Any other comments? We'll ask some questions. Thank you very much for that. David, can I just go back a couple of things. When you first put in your claims, when was the first time you put in the claim?

MR COFFEY: 1991.

COMMISSIONER FITZGERALD: And you received, you said, a White Card, I think 10 per cent.

MR COFFEY: Yes.

COMMISSIONER FITZGERALD: Then you eventually transitioned to a Gold Card with a general rate pension. This is all under the VEA, I presume.

MR COFFEY: Yes.

COMMISSIONER FITZGERALD: And all of your claims been under the VEA?

MR COFFEY: Some have, some haven't. Give you an example, I had my first accident, which they accepted and so on, in 1969.

COMMISSIONER FITZGERALD: (Indistinct).

MR COFFEY: The statute of limitations doesn't start until 1972. So, in all my documents on time served and all that, it says 1972 onwards to '78. Even though I joined in '69.

COMMISSIONER FITZGERALD: Right.

MR COFFEY: And when I questioned that, they said, "Oh yes, that's insignificant, it doesn't matter", and I said, "Well it does to me." And I said, it just so happens that I had this accident where I fell down a flight of stairs on a ship and landed on a mopping bucket on my back and that's the start of a lot of my problems with my back.

COMMISSIONER FITZGERALD: (Indistinct words) - - -

MR COFFEY: So it all got complicated and they said "oh, yes, well – okay, well we'll accept it anyway" but, you know, as far as dates went three years were just cancelled out.

COMMISSIONER FITZGERALD: But they did actually acknowledge the - that there was an injury and that it had led to adverse consequences for you.

MR COFFEY: Yes.

COMMISSIONER FITZGERALD: Eventually.

MR COFFEY: Yes.

COMMISSIONER FITZGERALD: And that's it. So, if I can just – and given that you've been dealing with these, have you got a current claim with DVA at the moment?

MR COFFEY: No.

COMMISSIONER FITZGERALD: No. So, when was the last claim you put in or had dealt with? Roughly.

MR COFFEY: I put in a claim for - I put in a claim in 2015 because I was diagnosed with severe anxiety and major depression.

COMMISSIONER FITZGERALD: Right.

MR COFFEY: All Defence related. So that dragged on for quite some time until about 2016, the end of 2016, where they came back and said – do you want the details or - do you want the details?

COMMISSIONER FITZGERALD: Sorry.

MR COFFEY: Where they came back and said – what did they say? "We have no record of" – because the claim was based on two incidents, one in 1973 and one in 1983. So, one in the Navy and one in the Air Force and on both occasions they came back and - because they've consulted Defence, and they've come back and said to me, "Defence has no record of naval fatalities at HMAS Cerberus in 1973." So that was that incident, and at the same time - - -

COMMISSIONER FITZGERALD: Sorry, just stop at that point and you were - you were claiming that the mental health conditions to which you've referred had their basis from a fatal injury - - -

MR COFFEY: Yes.

COMMISSIONER FITZGERALD: Sorry, a fatality that had occurred at that time.

MR COFFEY: Yes, yes.

COMMISSIONER FITZGERALD: Okay, yes.

MR COFFEY: One of the - you heard Dan mention a statement of principles.

COMMISSIONER FITZGERALD: Yes.

MR COFFEY: Well, your claim has to be within one of the statement of principles.

COMMISSIONER FITZGERALD: Sure.

MR COFFEY: Right. So, one of the statements of principles was dealing with dead bodies. All right, and then you have to give the dates and the times and so on and so on. Now, that was what was questioned by DVA to Defence. Defence have come back and said, "We have no record of naval fatalities from HMAS Cerberus in 1973 or 1974." That was later proven to be incorrect, and in fact there were seven naval fatalities from that base in 1973 and four in the first six months of 1974. Because that was one of those situations I wasn't 100 per cent certain of when it was, but I knew where I was because the documents - my documents said I was at the hospital at Cerberus as an ambulance driver at that time.

So, I had to ring around different departments and everyone said, "We've got no records of that, that goes back too far". I said, "What do you do with records?" "Oh well, they go to archives". Ring archives, "Oh no, we've got no record of that".

COMMISSIONER FITZGERALD: Right.

MR COFFEY: And the Air Force was exactly the same. The Air Force came back to Defence and said that Mr Coffey's details that he has provided of that incident – it was a Roulette crash where two Air Force pilots were killed. Right. We - I was a fireman by then, we've had to deal with the bodies and the parts and so on and Defence come back and say, "We've only got one person named on that", who was my fire controller and I was the fire controller's driver. How did the fire controller get there? In a fire truck. Who was the driver? LAC Coffey.

And so they said, well we can neither deny nor accept Mr Coffey's details, even though they are concurrent with a report by the fire controller on that day. So it wasn't until 2016, when I happened to accidentally run into a former Air Force site fireman, because the previous one who was the fire controller was dead, like a lot of them are, and he said, "Oh yeah, I remember. I was on the afternoon shift and Trevor Gillow, who was the

sergeant during the day time, he was" – and I said, "Well, can you give me a stat dec?"

So anyway, I get the stat dec. I hired an investigator in Canberra to dig up the details about the Navy. I provide all that back to Defence and I appealed the decision, and you know what they said? They come back and they said, oh but Mr Coffey didn't – he didn't put in a claim within two years of the incident happening. So two years after the accident, the first accident which is 1973, so 1975 I was supposed to have been aware that I was going to get anxiety in 2015.

COMMISSIONER FITZGERALD: Did you appeal that decision?

MR COFFEY: Well you can't because you've got to go to the arbitration commission. I've already appealed. I've appealed - - -

COMMISSIONER FITZGERALD: (Indistinct) VRB?

MR COFFEY: Yes, I've already – this is VRB. So VRB have made this decision. So if I want to appeal that, I have to go to the arbitration commission and then it becomes a legal thing.

COMMISSIONER FITZGERALD: The AAT.

MR COFFEY: H'mm.

COMMISSIONER FITZGERALD: In relation to a couple of things you've mentioned. The advocacy area, you'd be aware or maybe aware the Commonwealth Government has got a review of advocacy services by Robert Cornell and we're - and that report we have but it hasn't been made public at this stage, and that will look at some of those issues. But your experience in relation to advocacy, you've talked about the fact that they were only volunteers, they weren't remunerated for travel and so on and so forth. How do you think that service should have been changed or could be changed to better serve the needs of people like yourself?

MR COFFEY: Well, I had a thought about that while Dan was talking and I think the only answer to that is to make it a professional position. There should be at least one person, if not an office, in every state to deal with veterans' claims whereby when - if DVA are going to carry on - continue carrying on or be allowed to continue to carry on the way they are, then the servicemen or ex-servicemen in - because in both case you can put in a claim if you're serving, they need a representative that's got a bit of authority. At the moment we've got – we're like a duck out of water,

we've got no place to be, we've got no representation at all that has any strength that can stand up to DVA. That's where I see the problem.

You know, like, initially and as Dan alluded to as well, most of us serving people, especially longer term serving people like ourselves, you know, when we go in young, you don't know anything, all you know is Defence but you're backed up by a team, an organisation or group. We've got this - we've got this pyramid of people doing their job and we're all team and I mean there's no difference to outside really, the way, you know, departments are run and organisations are run. But you expect everyone else to do their part. We all play a part. But when you come up against DVA, it's, no, it's our money and we're not going to give it to you.

It all seems to be about money, and a lot of the time you ask most of the Defence people, it's not about money, it's about recognition of their condition that they've got that they didn't have, like in my case, no health problems, no nothing when I went into the military, and you come out 20 or 30 years later and you've got a heap of conditions. And they turn around and say, "Oh yeah, but there's the age factor."

COMMISSIONER FITZGERALD: You referred to the fact that at no stage in recent times have you been fully reassessed. I presume when you said that, when you've put new claims in you have to advise whether or not they've been changes in those previous conditions and you've indicated that on each occasion you've identified that there were changes but you were never sent for a medical reassessment. Is that right?

MR COFFEY: That's right.

COMMISSIONER FITZGERALD: Could you have asked to have that done or - - -

MR COFFEY: I did. I did and they said not necessary, not necessary. We have a specialist here. This is in Adelaide because South Australia and NT claims are all run through Adelaide and they have a - what they call a specialist doctor on their board, on DVA's board.

COMMISSIONER FITZGERALD: Yes.

MR COFFEY: And you know what he is? He's an epidemiologist, in my case and he'd been there for years. So you have an epidemiologist making – making like paediatric or orthopaedic decisions.

COMMISSIONER FITZGERALD: Did he review the file or did he actually examine you?

MR COFFEY: On the case when the condition, which was cervical spondylosis, was accepted, a delegate within DVA, or clerk or whatever you'd like to call them, asked the specialist, "Is" – "In view of Mr Coffey's decision or DVA's decision, should Mr Coffey be reassessed?" And you know what he came back and said - across – he wrote across the bottom of the file, which I have a copy "not necessary". So, in other words all those years, 10 years that we knew that I had cervical spondylosis - this is in 2012, I think it was, and in 2002 I put it in the first claim and they came back and said "no". No, it's not service related, and it was service related. It all went back to the condition - the accident that I had in 1981.

And so when that was proven, all of a sudden - and I'd already had the Gold Card. So I'd had the Gold Card for other injuries, for the – for the arm that was injured in that accident.

COMMISSIONER FITZGERALD: Sure.

MR COFFEY: And so the neck has finally been connected to that same accident. Right. And so all of a sudden the neck is worth nothing, and has never been recognised since. I've had no points whatsoever given to me for the – for the accepted condition of cervical spondylosis and yet it's been proven that it's got worse and worse and worse, and of course Defence only have to look at the money that they've spent on it to see that.

COMMISSIONER FITZGERALD: In relation to that claim relating to your anxiety and other mental health issues, was that ultimately - was that claim successful?

MR COFFEY: No. No, they - - -

COMMISSIONER FITZGERALD: Because of the time? Because you hadn't reported something within two years.

MR COFFEY: Yes, yes. That's what it came down to.

COMMISSIONER FITZGERALD: I will have – we'll have another look – not at your own specific case, but just generally because it's well known that mental health conditions are – don't necessarily evidence themselves until many years later. I would have thought that was well understood in the veterans' area.

MR COFFEY: If I'd served in a - an active zone, and there weren't many active zones around after - between Vietnam and Timor whereby members

went overseas to active zones apart from Somalia and Mogadishu, I think. So if I'd gone to any of those, that two years gets waivered.

COMMISSIONER FITZGERALD: So – okay.

MR COFFEY: Any of the people these days that go to Afghanistan and Iraq - - -

COMMISSIONER FITZGERALD: Sure.

MR COFFEY: - - - which have been, you know, big problems as you know, there's no time (indistinct).

COMMISSIONER FITZGERALD: So the reason - that requirement applies to - does not apply to those that have what's so-called qualifying service.

MR COFFEY: Yes.

COMMISSIONER FITZGERALD: Yes, okay.

MR COFFEY: Yes, I think that's what they're called, yes.

COMMISSIONER SPENCER: Thanks, David. So just a couple of quick questions. You mentioned at the beginning that you had gone out and got various specialist reports but they were dismissed by DVA. Were they at their request or did you do that through your GP or - - -

MR COFFEY: No. No, they weren't. My GP's idea, it wasn't my idea.

COMMISSIONER SPENCER: Okay.

MR COFFEY: It was GP's idea and he sent me off to a - what's called an occupational physician, and he was a musculoskeletal specialist. So the word musculoskeletal – well, problems had been used by a couple of doctors, GPs in the early days and they never made a comment at all about it. And then so I got a new GP from down where I live, and he came up with a brainwave of sending me off to this musculoskeletal specialist. So we sent that off and he gave an extensive report, and in that report he said, "In view of Mr Coffey's multiple musculoskeletal problems, I feel he could not work more than" – "more than 20 hours a week."

Their comment to that was – they come back and they said, "We note Dr (Indistinct)'s reports and we see that Mr Coffey can work 20 hours a week. So they turned from up to, to he can work 20 or more. If you can

work 20 or more, well you're right. And then they said, "We note that Mr Coffey hasn't applied for an intermediate rate pension", and the intermediate rate pension you can work up to 20 hours a week. So, they've turned it around and said "well, no, we notice that Mr Coffey hasn't asked for a intermediate rate pension, so therefore we're not going to accept the claim".

COMMISSIONER SPENCER: So, David, during all of that are you aware if the Department ever made contact with the specialist?

MR COFFEY: No.

COMMISSIONER SPENCER: Did they contact you discuss it? (Indistinct words).

MR COFFEY: No. I checked with him on several occasions. I said, "Have you had any" - and he put on the bottom, he said, "I'm more than happy to be consulted on this", which quite often they don't because they want to be paid extra money.

COMMISSIONER SPENCER: Yes.

MR COFFEY: And he said well you know they don't pay, they have their own – DVA have their own rates for everything. You might pay $85 for a physiotherapist, DVA will pay them $62, and that's current.

COMMISSIONER SPENCER: Just coming back to the role of the delegates, I mean, you know, your experience as you said at the beginning with DVA is pretty uniformly – to use a mild term, perhaps, unsatisfactory. But the particular delegates, did you find if you were dealing with particular delegates then that really changed the nature of your interaction with the Department? If you had an experienced delegate who seemed to be on top of what was needed or - did that make a difference?

MR COFFEY: Well, yes, looking back now, it does and I can remember I was at the time in Melbourne and my GP was an ex-Navy and a Vietnam Vet doctor, and a specialist, and he was the one that helped me with my claim on cervical spondylosis or I'd put in a claim or something or other, and he said to me at the time, he said "Oh, did you have an advocate?" I goes, "Oh, what do I need an advocate for, DVA are looking after me. They look after us, that's what they're there for". And that wasn't the case at all and he laughed. He said, "Oh you" - he said, "you'll be lost without an advocate." He said, "They'll just tear you apart", because he said, "You need to say the right things, you need to ask the right questions, you need

to look up the right detail." I didn't even know the word statement of principles up until then.

COMMISSIONER SPENCER: But the delegate within the Department who was handling the particular claims, did that make a difference according to that person's experience how they dealt with you? Or was your experience uniformly that they kept their distance and didn't engage with you?

MR COFFEY: No, I think they paid more attention for a start. They – once you have a delegate, they don't contact you.

COMMISSIONER SPENCER: (Indistinct).

MR COFFEY: Rarely do they contact you. It's all through the – it's all through the delegate only, and that's another thing I wasn't aware of. Once you have a delegate - sorry an advocate - - -

COMISSIONER SPENCER: Advocate, yeah.

MR COFFEY: - - - they are not supposed to contact you directly. They're supposed to contact the advocate. But, quite often they'll just ring you up out of the blue, and ask you several questions before you know it. And you think you're talking to a friendly person, you might as well be talking to the enemy.

COMISSIONER SPENCER: And David, just in relation to Open Arms, you know that VVCS now has changed its name recently to Open Arms, as you're probably aware. Have you accessed their services over a long period of time?

MR COFFEY: Since 2012.

COMISSIONER SPENCER: Yes. And could you just comment on that experience, and also what, additionally, Open Arms could be doing, perhaps, to better support veterans. Do you have any thoughts or comments on that?

MR COFFEY: Well, I think they've done a fantastic job. But I've noted, over the - over a couple of years, like, I've had the VVCSs services, in Adelaide and here. And here, quite frequently, you get palmed off to, you know, to private organisations. Psychiatry. Psychologists. And of course, here there's usually only one model or one group of psychiatrists. And one of the things that was first said to me was, in 2012, was, "Oh, you have a mental issue." And I said, "Oh, I don't think so." And they said,

"Yeah, we think you do. You have a mental issue. Have you thought about going to a psychiatrist?" And I said, "No way."

I said, "I don't want to go to a psychiatrist." I said. "There's nothing the matter with me mentally." I said, "I just need someone to talk to, about just personal issues." And, of course, not knowing at the time that I had anxiety and depression, and I was having major - I think at that time, as well, just after I'd started those consultations - those counselling, I was diagnosed with cancer in a couple places of body, and kidney problems, and so on.

So it wasn't an - you know, it wouldn't have mattered where I was mentally, having that thrown in, and that was altogether. It's not like it crept up on me. It was just a simple test that proved positive. And it went from there. I was like, you know, winning TattsLotto, basically, you know. You've got this, this, and this. So it became even more important. But in saying that, in three - I think, three times since 2012, I've got to the point where I think, "Well, I don't need VVCS anymore." And then something else has happened, or you get the - you get a bad decision, or an unexpected decision from DVA, and before you know it, you're sort of falling apart and you're back - you're back to them.

And I'd never really studied depression for myself, or even anyone else at that time. Up until then, yes, I was quite surprised when I was diagnosed with depression. I thought, "Oh my god, I'm gonna have to go back to them for more counselling." You know? Which I did.

COMISSIONER SPENCER: So from you're point of view, it's been a very valuable service and continues to be?

MR COFFEY: Yeah I hate to think where I'd be without it, yes.

COMISSIONER SPENCER: Thank you, David.

COMISSIONER FITZGERALD: Yeah. Just a final question in relation to the VRB. The VRB, as you know, has introduced a dispute resolution - alternative dispute resolution procedures, in more recent times. When you dealt with the VRB, were you - did you access those alternative dispute procedures?

MR COFFEY: Only once, when they reversed the decision on the cervical spondylosis, did I feel comfortable with VRB, because I'd already been up - up before them on another occasion. No, actually, that was the first occasion. The first occasion that I put in for a review of this decision made, and I thought, "Oh, what a great mob. They were my friends," you

know? But then thereafter, I've had - on three occasions after that, yes, it was - it was like the enemy.

COMISSIONER FITZGERALD: Can I just ask this question: people's views about processes that are often coloured by whether or not they're successful or unsuccessful in the claim. But in the way the actual processes themselves - not the decisions that were made, the processes - did you think those processes were appropriate to deal with the issues that you were putting forward?

MR COFFEY: Well, no. No I wasn't. And, yes, I'm pleased you asked that question, because on the occasion - I'll give you an example. When you're applying for an increase in pension, so regardless of what you are on - you could be on 10 per cent, or 40 per cent, in my case I was on 100 per cent. And you think 100 per cent is the best rate of pension - it's not. There's the intermediate rate, which is worse. So, you can be on a 100 per cent and you can still work eight hours a day, 40 hours a week, or whatever.

So that pension is in recognition of your accepted injuries. To get an increase on that, you have to prove that you can't work the work that you were doing, at the time that you put in the claim. And the wording in the legislation says "remunerative work," meaning "work for money". There's no other reference, no other word used, and they use that quite often. When all went up before the VRB to - appealing a decision made by VRB, on - sorry by DVA, on an increase in pension, the judge, or whatever you call it, she's a legal person who was heading the case, she came back to me and she said, in fact she didn't say to me. But in the documents afterwards said, "Work-like activities."

They were the words she used and that was the question, it was in relation to what I was doing and she said, "Your work-like activities consist of this and this and this and this." So they asked me all these personal questions about, well, "So, what do you do with your time David?" I said, "Oh, well I'm doing this, and I'm doing that." You know, I was doing a renovation on my house at the time, with the assistance of other people. So she came back and said, "Oh, well if you can do all of that, why can't you work?" No reference whatsoever to the work that I was doing at the time, which in the legislation, that's what it is.

It's when you are in a position where you are incapable, or you can prove that you don't have the ability to do the work that you were doing at the time of the claim, which I couldn't do at the time, of remunerative work. Nothing about "work-like activities." And we even checked that back with someone else that reviews decisions, and the way VRB - VRB

operate with - with DVA, and he said, "Well, that was totally inappropriate for her to ask those questions."

And my advocate at the time said that in all the years he'd been an advocate, he had never come across a situation where a claimant, which is myself, had been asked questions relating to their personal activities, their day-to-day activities at home, or even at night, and use that evidence against them in the claim. And yet it was not - not thrown out.

COMISSIONER SPENCER: Yes, thank you very much.

MR COFFEY: So that stood.

COMISSIONER SPENCER: All right. Thank you very much for that David, and thank you for giving some personal experiences of those processes. And that's been very helpful. So thank you very much.

MR COFFEY: Thank you for the opportunity.

COMISSIONER SPENCER: Thank you David. Okay.

COMISSIONER FITZGERALD: Thank you, very much. Yes, no, that's fine. Okay, thank you. Can we have Peter and Pam Garton, please. Good, thank you very much. Could you please give me your full name and the organisation you represent, if any.

MS GARTON: I'm Pamela Lorraine Garton. I'm managing director for Abilita Services.

MR GARTON: Peter Leonard Garton. I'm a director of Abilita Services.

COMISSIONER FITZGERALD: Good, thank you very much. So if you could just make a brief opening statement.

COMISSIONER SPENCER: We have a submission, I think, of the program. But as I understand it you want to talk about the best practice in relation to some of the rehabilitation approaches and that might inform our thinking in relation to rehabilitation services being offered, both within Defence and within the DVA. Is that correct?

MS GARTON: Yes that's correct.

COMISSIONER FITZGERALD: So if you want to make some statements that'd be great.

MS GARTON: We were prompted to - we were prompted to put forward a submission after reading your draft report, because in your draft report you've come through with best practice recommendations, which we've been, actually, promoting to DVA and MCRS for over 10 years.

COMISSIONER FITZGERALD: Sorry, just one moment. Mr. Kennedy, you just can't have talking in the background. Because you can't hear, in this room, if we do. That's okay. Thank you. Sorry about that. Please.

MS GARTON: Yes. So, having read your draft report we - we want to let you know that, in fact, we've been promoting many recommendations for a long time. The program that that we have developed is called the Abilita Program, and basically it is a system of early triage, early intervention, assisting people to develop self-help skills, and it can be integrated into a worker's compensation rehabilitation program, as a system for assisting individuals.

COMISSIONER FITZGERALD: Um do you want to make any other comments in relation to the program, or we'll ask some questions?

MR GARTON: Not at this stage.

COMISSIONER FITZGERALD: So can I just ask this: this particular program, as I understand it, is a program that has been applied to general workers compensation arrangements, but has the program itself been applied in relation to veterans?

MS GARTON: Yes. In fact, the program was developed here, in Darwin, beginning in 2003. And from between 2003 and 2008, military members were referred to - sorry. Our organisation, at that stage, that they developed the program was a rehabilitation provider called IM Concepts. We ran a restorative pain management program, and the military referred people to that program, if they had pain. So that helped us develop up the self-help coaching process, and the assessment component of what became Abilita. So, military, actually, helped develop the program, yes.

COMISSIONER FITZGERALD: So could you identify what you believe to be the unique, sort of, characteristics, if there are any, of military and veteran personnel, when they present for rehabilitation? Is it exactly the same as other workers, or do you think there are defining or unique features, that you've seen in your practice?

MS GARTON: What we saw as unique features, I guess, was particularly a more narrow experience, in terms of their work experience. They were living in a contained environment, as it were, so not socially as broad as - as other workers comp people that we were working with. And there, they saw their opportunities as much more limited than - than others. In terms of - we ran group programs, so we were we were also very aware of the hierarchy, and people's positions when they came into our groups, and we were cognisant of that when we were selecting who was a part of which group.

COMISSIONER FITZGERALD: And given the very broad range of rehabilitation services provided and funded by both Defence and DVA, have you got any insights as to how you think the service system, the rehabilitation service system itself, is responding to military and veteran's needs, generally? Have you got any observations? And I put that in the context that we are looking at rehabilitation, generally.

MS GARTON: Yes.

COMISSIONER FITZGERALD: And it's not an in-depth analysis, but we think there are significant improvements that need to be made to the way in which the rehabilitation services are commissioned, and oversighted. But have you got a view about rehabilitation services generally?

MS GARTON: Well the reason we've presented our program many times to MCRS and, DVA, and we've got, you know, a list of meetings that we've had with senior people over the past 10 years, is because we didn't believe that they were doing good triage, that they were identifying the needs of individuals, in terms of their being able to assist in developing tailored rehabilitation, and empower individuals to manage their lives. So I think that's a big gap, there. What I do see DVA doing now is goal attainment, to scale in the life skills inventory, which - they're a measure, but they're not valuable in terms of actually assisting to develop an intervention plan, in my opinion.

Because what they don't do is identify, as our Abilita assessment does, identify what are the drivers for that individual? What are their beliefs, what are their expectations? What are their attitudes, how they seem in managing their pain. Are they fearful that, in fact, if they're hurting, then it's harm? Because unless you understand those components of the individual, you can't assist them to achieve those goals. So having a goal attainment scale is all very well, but unless you know what's actually driving behaviour underneath, you're not going to help the individual persist.

So, we think that there's a big gap missing, and we've been frustrated by the fact that we've had, you know, receptions in - from management at various times, in terms of putting in place using this approach, and yet it's not being accepted overall.

COMISSIONER FITZGERALD: Okay. Here's a question: why do you think that's the case? Because one of the things that struck us, in various forms around Australia, is that if you look at contemporary workers compensation schemes, as you're saying, at best practice, the features of what you're talking about are evident in other approaches as well. It's very much about early intervention, about really identifying what the needs are about getting the individual involved in their own care plan.

And you've had a lot of experience of trying to convince the Defence and DVA of the merits of that. Why do you think the - that there's either resistance or a failure to understand that? Your frustration that you talked about before, why do you think that's happening that this isn't embraced, when it's much more a feature of other schemes around Australia.

MS GARTON: I think we say it's largely individual - - -

MR GARTON: Yes.

MS GARTON: Individual driven in that, for example, Joint Health Command, Jane Hayter, is a senior person who's been exposed to this program a lot, but rejected it. And I think that was largely because she was a psychologist, and I was an occupational therapist. The initial resistance, I'm not sure. But I think there are individual resistances that have caused this. Whereas, for example, when we were working with the Department of Defence, the civilian component in Canberra, Bev Tyler was overseeing a section there, they embraced this. "Yes, this is exactly the sort of thing that we need," and put in place a pilot project.

So, I don't know, I think we'd say that individual responses were driven by other (indistinct).

COMISSIONER SPENCER: You mentioned the pilot project. That was back in 2009, is that right?

MS GARTON: 2014.

COMISSIONER SPENCER: 2014, it's a more recent on. I just - - -

MS GARTON: That's the Defence one, we did for Defence, was 2009.

COMISSIONER SPENCER: So, what's resulted from those pilots. Is it becoming more mainstream, if I can use that expression? Or is it - or is nothing happening? What's been the consequences there?

MS GARTON: Again there were complications involved in that, and there was a major rehabilitation provider involved in that project. And it was basically their - their desire not to have a full run of any future biopsychosocial process. So, in fact, while although they had - taken on Abilita and Comcare were very keen on Abilita, and that's why the program actually happened, this major company actually copied some of what we were doing and - and went off in a different direction and marketed in terms of what they were able to offer without using Abilita.

COMISSIONER SPENCER: So, is that the - flowing on from the outsourcing to one major provider. (Indistinct) services?

MS GARTON: Well, that's part of the problem, that there has been a lot of outsourcing to a single national providers rather than - that's a different - yes.

COMISSIONER SPENCER: And they haven't - if I can use that term, they haven't subcontracted to you or they haven't generally - - -

MS GARTON: So, we have a system. We don't actually deliver rehabilitation

COMISSIONER SPENCER: Yes, right.

MS GARTON: We provide - and rehab providers actually take a licence to use our resources.

COMISSIONER SPENCER: Okay. Right.

COMISSIONER FITZGERALD: So, just so that I can understand this. You've got a particular approach, in relation to rehabilitation. As you say it's a program that is licensed to others to use, and you've defined it as a biopsychosocial rehabilitation system. Yes?

MS GARTON: Yes.

COMISSIONER FITZGERALD: The question I've got is: when DVA, for example, or the Defence, actually commissions or funds services, does it actually - is it prescriptive as to the program that has to be delivered, or

the way in which has to be delivered? Or is it simply concerned about, as you say, some certain goal attainments, which are reasonably recent, I might think. Because there's been no goal focus at all. So, they say we want these goals achieved, and they go to - and they fund services from an occupational therapist, or a physiotherapist, or a rehabilitation consultant or whatever it is.

Are they actually prescriptive as to what takes place in those sessions, so that a person could apply your approach, or do they actually say we want these particular - we want this service and we wanted it delivered in this way. So why can't your program be provided to rehabilitation consultants, or whatever the allied health professional is, and still meet the goal attainments, or the goal requirements of the department?

MS GARTON: Rehabilitation providers have used our service with DVA in that manner. However, DVA doesn't want to know the results of the Abilita assessment, which provides a domain report and breaks down the person's responses in six psychosocial - biopsychosocial domains. That's very useful, as I said, in terms of planning your intervention. DVA doesn't want to know that. All they want to the goal attainment scale, the life satisfaction index.

COMISSIONER FITZGERALD: Does your program provide those - those goal attainments and additional information, or does it provide - Does it provide a different set of information? So, if DVA says, "Look, we want these," whatever they are, "10 indicators," does your program deliver the 10 but additional information which they say they don't want or is your program providing quite different information and therefore they see it as incompatible?

MS GARTON: It's different information. What I'm actually doing PhD research at the moment on the benefits and challenges of implementing a structured biopsychosocial approach. And part of that has been a qualitative study where I've interviewed a lot of rehab consultants who apply a more structured approach. And what I've found is those who are working with DVA are telling me that they're encouraged to apply a psychosocial approach - so they're encouraged to help individuals return to activities that they value in the community, and in their homes, and their life et cetera.

But there is absolutely no recognition from anything written from DVA that biopsychosocial actually also means the individual understanding what's going on in their body when they're experiencing pain. Whereas a basic part of our program is to, first of all, help the person understand the physiology of what's happening, because it's only when you've got that

knowledge that you can actually, "Okay, so I'm doing something enjoyable, why is it making me feel better?" Well this is the chemicals you're pumping out, and this is what it's doing to your pain.

So there's a big chunk of the science of biopsychosocial that's not included in the DVA model. Does that make sense?

COMISSIONER FITZGERALD: Richard?

COMISSIONER SPENCER: Given that, at the end of the day, it's the well-being of the individual - - -

MS GARTON: Yes.

COMISSIONER SPENCER: - - - that this is all about, presumably you have a body of evidence, or a body of research, to show you will achieve better outcome for the individual.

MS GARTON: Yes. Yes.

COMISSIONER SPENCER: So has that evidence been - that's been presented as part of your argument, as to why this should be - - -

MS GARTON: Yes.

COMISSIONER SPENCER: But it hasn't persuaded them to change, by the sounds of it.

MS GARTON: There's always enthusiasm when we first speak to people.

COMISSIONER SPENCER: Yes, yes.

COMISSIONER FITZGERALD: It's getting people to change that's always (indistinct).

MS GARTON: Getting behaviour changed within the organisation is hard.

COMISSIONER FITZGERALD: I think cost implications to your approach. I mean it's - it's, as an additional element to taking into account, would there be cost implications for an entity that's really taking that that approach that your - - -

MR GARTON: Well, ironically the - the one that we - the pilot we did with Defence came up with the conclusion that it reduced cost of individual claim. It wasn't a very well managed study, but that was part one of the outcomes.

COMISSIONER SPENCER: Presumably the argument being that because the individual's more involved in their own - - -

MS GARTON: And it's more tailored to their needs. It's quicker. Targeted, and therefore you get a quicker outcome.

COMISSIONER SPENCER: And so, how comprehensively is your approach used, to your knowledge, around Australia? You've mentioned to us (indistinct).

MS GARTON: It's varied a lot over the years, and that's been largely because of encouraging the take up, and the change that's probably been involved from insurers and, those who are purchasers of the services. So, many providers were taking it up and not continued because they haven't had enough support from the purchasers as a group. Those who are still continuing to use it, are generally boutique providers who say this is the way we do business, we get good results and that's what we do, and we do it all the time.

COMISSIONER SPENCER: And is your PhD research around this issue, I assume, will that add to that body of evidence, about the better outcomes it achieved?

MS GARTON: It certainly will. Yes

COMISSIONER SPENCER: Yes, right.

COMISSIONER FITZGERALD: Broadly, obviously this is an approach that you've - you're committed to, and you've evaluated and believe it's appropriate. Do you have any other broader comments in relation to rehabilitation services or systems, generally? I talked about that right in the beginning, but just trying to inform us all more effectively, either in terms of the way in which DVA commissions rehabilitation services generally. I understand, for example the RAP program is about to go through some sort of transformation which brings the doctor back into the loop.

So have you got any broader comments about the rehabilitation system?

MS GARTON: Because we're not actually delivering the rehab services, so no, I wouldn't like to make a comment, I don't think.

COMISSIONER FITZGERALD: No, I know. I'm aware of that. But you're an observer of that.

MR GARTON: One of the major things we have experienced over time is the lack of data.

MS GARTON: Yes.

MR GARTON: When we started this program back in 2009, there was - what was the name of that comprehensive reporting system that the - - -

COMISSIONER SPENCER: (Indistinct).

MR GARTON: (Indistinct) compared every jurisdiction in Australia, whether it's got jurisdiction, including Comcare, Seaman's Compensation and New Zealand. And there was data available, and we could measure our outcomes against the data in the various jurisdictions in which we have data. But that all disappeared, people stopped producing data. And where they still do, it's not comparable with data that was published earlier. So that's been the major issue in our view, because we can from our - pulling our data together we've done comparisons, and shown that compared to other - other jurisdictions we're getting 30-35 per cent reduction in costs or time off work.

COMISSIONER FITZGERALD: So - - -

MR GARTON: So, data is the big issue. And the important thing about the Abilita program is it collects a lot of information about not only the individual's psychosocial issues, but all about the performance of the case, through its process, timing and client evaluation of what's being done for them. So we think it's a clear and comprehensive approach to management.

COMISSIONER FITZGERALD: And if you were to get comprehensive data, who collects that? I mean what's the - because you're talking about, as you say there, various workers compensation and other compensation schemes. So, who was collecting the comparative data?

MS GARTON: SafeWork Australia is now collecting what's available.

COMISSIONER FITZGERALD: SafeWork, and that's no longer available.

MS GARTON: Well there is there is a report that they put out, but it is limited in terms of - yes.

COMISSIONER FITZGERALD: Okay. But that was the body that was putting all this together. All right. We can have a look at that.

MR GARTON: And it was called something else as well.

COMISSIONER FITZGERALD: No, that's fine. Because one of the problems we've had is in the rehabilitation area, and I might say some others, the paucity of data, the paucity of outcome focused approaches, the lack of ability to actually determine whether or not we're achieving anything is - is frighteningly clear in this space. But we might go back and just see what was previously available. Any final comments that you have for us?

MR GARTON: No, I don't think so. I think we - well, just simply, a marketing bit about being ahead of the game. We were ahead of the game 10 years ago, and the approach we're adopting now seems to be creeping in around the country in various jurisdictions.

COMISSIONER FITZGERALD: Good. Thank you very much.

MR GARTON: Thank you.

COMISSIONER FITZGERALD: Thank you for that.

COMISSIONER SPENCER: Thank you.

COMISSIONER FITZGERALD: And could I have Mr John Kennedy. Thank you. Good, thank you very much. Just, after Mr Kennedy is finished, we will have an opportunity if anybody from the floor wants to come and make a short presentation. So that's available to you, because we've got a little bit of time. Thank you, Mr. Kennedy. If you could just give me your full name.

MR KENNEDY: John Edward Kennedy.

COMISSIONER FITZGERALD: Thank you. And are you representing yourself, or any other organisation?

MR KENNEDY: Just myself.

COMISSIONER FITZGERALD: That's terrific. Thank you very much.

MR KENNEDY: I do have an advocate, but he's not able to be here today.

COMISSIONER FITZGERALD: That's fine. So ,if you could make just an opening statement, then we'll have some questions and if you can speak up as loudly as you can, that would be terrific.

MR KENNEDY: Okay. My biggest problem is that I was going to have a whole pile of information here and my advocate told me that my information, no longer exists because it was part of the RSL fire (indistinct), and all of it burned away. But I do have recollections, and knowledge, and experience - - -

COMISSIONER FITZGERALD: That's fine.

MR KENNEDY: - - - over a quite a large period of time, where I've never danced the dance. I've never been able to get into to the competition. The information I have at the present time, is a - is a note from my doctor, saying that my situation will continue to the day I die. DVA, in early stages - and I'm talking about, my situation is - I'm not a - I wasn't in the armed services, I was part of the government department in Adelaide which maintained the Maralinga barrier. And we were involved with the maintenance and the security of the site.

Very, very interesting, in so much as that for years I try to get information that no one would tell me, no one would do anything, then nothing would happen. Then all of a sudden I made an application in - I think it was about 2006, to see if there was anything they could do to assist me with the medical side, because it had been ongoing and ongoing and ongoing, and I was getting paid for medical benefits. It was just never stopping. And then all of a sudden they, obviously, checked up through government departments et cetera, and they gave me a White Card.

Then when they had the article in the paper in, I think it was, 2017, they were going to give people like myself and contractors and all that sorts of people a Gold Card, and look at their compensation. And I didn't get the Gold Card, but I didn't get to November last year. I've had ongoing massive surgeries and the likes, and they've been painful. But the minute I apply for compensation they just, went, (indistinct). DVA didn't want to know anymore, and I became part of Comcare.

Comcare, well you might as well talk to the back of your toilet door, because you get more common sense out of it, than the person you speak to. We'll just say, if you do speak to my team leader, and then the team leader - they both fob you off. I've been hours and hours and hours, and end up from where I started, back exactly where I started from. No matter what state, wherever I go, what Department I go to. Even to the extent that when they said - they said, "Give us some information." So I got information and that, but they said, "We need information of when you actually worked and the paperwork from when you worked there."

I said, "Do you realise that's over 50-odd years ago? Where do you think I'm gonna get that from?" I said, "Also, weapons research, where I work, has now had five or six, at least, different names." So I said, "What I can do, is I can get information," because my direct pay master and also my records officer, and I do have a lot of work with them, and the wife of my direct boss and I do have communication with, like, two engineers. One of them has since passed away. The other one, I haven't been able to get hold of.

The fellow I directly worked for, his wife gave me a stat dec, saying that she knew all about it when I worked there, and all that the same again, and so did my pay master, the records for officer - fellows I worked with, all did stat decs. Sent them back, without the information they wanted, and they said, "Well, this is no good. We haven't got the information from the department." I said, "I've already told you that, when you told me to get this information, I already told you that I didn't have it because it's gone through five different departments, and they have no further records."

So I chased up the records with the Taxation Department, and the Taxation Department said, "Oh, no, we don't have records like that." They don't go back that far. I said, "Taxation Department doesn't go back that far?" I said, "I thought they went back to when Moses was here." But they said, "Well, you don't need to be like that."

So, they did everything I went there, was fob you off, fob you off, fob you off, fob you off. So I have got coming from them, because I got on to someone yesterday at Comcare, and he said he would send me back all my information. I'm more than happy if you think it'll be any benefit to you, to pass it on to you, and get copied of it for you. But it's interesting reading, and the reason I'm here is that if you come across it, I don't know how you'll get around finding out anything, because you don't - you can only get as far as the team leader, and they just completely fob you off, block you off, tell you when they want to tell you.

I said, "I've got a Gold Card. You must have some records to give me that. Doesn't just give me that because you like me. No answers. No further answers, just the doors closed slam.

COMISSIONER FITZGERALD: Could I ask a number of questions? So just to put this in context, you were involved in the British nuclear tests carried out at Maralinga?

MR KENNEDY: Yes.

COMISSIONER FITZGERALD: And the Government established a Royal Commission in relation to those nuclear tests in 1984

MR KENNEDY: M'hmm.

COMISSIONER FITZGERALD: Yes. And the Royal Commission recommended that the reverse onus of proof aspects of SRCA be extended to cover civilians and Aborigines who were in the area at that time, which the government did in 1989.

MR KENNEDY: M'hmm.

COMISSIONER FITZGERALD: Yes. And then there was a special administrative scheme which was created and then, eventually, the nuclear tests were initially classified as peacetime service, and you would have had access under SRCA? SRCA, the compensation scheme that DVA administers? You haven't had that - - -

MR KENNEDY: They told me nothing. Absolutely nothing.

COMISSIONER FITZGERALD: And then there was a review called the Clarke Review that said that it was now deemed to be non-war-like, hazardous service which meant that - and recognising people - the high incidence of cancers and PTSD, and they made some recommendations. And then I understand DVA, at some stage, developed a set of standard statements of principles guidance in relation to radiation dosages, and stuff like that. Were you aware of any of that?

MR KENNEDY: No.

COMISSIONER FITZGERALD: No, that's okay. And then finally, in 2017-2018, the Government extended the Gold Card to all Australian nuclear test participants. And you received your Gold Card as a consequence of that.

MR KENNEDY: Yes.

COMISSIONER FITZGERALD: And 650 Gold Card holders who were either nuclear test participants, or members of the British Commonwealth Occupation Force received those cards. So right at the moment, you've got the Gold Card because of that change, that recognition.

MR KENNEDY: Yes.

COMISSIONER FITZGERALD: But, in relation to benefits, you're now dealing directly and only with Comcare not with DVA. Is that correct, or both?

MR KENNEDY: No, DVA, they just don't want know about it.

COMISSIONER FITZGERALD: Do they acknowledge that your circumstances, those that were involved in the Maralinga and Emu Fields nuclear tests, actually have been recognized as being non-war-likes. Do they talk to you about these issues?

MR KENNEDY: After I got to my question, I asked him on the phone, was - how did they put it - they said that - can you run it through that again, please (indistinct).

COMISSIONER FITZGERALD: That one of the reviews, the Clarke Review, said, according to the notes that I have, that it should now be classified as "non-war-like hazardous service," which means you're entitled to a different set of benefits that had it been regarded as "peace time" .

MR KENNEDY: No, they never gave it - I haven't received any (indistinct) information and the likes. I never received anything, other than to tell them that I'm not - don't' qualify for them.

COMISSIONER FITZGERALD: So can I ask this question. Are you - has any claim, either through Comcare or DVA, been accepted?

MR KENNEDY: No.

COMISSIONER FITZGERALD: You indicated that your health needs are being funded. Is that correct.

MR KENNEDY: Yes.

COMISSIONER FITZGERALD: And can you tell me who funds those, to the best of your knowledge?

MR KENNEDY: The DVA.

COMISSIONER FITZGERALD: So, DVA has you as a client.

MR KENNEDY: Yes.

COMISSIONER FITZGERALD: In relation to services. In other words, to treat your - - -

MR KENNEDY: To treat something which is ongoing and will be to the day I die.

COMISSIONER FITZGERALD: So they recognize that you have these illnesses?

MR KENNEDY: They've got information that doctors says is that it is there, it is pertinent to the radioactivity and - - -

COMISSIONER FITZGERALD: So they recognize that it arose as a consequence of the nuclear tests?

MR KENNEDY: Well, they haven't said it in those words, they just said - their exact words, I think is that they give you the health card but they take no responsibility.

COMISSIONER FITZGERALD: Right. So, they've - but whilst they give you the health card, because of the government decision, they don't give you any pensions or benefits attached to that?

MR KENNEDY: No. I didn't ask for a consideration of pain and suffering, which is that was never going to end. And I've got it, and I've had it for years.

COMISSIONER FITZGERALD: Sure.

MR KENNEDY: I've got more patchwork that made from plastic surgery than anybody would wish to have, but I'm very fortunate. The people that I feel dreadfully sad for, are the people that were in the services and actually were there when the when the bombs went off. They would have been monstrously treated. I feel absolutely, totally ashamed to be an Australian, and I continue to be with the way they treat their servicemen.

I was always a very proud Australian, and I am very proud Australian, but I'm not very proud of our governments and how they treated the men of this country that have given their lives and done the things they've done, (indistinct) and generate who they are and what they are. And to me, that that burns more than the pain of these, because I came from big families, company families, and I always respected everybody and thought I would get respect in return. And I thought that, you know, if I did the right thing in life that life would take care of you.

I will never be a negative person. I will persist through. And if I don't get something well, I'll just say to myself, "Well, you did pretty well, boy. You don't see those people that got nothing, and their families today have congenital anomalies, and God knows what else, and have still never been (indistinct).

COMISSIONER FITZGERALD: John have you had need of services in relation to mental health issues, depression or anxiety, or things like that as a consequence of what happened?

MR KENNEDY: Well, I guess that there probably would have been times when they would have been fairly handy, especially when this all occurred. It was supposed to be a three hour operation, in at 8 and out at 11. And I got out at quarter to seven at night. It isn't much fun, but I survived and I'm here to talk to you today, and there's a lot of people worse off than I am. So I'm grateful for the opportunities I've had, and I'll pursue the hell I'm in today, just to see if I can benefit somebody by being here. That's why I'm here.

COMISSIONER FITZGERALD: Sure. So my reason for asking this question was, were you aware, if you had needed it, were you offered any counselling services?

MR KENNEDY: No.

COMISSIONER FITZGERALD: And do you receive - sorry. The Gold Card covers many services, and health services, mental health services and those sorts of things. Are you aware of the sorts of services you can acquire - - -

MR KENNEDY: No, I'm never looked into what it does cover. I've just submitted it when I've had the likes of this to happen. Which, I wouldn't know what that bill was, but that would mean pretty serious, I can assure you.

COMISSIONER FITZGERALD: John, my last question. Are you supported by any organisation. There are many ex-service organisations that you've heard of.

MR KENNEDY: I have had some services from an advocate, Mr Joseph. He was with the Darwin RSL, unfortunately that's not there at the moment. It's going to get rebuilt from what I can gather. But he's been the only help I've had. Tried very hard, but the bottom line of it is, is that you just can make so many phone calls and contact so many areas, and as soon as you mention Maralinga or weapons research, they go "Nope." And just get knocked all around the place, day after day, week after week, month after month, year after year.

COMISSIONER FITZGERALD: So can I just ask - my last question is just a question, just out of curiosity. The condition that you have is it - what was the nature of the condition that you have?

MR KENNEDY: It's continual basal cell carcinomas into the bone, into the brain area, et cetera.

COMISSIONER FITZGERALD: There was a scheme that was established, it was available to people where they developed cancer within 25 years of the tests. Were you aware of that?

MR KENNEDY: No.

COMISSIONER FITZGERALD: And you were able to claim compensation from the British Government.

MR KENNEDY: No, that was signed off and I got told nothing.

COMISSIONER FITZGERALD: You missed the claim - you missed the end of the scheme.

MR KENNEDY: Never even got out about it, to know there was a scheme.

COMISSIONER FITZGERALD: All right.

MR KENNEDY: At that stage, I was being operated on, the fellows that were previously - just operated me, just recently, they were being - the fellows that trained them were operating on me in Calvary Hospital in Adelaide. And they knew about what the situation was but, I didn't have any knowhow or background to be able to question the situation, because I didn't - - -

COMISSIONER FITZGERALD: Nobody had advised you about all of these changes and possibilities? I'm not suggesting that you would have been, necessary, eligible for any of those matters that I've referred to - - -

MR KENNEDY: No, and I don't take it that way, either. In my experience - - -

COMISSIONER FITZGERALD: But you weren't advised about those sorts of things?

MR KENNEDY: No, none whatsoever. No.

COMISSIONER SPENCER: John, just additional question. You mentioned the - your advocate may have been here today, and there were records that had been destroyed.

MR KENNEDY: Yes.

COMISSIONER SPENCER: So, are those all historical or is there any current - is there any current activity or claim you're engaged with DVA on?

MR KENNEDY: As I said it is not - it's DVA, I've gone all with Comcare.

COMISSIONER SPENCER: So, did your advocate ever think of going to the Veterans' Review Board, to challenge - did you discuss that?

MR KENNEDY: No he hadn't, because he was going through this Comcare process, and that's fairly comprehensive information that they want and we actually had a solicitor, someone that he knew that knew someone, could get government information, supposedly, from Dubbo in New South Wales, in the archives there. But when I was speaking to him yesterday, again, he said, "John, I wouldn't hold my breath," and now saying that they don't keep them that old, but you and I both know they do, but that's the answer you're going to get.

COMISSIONER FITZGERALD: Sorry. But there's no doubt that you were there? You've been accepted, you've been given a Gold Card. The Gold Cards were given to those who were, using layman's terms, part of the nuclear test program.

MR KENNEDY: Yes.

COMISSIONER FITZGERALD: So, they don't doubt that you - - -

MR KENNEDY: (Indistinct) Commonwealth release to the fellows that I mentioned to you, I have got the paperwork where they've sent me the - sorry, I'm a bit slow thinking.

COMISSIONER FITZGERALD: That's okay.

MR KENNEDY: Stat decs. They've got copies of that, or well, I believe it. And I've asked for a copy of that to be sent to me, so that if you gentlemen, it's going to be of any benefit, I can just forward it on to you.

COMISSIONER FITZGERALD: We're interested in the issues that you've raised, John, and that's very important. But I don't need the actual details, at this stage.

MR KENNEDY: All it does is it shows you a process. That's all.

COMISSIONER FITZGERALD: Yes, that's fine Richard?

COMISSIONER SPENCER: No, that's fine.

COMISSIONER FITZGERALD: In relation to - there are a number of groups that have served their country in different ways, like you have, and have been affected by it, and they fall between the cracks. But in relation to your own area, this - this whole area was subject to a Royal Commission and I am surprised that you've had such difficulty in having these matters dealt with over that time.

MR KENNEDY: If you do an exercise with any Government department, and you mention Maralinga, that is the worst word you can mention because they would say, "No, I don't have" (indistinct), and so-and-so, I don't know (indistinct) to so-and-so. And that goes on, and on, and on, and on. I just got to a stage where I was saturated in the brain with all the things that I tried to do, and people I tried to contact and got fobbed off, that I then spoke to Mr Joseph, who has been doing his best but unfortunately the RSL got burned down and stopped us in the middle of our tracks.

And that area, it seems like that I'm still chasing the wild goose that's never going to be there, by the look of it. But, as I say, I'm here today purely to - if I can be a benefit to somebody else, with someone like yourselves that are trying to their damnedest to make something happen for them, then I hope in some small way I might have added to that situation for them.

COMISSIONER FITZGERALD: Thank you very much, and we appreciate you appearing. So, thank you very much.

MR KENNEDY: Thank you.

COMISSIONER FITZGERALD: That's good. Thank you, John. Just get through it.

UNIDENTIFIED SPEAKER: (Indistinct).

COMISSIONER FITZGERALD: Yes, we have. So, look, we've got Phillip Sutherland, is that right? And then Terry and Diane, is that right? So what we might do is just take a five minute break. Some of you may need to do that. There is tea and coffee out there, I say with expectation. And then we'll come back and have any final presentations. Thank you.

SHORT ADJOURNMENT **[10.55 am]**

RESUMED **[11.20 am]**

COMMISSIONER FITZGERALD: Okay. Good. So can we have Mr Sutherland? Phillip Sutherland, please? You know the drill?

MR SUTHERLAND: Yeah. Know the drill.

COMMISSIONER SPENCER: Grab your seat.

COMMISSIONER FITZGERALD: No, that's good. Are we set? Good to go? No, that's fine. Phillip, if you can give your full name and any organization you're representing, if you are.

MR SUTHERLAND: Phillip Sutherland. And I'm just representing myself. No organisation.

COMMISSIONER FITZGERALD: Terrific. And Phillip, if you can just give us a brief statement and then we'll have a chat.

MR SUTHERLAND: Yeah, I served in the military from 1981 through to 2012 as an infantryman, as well as operations in East Timor, Iraq, Afghanistan and a few others. And I've been in the DVA system, probably since about 1989.

I, during my service suffered a number of injuries and I have a number of accepted claims to Gold Card level. And within my service, I've not only dealt with DVA personally, but I've also assisted serving and ex-serving members in their claims. And a couple of things that through my opinion - is DVA is like an insurance company. You put in a claim and, unless you have a clear advocate that they see on the documentation, they will try and immediately knock back as many claims as possible, so as they get the rule of percentages where how many will reapply. Okay.

And I've seen – that's through the experience of seeing people who I've dealt with who put a claim in, did not have an advocate, and their claims were, seemed to be fairly immediately knocked back. So that's – that's one of the issues. So the other – so, you know, my advice has always been to have an advocate. Now, the - the issues with the advocates - and you know, God bless them for what they do - is the limited experience. For instance, the fellow that we just heard with the weapons testing, he falls in the middle of the non-war service and war service, so that's a bit of a grey area to a lot of advocates as well.

So depending on your advocate it can really represent the outcome that you get from DVA. DVA has a lot of good people working for them. However, the system itself is convoluted and absolutely ridiculous. You know, when you've got a fellow who has problems using a mobile phone that has to go to an online system, that's not a good system. When you have to wait on the phone for sometimes up to an hour to get through to a person in DVA, that's not a good system. When you get - when you ring up a number of times asking the same question and you get a number of different responses, that's not a good system.

The other thing is, is I've got accepted conditions because I go through the range of Acts from 1981 through to, you know, present day. Under one Act they'll accept a condition. However, while the Acts have supposedly improved for the benefit that condition is accepted under, that's supposedly not good enough back in the back in the past Act - but you cannot – you - your – it does - your case does not progress with the Acts.

And a perfect example of this is I had to go for major surgery, and so I contacted DVA in relation to work coverage. So, when you're in uniform, if you have an injury, you are not only entitled to free medical treatment, but you are also covered for your income, if you're off work. However, when you leave Defence or the military, you become less of a person because that doesn't occur. You do not get - you do not have an entitlement for the same coverage, even though it's the same injury.

So I contacted DVA because I had to go in for major surgery and I knew that it would be quite a bit of time off work. The first response I got was, "Yes, you're entitled to income coverage." Then, after about six more phone calls to DVA, it was discovered no, no I wasn't. If I was under one of the more current Acts then I may have been, but because I wasn't, there wasn't entitlement. So, that's fine, so - and you know - and people only know what they know. But there is that issue where you do get different information from the DVA employees.

One of the issues that I have, as well, is because under the Act I was entitled to a token payment for my time off work, so it wasn't worth coverage. So it's not in line with any government's policy of keeping all the people in the workforce and supporting veterans in the workforce, because what happened was, is I've had - I had to take my sick leave and I had to take my recreation leave to cover the operation and the recovery from that operation. So that was effectively the Federal Government passing the buck on to my employer. So where – and if I was self-employed, you know, unless I had WorkCover, you know, you don't get full income coverage. So, you know, to me that is absolutely ridiculous.

Now, we see that there's a range in the workplace of all this paid leave that you can get. So there's maternity leave, there's cultural leave, there's all sorts of leaves that you could be entitled to. So why doesn't DVA have a veterans medical paid leave? And it could be a six week allowance a year, where if it's used, it's used; if it's not, it's not, you know, but for specific treatment and recovery from accepted conditions.

I suppose the other issue in line with that is, I contacted the Prime Minister, I contacted the Opposition Leader, I contacted the Minister for Veterans' Affairs to articulate that this was wrong and it was an issue. Zero response.

Now, we talked about all these bodies and everything that, you know, that's available to veterans. One of the things that I think was just highlighted by someone who was previously up here is you can only know what you know. So this idea of "Oh, we've got these great websites and we've got all this information and everything else"? That's DVA being reactive, not proactive. You know, I have never received a phone call from DVA to say, "How's everything going?"

You know, there's also the fears that are put out there. And these are, while I've been dealing with other ex-serving or serving members; there's a few out there, that they've, you know, they've got this wonderful White Card for a specific treatment. However, if they try to get other injuries acknowledged, they could lose it altogether. So they can lose access to

what they've already got and somehow that was coming through some of the advocates. They'd say, "Look, be careful." You know, if you put in claims they could always turn around and say, "Look, you magically got better," even though you've got a degenerative disorder that will never get any better.

So there's a lot of fallacies out there and I think the old "just go to the website and magically find everything in there, find your entitlements and everything else", doesn't work.

COMMISSIONER FITZGERALD: Okay.

MR SUTHERLAND: So there – you know, it's just a convoluted system. These Acts: how can the Acts change but leave the person behind? You know, if the Acts are changed to improve then the person's benefits and rights should improve along with the Acts.

COMMISSIONER FITZGERALD: Could I ask a question, Phillip? Do you – you've put in multiple claims over a period time?

MR SUTHERLAND: Yes.

COMMISSIONER FITZGERALD: And you've indicated that you've been a client of the system since 1989?

MR SUTHERLAND: Yes.

COMMISSIONER FITZGERALD: Or thereabouts. So a long way. One of the previous gentleman was - we were talking about whether or not they were assessed at any stage. Now, the Acts vary as to how you deal with disability, and we agree with you. They completely – they're complex Acts. Anyway, we've made some recommendations about that. But do you ever get assessed as a whole, so that they actually - have you had a medical assessment, which has looked at you in totality and said, you know - - -

MR SUTHERLAND: No, not at all. Not really. What they'll do is the only whole type of assessment that I got was relating to two specific injuries. So, you know, it may be you've had your, you know, your knees reconstructed, your shoulders reconstructed, but it's not - it doesn't take into account how all of those injuries together affects you on a day-to-day basis.

COMMISSIONER FITZGERALD: Correct.

MR SUTHERLAND: Like, I can come to work and I can sit down, you know, do what I need to do, but then go home and collapse because all those things are, you know - - -

COMMISSIONER FITZGERALD: Sure. So you've not had a whole of, sort of, a whole person sort of assessment.

MR SUTHERLAND: No, no.

COMMISSIONER FITZGERALD: I just should be clear. One of the Acts requires you to look at individual injuries and others – and one of them doesn't. Just coming back. The issue about not knowing what you don't know.

MR SUTHERLAND: Yes.

COMMISSIONER FITZGERALD: It's a very important one. Have you had recent dealings with DVA as a client?

MR SUTHERLAND: Yes, yes. In fact my dealings was late last – mid to late last year.

COMMISSIONER FITZGERALD: So you were aware that this transformation program or veteran centric reform is being rolled out and part of that is My Service.

MR SUTHERLAND: Yes, yes.

COMMISSIONER FITZGERALD: And there's a new way that you'll enter the system and you indicated that people that are not literate in relation to, you know, modern IT, would find that a bit of a problem?

MR SUTHERLAND: Yes.

COMMISSIONER FITZGERALD: But was your experience that those changes were beneficial to you, or not?

MR SUTHERLAND: Well, the thing is, is the system being rolled out hasn't really engaged with the people who are using it. So they're, you know, they're rolling out the service and everything else but the reason I found out about it is because I went in one day, opened it up - I went, "Oh, what's all this? It's all changed?" You know, so the rollout hasn't been, you know, I don't think it's been a great rollout. And, you know, you've got to look at – when I – it's a negative term – but you've got to look at the

people who are using it, you know, you've got people with eyesight issues - you've got - - -

COMMISSIONER FITZGERALD: Sure. So can I ask, sir, did you actually use it?

MR SUTHERLAND: Yes. I – well, I started to use it, so I've used it as far as the vehicle booking system. But however, for other - because some of the policies and some of the, what is it, quick fact sheets and everything else, there's still areas of interpretation. So there's still areas of interpretation where you sit there and go, well, what does that really mean?

COMMISSIONER FITZGERALD: Sure.

MR SUTHERLAND: And then you ring up DVA and then that's when you get, "Well, I've" - and this is exactly what I got: I got the interpretation from one person at DVA saying "I interpret it this way." But then I got another one who was saying, "I interpret it that way". So even the people who work in that system have problems understanding it.

COMMISSIONER FITZGERALD: Because one of the - one of the aims of the system is to reduce the need for advocates, not to zero, but to reduce the needs. But what we've heard this morning and many times is it all depends on the information you put in, you the claimant. And so without good advice and clear understanding, you may well input information or terms that have consequences.

So I suppose we are struggling with, yes, we want an improved system. There are early signs that My Service is improving, but there is still the issue about, you know, having enough knowledge to be able to put in a claim which is beneficial to your interests.

MR SUTHERLAND: In all honesty, through my experience and seeing the experiences of other people, they can put whatever electronic system they want on there. I would still go for a physical advocate because the trust in the system is not there. So - the trust in the system is not there.

COMMISSIONER FITZGERALD: You indicated that you are under multiple Acts?

MR SUTHERLAND: Yes.

COMMISSIONER FITZGERALD: Are you under three Acts?

MR SUTHERLAND: Yes.

COMMISSIONER FITZGERALD: And as you may have heard earlier, one of our intentions is to try to get to a situation where there are two schemes and you're in one or the other. Now, that will take some time and it's not easy to achieve. You may not have an answer to this, but does one scheme work better for you than the other? Does one Act work better for you than the other?

MR SUTHERLAND: You can't tell.

COMMISSIONER FITZGERALD: Yes, fair enough.

MR SUTHERLAND: Honestly, you can't tell because you don't know which scheme is working on what because it is so convoluted.

COMMISSIONER FITZGERALD: Complex. No, I think that's a very fair answer, so thank you for that.

COMMISSIONER SPENCER: Phillip, have you engaged with the Veterans Review Board at all, as part of your claim?

MR SUTHERLAND: No.

COMMISSIONER SPENCER: Okay.

MR SUTHERLAND: I've written directly to - so I tried to engage with the RSL with which it – sorry - issues to do with DVA.

COMMISSIONER SPENCER: Yes.

MR SUTHERLAND: I have spoken previously to Ministers of Veterans' Affairs in Canberra. And no, engaged with the politicians, so both sides including local and it just seems to be, you know, you get the old, "We acknowledge receipt of this," and then you don't hear nothing back.

COMMISSIONER SPENCER: And through all your claims, you always use an advocate?

MR SUTHERLAND: Yes, yes.

COMMISSIONER SPENCER: And that worked well for you?

MR SUTHERLAND: Depending on the advocate, you know.

COMMISSIONER SPENCER: Yes.

MR SUTHERLAND: It is depending on the advocate. Because of my military experience and as I said look, you know, I think the people who do those jobs, because they're not doing it, you know, a lot of them are just part-time. And from their experience from, you know, many moons ago, type of thing. And, you know, some of them - some of them don't have relevant information. You know, so it depends on the quality of the advocate.

COMMISSIONER SPENCER: And look, I suppose a general question. You're describing the whole range of frustrating circumstances and dealing with the Department. So if you step back and said well what are the couple of things I would want to see changed?

MR SUTHERLAND: Yes.

COMMISSIONER SPENCER: What would have made that journey for me easier; what would those look like? What would your expectations be?

MR SUTHERLAND: Well, the expectation is, if, you know, more trust in the organisation to start off with. So, I trust that they actually are - because, you know, I trust that DVA are the advocates for you to, you know, get your entitlements or get the support you need or whatever. So that is one change I'd love to see. I'd love to see veterans and ex-veterans be able to turn around and say, well, "DVA is there for me". Not, "I need an advocate and then DVA may be there for me". So I'd like to see that trust change.

The communication: I'd like to see the communication change and the accessibility for communication. If there's any, you know, in these fact sheets and in the policies and everything else, if it's open to interpretation, then that's an issue.

And especially when the DVA people do not, you know, they have their own interpretation on the same – on the same document or policy. So, probably – I don't know what the training's like for the people in DVA that you actually contact, but, you know, do they have sessions where they all get together and say, "Well, this is a fact sheet and this is exactly what it would say"? So more clear?

And as I said, if there's any change to DVA, bring the person – sorry – any changes to the Acts or whatever: bring everybody along, you know?

Don't leave the people back there in 1980/81, under something that is not up to standard today. Because if I was under a different Act, I wouldn't have had to use my sick leave and I wouldn't have had to use my recreation leave to cover something that should be effectively covered by (indistinct).

COMMISSIONER SPENCER: No. Thanks, Phillip. And on communication. We've heard this several times. So, I think, to be fair to DVA they're trying to address this issue but we've sometimes heard from veterans who have lodged claims and they've gone to the VRB and VRB has this outreach program where they phone or make contact with the veteran and then have a conversation. Sometimes we've heard the comment, "That's the first conversation I've had with somebody who's really been listening or engaging with me."

MR SUTHERLAND: Yeah.

COMMISSIONER SPENCER: So, some of our recommendations go to trying to bring those processes much earlier and upfront to avoid confusion, to avoid some of the issues you're talking about. So more of that would be helpful, I'm assuming? In your experience?

MR SUTHERLAND: We're - because I had a number of soldiers come up to me and go, you know - or I've said to them, "Come to me with your records. We'll sit down and we'll go through them." That's what DVA should be providing. They should be providing where you can go in with your records and sit down and they will go through and say, "Well, this is what, you know, these are what your claims should be."

Because currently advocates do that, you know, or individuals, like there's so many individuals that say, "Oh, you know, I had this injury back in this day" and then you sit here and you go, "Well, have you got a claim in for it?" "Oh, no, I did it doing this" or, you know, whatever. And they just don't know.

So if DVA wants to put their face forward as an organization that is out there to help, that's what they should be doing. They should have, where – you know, where veterans walk in and say, "Okay, you know, it's now been 10 years since you last, you know, since I last put it in, you know, my knees are getting worse, my shoulder's getting worse, my neck's getting worse, my back's getting worse. What should I do? You know, but there's not really that. You know.

COMMISSIONER SPENCER: No. Thanks, Phillip.

MR SUTHERLAND: No worries.

COMMISSIONER FITZGERALD: Just going back to this paid leave issue. You've made the point. But you just said then when you were talking to Richard, do some Acts provide for paid leave?

MR SUTHERLAND: My advice, so - - -

COMMISSIONER FITZGERALD: Pay income support is the real term.

MR SUTHERLAND: My advice was yes.

COMMISSIONER FITZGERALD: Right.

MR SUTHERLAND: So my advice is (indistinct words) and, as I said, I think it was about - I think it was about six phone calls. So, first of all, I rang up and they said, "Yes, no worries," you know, "If you're off work, we have income coverage."

COMMISSIONER FITZGERALD: Yes.

MR SUTHERLAND: Then when I rang up to reconfirm something, they said, "Oh no, you're under this Act, so you're not entitled to income coverage. You're entitled to an income payment, which was, you know, it's nowhere near your income. So, and I responded, saying, "Well, that's great. Who's going to pay the rest of my mortgage (indistinct)?" But then I was told that if you apply under this Act, you know, if you apply to have this under this Act, you may be entitled to income coverage. And I said, "Well, how do I do that? And they said, "Oh well, we don't really know. We'll get back to you." And never got back to me. So my understanding from the advice from DVA is if I was under a more modern Act that there's income coverage.

COMMISSIONER FITZGERALD: All right. Well, we're trying to harmonize some of those provisions. But they're not easy. But, yes, I understand that. Can I ask one last question? Were you an active user of ex-service organizations in supporting you through, you know, post-service activities?

MR SUTHERLAND: No, no.

COMMISSIONER FITZGERALD: And do you have any views about whether or not ex-service organizations can be used by governments to leverage better service or support for ex-service personnel?

MR SUTHERLAND: Yes. I, look, I never used them personally. I did have engagements with them and I believe the - those sorts of organizations: yes. Definitely. You know, depending on the organization, and depending on what they could have as a, you know, what their charter is and what they want to produce, you know. If they're in it for themselves in some way, maybe not as much. But if they're in it for the right reasons, yeah. But I'm a bigger advocate for organizations like Soldier On, and yes, other organizations like that. I think they have a definite place and governments should be listening to them as well.

COMMISSIONER FITZGERALD: Well, just lastly on that last point. Just my last question and it's not something you've raised, but I'll just raise it and you may or may not have a view on it. Moving into employment within the territory itself, you're working within the territory?

MR SUTHERLAND: Yes.

COMMISSIONER FITZGERALD: Were you in the Army when you left the territory?

MR SUTHERLAND: Yes.

COMMISSIONER FITZGERALD: You were in the Territory. How easy is it for people to transition into employment within the Northern Territory environment from your experience? And the second part of that is, are there specific things you think we need to be looking at? We have made some references to employment.

MR SUTHERLAND: Okay. I'm actually really glad you brought up that point. I used to – look, Defence has a transition. Okay. Transition seminars. That is basically where they sit down Defence and they say, right, when you go, you're entitled to this. You're entitled to that, you know, you're entitled to this. That is not reintegration. Okay. And what I think is the thing that's missing and I tried to help instigate within the Territory is reintegration.

So getting people to have, like, a period where they can actually go to private industries or government or whatever, and do a transition period. And there was a number of companies, locally, that were very keen to assist on that. So it was a way that an assessment can be provided back to Defence saying, you know, this guy, you know, or this girl, integrates really well - all these issues.

Then it would also give the industries the opportunity to say, well, you know, this person is definitely someone that we may want in our system. So that was something. I think the Northern Territory Government is extremely active in trying to capture ex-serving personnel. Look, it's the same anywhere in the state. A lot of service personnel, after being in for many years, like, as I said you know, I was in since I was 17. You walk out the door and you go, "Geez, what can I do?" Okay.

So the problem is the soldiers still do the same thing. They have problems when they walk out and they go, well, I've served overseas, you know, and I've, you know, done this, done that. But they don't realize what the value is - what their values are for private industry or for employment. I think the Territory does it a lot better than some of the other states or territories. And I definitely think, though, there's a lot of room for improvement nationally on that, you know, and capturing - you know, we have some of the most qualified people that have some of the most sought after skills. And when they go out, they just have no direction. They have no real assistance about, you know, they go – well, you know, I've used some of the most modern communications equipment in the world. You know, I've turned up for work every day, you know, on time. But there's just no one there to catch them.

COMMISSIONER FITZGERALD: In relation to that - you indicated - did you actually try to promote the program where people would spend some time with an employer.

MR SUTHERLAND: I tried to.

COMMISSIONER FITZGERALD: And what happened to that?

MR SUTHERLAND: Well, I went through, and this is where I had a conversation down in Canberra, many years ago, because at that stage I was working for the Defence Reserve Support, so Federal Government. And I spoke to a number of organisations, and some of them it was all too hard. "Oh no, no, no, we can't." Because you've got to be careful because I tried to instigate that with people being medically discharged. Because you've got to watch the whole idea about being poached. Because, you know, the military does not like their people being poached for obvious reasons.

So that's why I tried to instigate it with people who were medically discharged. However, I got this – you know, it was all too hard. You know. It was all too hard. All too difficult. Even though we had a number of industries and industry bodies that thought it's - - -

COMMISSIONER FITZGERALD: That's a good idea. Okay. Thank you.

MR SUTHERLAND: But, you know, and that's something that DVA should be very, very - very focused on, is, you know, forget about transitioning. Okay. Because that's what the military do to kick them out the door. And I mean that in the nicest way. But reintegration. You know, if we help our, you know, our ex-serving members reintegrate, then we would assist on a lot of other problems. Because when you get out and you think, "Well, I've never been unemployed; now I'm unemployed."

COMMISSIONER FITZGERALD: Sure.

MR SUTHERLAND: You know, the scare factor, the fear factor.

COMMISSIONER FITZGERALD: Okay. Thank you very much. That's been very helpful. Thank you. Thanks, so much.

COMMISSIONER SPENCER: That's good. Thanks. Thank you very much for that.

MR SUTHERLAND: Thank you.

COMMISSIONER FITZGERALD: Yes, that's all right. So, could we have Terry Sirianni and Diane Leven, is it?

MS LAWRIE: Lawrie.

COMMISSIONER FITZGERALD: Lawrie, okay. Sorry. Good. Grab a seat. You know the drill by now? So that's good. Terry and Diane, if you could both give your individual names and any organization you represent, if any.

MR SIRIANNI: So, my name's Terry Sirianni. I don't represent any organization. I did 25 years full time service Army.

MS LEVEN: Diane Lawrie. I'm just here as a veteran so I don't represent anyone either. Joined in 1981. So, I've done 34 years continuous full time service, until I was medically discharged.

COMMISSIONER FITZGERALD: Okay. Thank you. Please, just an opening statement. Are both of you giving different statements?

MR SIRIANNI: In some respects.

COMMISSIONER FITZGERALD: That's up to you. Anyway, please.

MR SIRIANNI: I'd just like cover - you did mention the Gold Card and using the Gold Card. I did notice on the report that one of the RSL's actually recommended not to have the Gold Card in the future, to remove it, because it's hampering rehabilitation. I don't know if that's a good or bad thing. I noticed with the Gold Card, in using it, that if you go to an organization, you're not paying the full rate. For example, a physio basically said when using the Gold Card, they were happy for it, but the amount of time that they spent talking to DVA in reference to trying to get an item such as a Swiss ball for you or another item - that took up a lot of their time and they weren't paid for it. So, that was one of the reasons that he said he would not take any more Gold Card holders. And I basically had to leave that physio to go to another one that did - was a bigger organisation.

Yes, I was just interested to see what and where the Gold Card was going in that respect and I noticed My Service, when you open it up and you go to the Gold Card area, it's got what specific injuries are on that card and whether the Gold Card is going to go to a - if you do go to a provider - they will only have a look at what's on your Gold Card and only treat you for what's on your Gold Card. So I'll be interested to see where they're going with the development of that.

You were also touching on advocates. I noticed, whether you use an advocate or not on DVA. I did speak to a lawyer in Melbourne. He said that DVA do use a lot of lawyers in their organisation and advocates get muddled up with the three Acts. So, sometimes the advocates are overwhelmed with the situation and basically the lawyer's comments were that when you do put in a claim, it does go through their lawyers and they do use a lot of lawyers and his recommendation was to start using more lawyers. Or whether that was a lawyer promoting to try and get money from our members, I'm not too sure.

I know it's in the report also, that you want to put a lot of onuses back on Defence, which I think is a good idea. I did do three years as a recruit instructor at Kapooka and I did notice that some of the recruits coming in were not up to the standard required to be there. For example, we had a beep test. You must pass a beep test to actually come to Kapooka. I don't know if you understand what a beep test is?

COMMISSIONER FITZGERALD: Yes, I do.

MR SIRIANNI: They were not up to the required standard because we run our beep test when they first get there. There would be at least five to

10 recruits at that stage that were not up to standard to pass the beep test. So, how they made it to that process and through that process; I'm unsure. So putting it back onto Defence at some stage, I feel would be actually a good idea; when you do get discharged, Defence will have to look after you. At the moment, I feel that once you are discharged from Defence, they just basically pass you off to DVA. It's a different organisation, and they sort of cut you off.

I noticed with using specialists - so if I was to use a specialist for a claim, if my doctor sent me to a specialist to get a report to (indistinct) to DVA. DVA, in some circumstances, will fly - especially up here in Darwin – will fly a specialist up for the same injury and try and get a - the same report or a different report. So, unsure if DVA is doctor shopping to get the report that they want? That's something. And there's a cost involved in that. If we do see a specialist or a psychologist, where does that report go, and why does DVA send up or redo the same claim with their doctor/ specialists or psychologists?

When you do get medically discharged from Defence they don't issue you with an ID card. So basically once you are discharged medically, you can no longer get onto bases. So if you want to access transition cells or anything like that, anything on the base, you basically can't get back on. So we've raised that with our local member, our Federal Member to see what could happen; whether Defence is interested in issuing members that are medically discharged with an ID card.

The other point I have is VRBs. If we have a claim rejected by DVA and it goes to the VRB and the VRB accept that claim, why is not then, VRB going back to DVA and saying "Why was this rejected?" "Why is there not a follow up?" "Why is there not communications?" Would that stop more claims from being rejected? I just find there was not a lot of communications that was happening there.

The other big thing that stops a lot of claims, within my experience dealing with soldiers and stuff like that, is Defence doctors. They're fairly overwhelmed and they have a big workload. However, when you're submitting a claim, especially if you're a complex case, you've got to do multiple forms; you've got to see the doctor multiple times. Being in Defence, a lot of the soldiers cannot see the same doctor twice. And if they are posted, they have to restart the whole process again. So, explaining that each time you see a doctor and doing different things can hamper the claims process.

And that's about all I have so far.

COMMISSIONER FITZGERALD: That's terrific. I will come back to you with some questions. Diane?

MS LAWRIE: Okay. I'm complex. I'm over three Acts and I've got claims under different Acts. I've used advocates in the past. The advocates are very well-meaning, very passionate, but because of the complexity the three Acts, I have found, to my detriment, that the advocates were out of their depth. So I was advised to get a lawyer. I was advised that I was entitled to Legal Aid because I'm a veteran. So I reside in the Northern Territory, I applied to Legal Aid in the Northern Territory and got a letter back saying, "No, you're not entitled." Because my AAT case was in another State. So I was a veteran in the Northern Territory, my lawyer, who understands veterans and complexity was in Melbourne and my AAT case was in Queensland.

The lawyer did try to move the case to Melbourne or the Territory, but that didn't work. In the end, I pulled out of the AAT. I had a bit of a breakdown over it all. Because my journey through DVA has been over a few years, I've dealt with a couple of different advocates who I've said, are well meaning, out of their depth. I did speak to the advocacy review, when they came to Darwin, and they said we haven't thought of the complexity, so they noted that.

And what the gentleman said before is you don't know what you don't know. So I joined the military at 17, as a result of Cyclone Tracy. So I joined out of, "I'm going to give back to my country." When I was medically discharged 34 years after that, I was devastated. It's not the path. In fact, I fought for a good two years to stay in Defence, but I was so complex and so broken. And Defence were brilliant. But there I was out of the ADF after everything I've contributed. And I've done a lot of work for women in the ADF. I've done a lot of special stuff but there we were, so I was broken, and then I transitioned to DVA and I had an advocate.

I made the assumption that I would be treated with respect. I never felt that. I made the assumption that I would be believed. That hasn't been my understanding. When you – so Defence, when they transitioned me to DVA were very good and did what they could. Because some of my injuries went back - under VEA - went back a long time, proving specific incidences was almost impossible. And then it became traumatic, particularly when I thought - when I felt - when I realized I wasn't being believed. So, so much of it is on the veteran and where the veteran's at and what the veteran's support is and how they're travelling. So the advocates is a good system but not if you're complex. And DVA had lawyers and the veteran has advocates.

My husband mentioned when you're out of the military, you're out of the military. So you hand in your ID and you're off the base. I had to cancel my bank account that I've had for 25 years. I no longer could get access to my doctor that had - who knew me, having been so complex. It was a distressing situation. And then recently - I've been out 18 months now - I have to go back to the transition cell. All that's on the base. Well, to try and get access to the base, you know, it depends on who answers the phone. So it's just - I'm a big believer - someone mentioned before about - that we have a centre - I don't know what you call it. Dan's trying to set something up - where it's a one stop off the base. Advocates, pamphlets, because you also don't know what's out there. Just a place that people can go to. I'm not a person that can go to the RSL or go to Soldier On and places like that, but I think it's - there needs to be a place where, if you're so broken, even if you don't go in. My mother would have gone in to say, "What's available for this broken - that's been let - broken person who's been left with the families to deal with?"

You asked me for – you touched on it before about the Northern Territory, you know, and State and Territory supports. I know in South Australia they've got an amazing centre called the Jamie Larcombe Centre. Because I know the Larcombe family. I went to their son's funeral. I'm so jealous, it's such a great, great place for people with physical and mental issues. We don't have that in the Territory for reasons various.

I went to visit my daughter in Canberra recently, and they've got Soldier On, and they've got some fantastic things. We don't have that in the Territory. We have an RSL which is imploded. So as a veteran not only does it depend on your advocates and the strength of your family and how you transition, it also depends on what's available in that State or Territory.

My experience is DVA, going through the DVA process exacerbates every injury you have. If I, you know, I was a broken soul when I left, well, I fell even further. And I have never, DVA have never reached out to me. And as I've had claims put in where a word has been wrong or the - hasn't filed the SoP, I – you get a letter back to say no, your claim hasn't been accepted. And that's it. And I had one particular claim that said, no, it hasn't been accepted. And then I met another advocate who said, "Oh no, just fill in this spreadsheet to go with all your specialist reports." And it was accepted. I find that disgraceful and heartbreaking. And I was very lucky that I met the second advocate.

My preferred - I still don't understand the Acts. I understand they're starting to work against each other and luckily I have a lawyer who I pay

for to explain what my best options are and how that's going to work for me because I'm not in the space to work it out and I haven't had the advocates. I find an advocate (indistinct) explain that to me but from what I can see the VA is the best and I say that because the VA has you for life. It's my understanding that under MCRA and MRCA, at 65 (indistinct). I don't know how that's going to work when a veteran, at 66, walks into Centrelink or however it's set up to request assistance, because we tend to be proud. We've been trained differently.

Whereas, I'm very lucky - and I shouldn't come down to luck – that I'll be covered for life. And it's my perception - I can't remember if I said it before - if someone asked me what I think of DVA - it's insurance. They fight everything. And as my husband said, you'll go to a specialist, the specialist will give you tests, make a recommendation, it goes to DVA and then they'll bring someone else up. You know. I think - I'd like to think that through these sort of inquiries that DVA will be reminded that they're there for veterans.

COMMISSIONER FITZGERALD: Good. Thank you very much for both. If I could just perhaps start with you, Diane, if I might, just for a moment. You've recently come out of the service only 18 months ago, is that correct?

MS LAWRIE: That's correct.

COMMISSIONER FITZGERALD: And you said that you were fighting to stay in? Yet, am I correct that you were medically discharged in the end? With the streams for people that are being discharged voluntarily, they're just choosing to leave; or those that are being discharged because of medical conditions, or administratively discharged, are very different; notwithstanding the fact that you were fighting against that, did you find the Defence dealt with your discharge appropriately when you now look back on that? Do you believe that the systems inside Defence that led to the discharge, were appropriate?

MS LAWRIE: I do. And sorry, I - it was my personal view that I could stay in. But by the time I left it was quite clear – they'd spent - given me that - two years because of my service and what I've done, to give me that realistic – you – you need to get out. You cannot continue in this role and you need to heal.

COMMISSIONER FITZGERALD: And you ultimately accepted that as right?

MS LAWRIE: Yes. As I left, yes.

COMMISSIONER FITZGERALD: What was - to use the words being used before, reintegration or transition process, to providing you with the supports once you came out; so, given you were being discharged medically, was there a good handover? Or was there a good – what that process of putting you in touch with of rehabilitation, DVA, those sorts of things, how was that handled, just 18 months ago?

MS LAWRIE: Well, there was nothing, was there?

COMMISSIONER FITZGERALD: Not good at all?

MS LAWRIE: You're out, you're out. Hand in your ID – ID card out the – out the gate and off you go.

COMMISSIONER FITZGERALD: Right.

MS LAWRIE: Before I left, I was told, "You need to put in all your claims to DVA. And then you won't be discharged until DVA has made a decision on those claims."

COMMISSIONER FITZGERALD: You were told that?

MS LAWRIE: Yes, that's right. So I put the paperwork in but if a decision comes back and DVA says no to that claim, that's the decision and you're out.

COMMISSIONER FITZGERALD: I see. So you were actually given that guarantee that you wouldn't be discharged until your claims were processed but a process could be, in fact, as you say, an adverse finding. I see. Right. And that's what happened to you, or?

MS LAWRIE: Yes. So some claims were accepted.

COMMISSIONER FITZGERALD: Right.

MS LAWRIE: A couple of major claims weren't. And the reason they weren't was because I put them under the wrong Act. But I didn't know that.

COMMISSIONER FITZGERALD: All right. You indicated that you needed to reaccess the transition cell.

MS LAWRIE: Yes.

COMMISSIONER FITZGERALD: But you couldn't get back on base because you don't have, as I think Terry indicated you didn't have an I.D. And we've heard that in different places. It's not across all three services, I've discovered, but nevertheless. Did you also need to access support services, counselling services, mental health services or things like that, once you'd come out of the service?

MS LAWRIE: I did.

COMMISSIONER FITZGERALD: And did you access Open Arms as it's now called or did you access privately provided supports?

MS LAWRIE: So, before I got out I was given some specialists. So I contended with those. The one thing I didn't have - and that I felt quite abandoned - was, I didn't have a GP. And the GP is the glue to it all.

COMMISSIONER FITZGERALD: Right.

MS LAWRIE: So you've got - I had so many specialists because I was so complex and I was in such a bad space that I didn't have a GP. So I found a GP but the GP is a 15 minute consultation. They don't understand Department of Veterans' Affairs and what their requirements are. And Department of Veterans' Affairs need a lot of paperwork and so then you've got to make long appointments for your GP, who doesn't know you/ understand you, and doesn't understand the paperwork.

COMMISSIONER FITZGERALD: Right.

MS LAWRIE: And so you're in this - that was my most traumatic.

COMMISSIONER FITZGERALD: And just finally and I'll just then ask Terry some questions and then Richard will ask some questions. At the present time, you've had successful claims?

MS LAWRIE: Yes.

COMMISSIONER FITZGERALD: And what – are you – have received the White Card?

MS LAWRIE: I've got the Gold Card.

COMMISSIONER FITZGERALD: You've got the Gold Card. Okay. And just to pick up on that, has - that Gold Card gives you, technically, the funding for those services, but you've still found - actually finding the

right individuals, being able to get that assessment, still very complex and difficult?

MS LAWRIE: Yes, yes.

COMMISSIONER FITZGERALD: Okay.

MS LAWRIE: And as Terry alluded to before, people are getting – well, I - it seems that providers are getting more and more choosy about whether they take the DVA White or Gold Card, not just because of the rate but because that provider then has to deal with DVA and a lot of it they don't get paid for and they're just - you're over it. It seems to be becoming more and more complex for the providers as well.

COMMISSIONER FITZGERALD: Yes. We've heard that. Terry, could I just go back a little bit? We visited Kapooka and we're aware that there are people admitted to the Army with different fitness levels and skill levels. There are some special units, as I understand it now, where, you know, people that are not likely to meet that beep test go and see whether they can uplift their standards and skills. Was that there when you were there?

MR SIRIANNI: No, I was there in the early days. It was quite a different place, Kapooka, so I think I started there '97. So if I – it's probably changed by now.

COMMISSIONER FITZGERALD: Changed, yes.

MR SIRIANNI: But, however, we were getting people that weren't suited for Army, and at the time I think they changed Defence Recruiting to a civilian organisation. And what we were told was the Government wanted numbers. So at this, if they joined back then, they would be sergeants, warrant officers now.

COMMISSIONER FITZGERALD: Right. When you ultimately went through the Army, what age were you when you discharged?

MR SIRIANNI: 2000 and what – when I was about 45.

COMMISSIONER FITZGERALD: Forty-five. And for you, what was that process like? Were you discharged voluntarily? Did you - was it your choice or was – or were you administratively or medically discharged?

MR SIRIANNI: I was medically discharged.

COMMISSIONER FITZGERALD: And was that against your will or did you accept that that was appropriate way to - - -

MR SIRIANNI: A bit of both. I was at a stage where the injuries were having a severe impact on myself. And the job I was in, I sort of was having trouble continuing. So, I did go across to another more suitable area. I got posted to where I could've continued on. There was a fairly good job. I felt dealing with Defence, they were - if you did more than 20 years – they were quite good to you. If you needed more time, I actually put in for an extension for two years. And they were quite happy giving me extensions, until I had a lot of stuff sorted for me to discharge.

COMMISSIONER FITZGERALD: And so your - your experience and your discharge or transition, how would you describe it? Good bad or indifferent?

MR SIRIANNI: It was fairly average. I found the transition cell, I just disregarded. Basically, they had nothing for me. At the time, with medical discharge, they sort of didn't know what to do with you. There was two civilians in the discharge cell; they were hardly ever there. So, being proactive in my own discharge helped a lot, instead of relying on Defence to do it for me. So, basically did the majority of it myself.

COMMISSIONER FITZGERALD: And were you able to move to employment once you left the Army or were you unable to work for a period of time?

MR SIRIANNI: Being in the Northern Territory, there was a lot of work around at the time. So, it wasn't hard for me to get out and get a job.

COMMISSIONER FITZGERALD: And did you find that moving from military life to civilian life difficult or easy or okay?

MR SIRIANNI: Civilians were a bit – the first job I did I didn't know how to deal with them. Being the rank that I was and dealing with soldiers, it was completely different dealing with civilians.

COMMISSIONER FITZGERALD: Sure.

MR SIRIANNI: And the way I spoke to them sometimes came across as abrupt because I'm fairly straightforward – this is what I want you to do, you do it now. That got me into - not so much trouble but I had to dumb it down a bit.

COMMISSIONER FITZGERALD: Right. Okay. And just, my last question here is, you mentioned the use of specialists that fly up here that are set up by DVA. Is that right. Yes. And were these specialists set up to do assessments?

MR SIRIANNI: Yes.

COMMISSIONER FITZGERALD: And they differed from the local specialists that had previously assessed you, is that right?

MR SIRIANNI: It's not - it wasn't just me that's - this is in general.

COMMISSIONER FITZGERALD: Yes.

MR SIRIANNI: This is dealing with soldiers and their cases and stuff. So they would have Northern Territory specialists. They'd go into Darwin and be assessed by a specialist. That report would get sent off to DVA. I don't know what DVA did with that report and why they sent another specialist up to examine the same injury and then take that specialist, whether it's a same report or a completely different report, whether they were doctor shopping to get the report that they wanted to knock back the claim. I was unsure of what that was about.

COMMISSIONER FITZGERALD: And did you have claims knocked back as a part of that process?

MR SIRIANNI: Yes, I did. And it did go to the VRB and then it did get accepted.

COMMISSIONER FITZGERALD: It got accepted.

MR SIRIANNI: Yes.

COMMISSIONER FITZGERALD: And why do you think it got accepted by the VRB but rejected by the DVA?

MR SIRIANNI: That was unsure. And that's why my point was, why does the VRB not speak to DVA? Why didn't they go back to them and say, "Why did you knock that back? Are your people not trained in that area? Do we need to give you more training?" And does that waste a lot of money within DVA?

COMMISSIONER FITZGERALD: Well, you'll be pleased with some of our recommendations around that, because we've been very strong of the view that the VRB and the AAT should be communicating back to the

DVA in order to inform improvement at the first – the initial decision making, which seems as I might say, hardly radical. It seems a very important part of the process.

COMMISSIONER SPENCER: Terry and Diane, look, thanks very much for sharing your experiences with us. It's very important that we hear that first hand. So I just want to say thank you. But I have follow up questions as well. Terry, you mentioned the onus on Defence and you picked up in our report that we, in our draft report, said that the duty of care of Defence should be significant and continue through the lifetime of the veteran. We sometimes hear the contrary argument which is - from Defence - which is, "No, our duty is prepare people to go and fight on behalf of the nation. And that's our principal responsibility." They, of course, do acknowledge that they have responsibilities for safety under the Workplace Health and Safety Legislation which came in, in 2012. And there have been significant improvements in injury rates, as a result of that.

But we - we did feel that there should be more of a duty of care. And from what you were saying earlier, you think that would be helpful to change behaviour. And the approach to safety and Defence. Did I hear you correctly on that or?

MR SIRIANNI: Yes.

COMMISSIONER SPENCER: How - can you explain that a little bit further? What kinds of things wouldn't happen or what kinds of things would get further consideration if there was more responsibility, you think, within Defence?

MR SIRIANNI: I think it would start directly from recruiting. When you go to Kapooka, I feel that doesn't really prepare you for what's going to happen to you in Defence. Like, for example, obstacle courses. They're very like - they treat recruits with kid gloves. I think if they weeded people out from recruiting itself, to use – you know, to make them a little bit more tougher, and that onus is on Defence.

By the time they get to a certain stage or going to discharge from Defence you wouldn't have so many injuries. We had, when I was at Kapooka, a lot of the COs come down because they were breaking people once they hit the infantry school. They weren't up to standard to get to the infantry school. So it's a flow on effect from there. So I think if you put the onus more on Defence they would start fixing some of these problems from the get go. And I think you would break less people and you would have less claims in your hand, especially with mental toughness. They're just not

recruiting or they're basically recruiting anybody and sending them to Kapooka, and trying to get Kapooka to sort them out.

COMMISSIONER SPENCER: And you mentioned that that was an outsourced process. Were you there that during that period when it went from being recruitment by the ADF to outsourcing recruitment?

MR SIRIANNI: Yes.

COMMISSIONER SPENCER: And did you see a difference during that period?

MR SIRIANNI: Yeah, there was a big difference and that stage they were doing a lot of recruiting for reservists as well, so we went from 30 man platoons to 60 man platoons. And you just couldn't control a 60 man platoon. You couldn't see what - how the recruits were going. There was just too many of them. So a lot of them did filter through and they dropped it from a three month course to a six week course for a period of time, there. And the flow on effect from that was just horrendous.

COMMISSIONER SPENCER: Yes, yes.

MR SIRIANNI: So then they brought it back to a three month course, because just too many people were getting broken and that becomes a duty of care to Defence. I can only speak Army. But, you know, duty of care to Army.

I think if you did put it back on to Army, that they had to put money into the transition and looking after people once they transition out, I think they would change the whole attitude.

COMMISSIONER SPENCER: And, as you know, we're recommending what we call the Joint Transition Command and there being responsibility for Defence, so that that that aligns with your suggestion. I just want come back to the advocacy issue, because I think you mentioned earlier that when Robert Cornell was here with his inquiry that you spoke then, so his report will be out soon, we hope, so, we'll be addressing that issue in more detail in our final report. But so I guess in terms of the complexity confusion which you've really commented on at length here this morning, we're trying to see how we can get to this two-scheme approach and what may, to your point, Diane, what may give a more consistent, if I can put it this way, quality of service by advocates' challenging role, complex information that's needed, but what can help there. And no doubt, Robert Cornell will have suggestions around that and we'll be looking at that in more detail.

Diane, I just want to come back to your experience, your recent experience over just the last 18 months. As you know there's the veteran centric reform underway within DVA and that's often referred to as a transformation of DVA. It's early days yet, but from your experience in recent times, did you see any change in some of the ways which you have reflected, perhaps the history of the past where you didn't feel respected, you didn't feel trusted. Do you see, in terms of behaviour, or did you see, any early - what I would describe as green shoots which give hope that perhaps things are starting to be addressed or changed for the future? So, just wondering what – your own experience.

MS LAWRIE: No. But, then, I haven't been contacted by anyone.

COMMISSIONER SPENCER: No. One of the things we've heard is - and I don't know whether you both have experienced this as well, that the outreach program with Veterans' Review Board, which is part of their alternative dispute resolution, a number of veterans have said to us, the first time we had a conversation with somebody about our claim more generally, in what's happening for us, is when the VRB contacted us. So did – was that – did you have an experience similar to that?

MS LAWRIE: Because I had the advocate and I'd put on the form to contact the advocate, after - or during the VRB and after the VRB, the advocate was contacted.

COMMISSIONER SPENCER: Was contacted, yes.

MS LAWRIE: But to answer your question, I haven't seen the difference, no.

COMMISSIONER SPENCER: Right. Okay. No, no. That's fine. Okay.

COMMISSIONER FITZGERALD: And just, if I could just ask this question. In relation to both of you, do you use the supports of the ex-service organizations? Some people do; some people don't. Do you see that as an important part of you or not?

MR SIRIANNI: I personally don't use it. I did join the Vietnam Veterans Services at one stage and looked into a couple others. I basically got sick of the infighting and the people within the services just, it was more about them and not the veterans, to me it sort of ended up. I think there's far too many services out there. They seem to be all fighting each other. So I think if we cut them down and just got people making it for

veterans and not about themselves. As you can see, you know, Australia wide with RSL clubs, the amount of infighting and corruption in them, is just phenomenal. So, I find that there are good – there's some of them are really good organisations. There's some good people in there but just the infighting that happens amongst them is terrible.

COMMISSIONER SPENCER: Okay. Diane? Anything?

MS LAWRIE: So I've reached out to a couple of organisations because I was in such a bad place. My experience has been similar to Terry's. But not territory-wide (indistinct), Australia wide. That there seems to be people fighting each other within those organisations. And they lose the focus. I think they've lost focus that it's about the veterans. So I'm a little bit cynical now as to, you know, why they're there. Is it about them and their relationships with governments and power? Or is it really about the veterans? And I may be being a little bit harsh, but I live in hope that with everything that's happening, it'll all start to come back to the veterans and what they clearly need. And that's where the money and the respect goes.

COMMISSIONER FITZGERALD: Okay. Thank you very much for that. We very much appreciate you both making that contribution. So thank you very much. And we have one other participant: Leonard Anderson. Yes.

MR ANDERSON: Yes. Thank you, sir.

COMMISSIONER FITZGERALD: Thank you very much. That was very helpful. Thank you very much. Leonard, if you can give your full name and the name of an organisation if you represent one.

MR ANDERSON: My name is Leonard James Anderson. Representing myself; no organisation.

COMMISSIONER FITZGERALD: Thank you. So, if you just make an opening statement and then we can have a chat.

MR ANDERSON: My problem is I just do not understand, for the life of me, as to why DVA is so confrontational, so damn devious. For an organization that was set up to assist ex-service personnel, I, for the life of me, I don't know if it's a budgetary thing, where they have instructions. I don't understand why there is such a need that we have to have an advocate who knows the system, how to feed the chooks and give them exactly what they want in a specific format, for your claim to get through. It should be DVA in themselves are the one assisting you, but it's so confrontational and I don't understand.

Well, I'd like to ask the question: do they have internal reviews? When someone is allocated to your case and they balls it up so horrendously, do they get counselled? Do they get asked to explain their actions? As a licensed tradesman, if I do a balls up, I'm dragged in front of a tribunal as to why I've done something. Do these people get oversighted?

I, for the life of me, I can't understand it. I initially - I got dragged into the National Service Scheme in 69. I ended up in Vietnam in 70. I was wounded in action. When I was discharged from the Army, I was discharged medically fit. After being discharged, my life was just falling apart. I couldn't readjust to civilian life. After about a two year period, I went back to DVA to seek assistance, and it was, "Bugger off. You were discharged medically fit. Don't want to know you. Bugger off."

So, from about 72, I lived in Sydney, went through job, after job, after job. I was lucky, I joined the fire service and that was a semi military-type organization, where you had a structure and you knew you had responsibilities and you knew what you're doing. I came to the Territory in 80. In 2001, I was diagnosed with Hodgkin's disease. I had my hand in my pocket for months and months, paying all these medical bills and, on the off chance, I went and saw one of the advocates at the RSL and I said, "Look, what assistance – am I entitled to any assistance or anything like that?" And his eyes lit up and he said, "Look," - anyway, he assisted me with my initial case for the Hodgkin's disease. That was accepted.

But the chemo treatment that I was on, left me with peripheral neuropathy in my hands and in my feet. The nerve doctor, here in Darwin, when we – when I, on my own bat, tried to put in a second claim for the peripheral neuropathy, the specialist here wrote a report and said, "Over a period of time, this condition will just diminish or disappear." Well, it's 18 years later, and I've still got it. So based on the report he did, that claim got knocked back. So as far as I was concerned, stick it up your rear end, and walked away.

It wasn't until I had a really good friend that I'd served with and was an advocate then, in Victoria - he slapped me around the ears and said, "No, this is what we do." And because he knew exactly what they wanted, how they wanted it presented, and the formats, everything just went straight through. So the peripheral neuropathy was accepted. Then I found out I was having extreme trouble at work hearing. Then, they've had my hearing tested and they've found out that the chemotherapy that I was on has affected bands of hearing. So that was accepted. Then my friend said to me, "Well, look, I think you've got more problems." And I'll – not (indistinct) I don't have any problems." So, anyway, through DVA, I was

sent down to a psychologist – psychiatrist in Adelaide and again, I said to him, "Look, I don't have any problems." He went back - they went back through when I was wounded in action. Piled me onto a chopper, and I was getting cold. I was freezing and as a kid you grow up, you see the old Western movie – it's "I'm getting cold and you're going to die." And I was getting cold and that scared the shit out of me.

Then it was getting dark. And that also scared the shit out of me. But what I didn't realise is that I was covered in sweat, went in the chopper, the doors are open, the wind's blowing through, that makes you cold. The chopper and the way it was flowing, was – the angle of the sun. That's why it was getting dark.

I woke up in Australia two weeks later. And then to have DVA say to me, "Bugger off, you were discharged medically fit." It just compounds the problems that you're going through. And I can't understand why they have to be so confrontational. Anyway this psychologist, he said, "Boy", he said, "How have you – how have you survived for so long?" You know, I – I just closed the book. That part of my life's over. And get on with it. But you can't. And this is where DVA has got a lot to answer for. We should not have the need for advocates to fight our cases for. That's basically what I wanted to say.

COMMISSIONER FITZGERALD: Leonard, thank you very much for that. Can I ask just a couple of questions? Do you have a current claim in with DVA at the moment?

MR ANDERSON: No, all my all my claims have been settled. I'm a DVA, TPI Gold Card holder.

COMMISSIONER FITZGERALD: Okay. After you went to the psychiatrist in Adelaide, I presume there was a diagnosis? He gave you a diagnosis, or?

MR ANDERSON: Look, with his diagnosis and the advocate, everything just went straight through.

COMMISSIONER FITZGERALD: And so how long ago was that, roughly?

MR ANDERSON: That would have been about 2005.

COMMISSIONER FITZGERALD: 2005. When you were going through the various processes after you'd come out, and putting in claims, you've mentioned and raised the question, why are they so

confrontational? Why do you think that is? I mean, you've now had experiences both good and bad claims accepted and rejected, different processes. Was it – yes, so why do you think that's - - -

MR ANDERSON: Look, I could be very cynical but I believe it's a budgetary think. Yes. One hand is set up to provide these services but if they're getting strangled by the government and the government puts pressure on them and say, you know, you've got to cut your budgets down more, these sorts of things. Cynical. But I think that's what's - the main problem is.

COMMISSIONER FITZGERALD: The thing that made a difference for you was a good quality advocate, who could actually identify, you know, a range of avenues for claims and what have you.

MR ANDERSON: Without the advocate, I would have been lost.

COMMISSIONER FITZGERALD: Sure. And since your claim in 2005 has been resolved, you're now, as you say, a TPI Gold Card. I presume that's all under VEA, but anyway. It doesn't matter. Do you still continue to seek support, that's funded through those processes?

MR ANDERSON: After the initial appointment with a psychologist/ psychiatrist in Adelaide, I was referred to a psychologist here in Darwin. Now, it got to the stage where she was so booked, there was no one else to take up the slack. And there was only one person. So that created gaps in appointments to get in and see her. But this is where the Veterans Counselling Service came in. I was seeing one of the psychologists there for many years. That assisted me greatly, because I was having extreme problems working, dealing with people. I was in a supervisory position and it was being pointed out to me that I was being abrupt and short with people. But my attitude was, well, look, you know, if you're a tradesman you were supposed to know your job. You stuff up, you're accountable for it.

And maybe it was the way I'd spoken to them, but if you're not up to the job, sorry, see you later; someone else will get the job. And people were interpreting that, that I was being confrontational. I was being overbearing or demanding of people. But I certainly didn't see it that way.

I had a job to do. It was up to me to make sure that work that I allocated to people was done and done to a tradesman-like standard. And if it wasn't, I told them.

COMMISSIONER FITZGERALD: But you've now – you've been using Open Arms as it's now called. The VCS - - -

MR ANDERSON: I had. But I've stopped. I've been retired for about five years now. And once that work pressure went off me, I – yeah, I didn't do anything.

COMMISSIONER FITZGERALD: Have you found that that a very valuable – is that a really valuable. - - -

MR ANDERSON: God, yes. Yes.

COMMISSIONER FITZGERALD: Yes, okay. That's fine. Thanks, Leonard. The - you mentioned early on about the - why is it so, in terms of their confrontational nature and the - what you experienced. And you raised that question: are there internal reviews? You know, where's the accountability? I think, just to – and you've looked at our report, but some of the things we're trying to bring about, is change. To bring back much more earlier engagement with the veteran about what are the issues. And how do they get dealt with right up front.

As I mentioned earlier in this session, sometimes we hear – often, we've heard in the past, the first time a veteran feels that they're listened to, is when they have a phone call as part of an outreach program from the VRB. So, and it struck us, well, it shouldn't need to get to that point until, you know finally, we are talking; there is a conversation about, you know, what is – what is the claim and how can the claim best be presented, rather than having to rely, just as you said, on an advocate who actually knows that.

So, I think, just to draw your attention to it, that there are a number of things we're suggesting, which hopefully will minimize the possibility of this happening in the future, by merely engaging earlier with the veteran and the advocate to talk about these issues and try and resolve them much earlier in the process. So we shall see. But that's a strong part of our recommendations to improve the process.

MR ANDERSON: Can I just also raise the point that this this friend of mine, he went through pretty much the same crap I went through. Every time he gets a new case and listens to what that – that brings back all his demons. And they have a high rate of burnout, these advocates. So it's a constant training to try and get people up to speed to handle these cases. Then they fall off the perch, too. And, again, I can't see the need – why DVA is not doing this themselves?

COMMISSIONER FITZGERALD: Well, we hear that and it's a question we've raised as well, I might say. We think that there will always be a need for some advocacy, but it's a very unusual system where it's almost an essential requirement to have an advocate to actually process a – now, in fairness, there are being changes to My Service which has been referred to as an attempt to reduce some of that. But, nevertheless, advocates are very important in this system, in a way that is unusual. Any other final comments?

MR ANDERSON: No, that was my main concern is that it's difficult to get people that want to step up to be advocates, then to train them through those levels, then for them to burn out themselves.

COMMISSIONER FITZGERALD: Yes. Good. Thank you very much. Not a part of this group. So, that brings to a conclusion this particular part of the public hearing process. And I just need to formally say that the matter is adjourned until we meet in Wagga Wagga on Monday. So thank you very much and thanks for your hospitality in Darwin as always. So that's it. We're finished. Thank you very much, everybody. It's nice to have some people here still. So that's good.

MATTER ADJOURNED UNTIL
MONDAY, 11 FEBRUARY 2019

Australian Government
Productivity Commission

PRODUCTIVITY COMMISSION

VETERANS' COMPENSATION AND REHABILITATION

MR R FITZGERALD Commissioner
MR R SPENCER, Commissioner

TRANSCRIPT OF PROCEEDINGS

AT MERCURE WAGGA WAGGA, 1 MORGAN STREET, WAGGA WAGGA
ON MONDAY, 11 FEBRUARY 2019 AT 9.59 AM

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COMMISSIONER FITZGERALD: All right, we'll get under way. Thank you very much for attending, and it's good to be back in Wagga. We were here in the latter part of last year, before we put together the draft and that - we visited the Army Air Force bases here in Wagga, and then also in Albury. And that was an exceptionally beneficial trip. So, it's good to be back.

I've just got to make a formal statement to start these proceedings. Welcome to the fourth day of the public hearings for the Productivity Commission inquiry into veteran compensation and rehabilitation, following the release of our draft report in December. I'm Robert Fitzgerald. I'm the presiding commissioner and my fellow commissioner is Richard Spencer. The purpose of these round of hearings is to facilitate public scrutiny of the commission's work, and to get comment and feedback on the draft report and any other issues that might help in informing our final report.

Prior to this we've had public hearings last week in Adelaide, Perth, Darwin. We had good roll ups in those cities. And following this we have hearings in Canberra, Townsville, Sydney, Brisbane, and Hobart. We will then be working towards completing a final report to the government in June, having considered all the evidence presented at the hearings, and in submissions as well as our informal discussions and consultations. Participants, and those who have registered their interest in the inquiry, will automatically be advised of the final report's release by government.

And the government is required to release the report 25 days - within 25 parliamentary sitting days after completion. So, the Productivity Commission produces the draft report, which we did in December, the government produces the report - the final report, but it is compelled to do so. So it has to release it within a timely manner.

We like to conduct all hearings in a relatively informal manner. I'm not quite sure this is informal, but nevertheless. But I remind participants that a full transcript is being taken, and for this reason comments from the floor can't be taken during the sessions, but during the day and at the end of proceedings of the day, I provide an opportunity for any person wishing to make a brief presentation. So, if you haven't - if you haven't been registered to make a formal presentation, if you'd like to make a short statement then just see one of our staff and we'll facilitate that either during or at the end of the session today.

Our participants are not required to take an oath, but they are required to be truthful in their remarks. Participants are welcome to comment on the

issues raised by other participants in other participants and other submissions. A transcript will be made available to participants, and will be available on the commission's website following the hearings. And submissions which are due this month are also placed on the website, unless there's reasons not to do that.

Just in relation to safety issues, there is an exit at the back, the door through which you came. So, should you need to evacuate the room, do that. Don't go through the toilet, otherwise you'll go nowhere. So you can get away. And just on that, there's a toilet there, there's a toilet there, there's a toilet outside, and there's coffee and tea available throughout the session. We'll have a break, a short break, in the middle of the morning, but if you want to get a tea or coffee please feel free to do so. Otherwise I think we're good to go.

The draft report was very large. It's the largest and most in-depth analysis of Veterans Affairs in Australia's history, despite the fact there's been many other reviews. So there are a very large number of areas we've covered, significant numbers of recommendations, both in relation to defence and DVA. And clearly there will be, and there have been, comments in relation to many of the matters we raise. But I just want to make a couple of points before we start.

The report is about trying to create a system for the future. It's not about trying to tinker with the system for tomorrow. So, our focus is where do we want to be in 20 or 30 years? And that's a very important part of this. It isn't just simply playing with benefits, it's much more substantial than that. And the second thing is it does have implications across the whole life of a veteran, from the day they join the Defence Force to old age. And so again, we were trying to work out a system that travels with the life of a veteran, in his or her many iterations, both within Defence and post-defence.

So it's large, it's deep, and it takes a very long term view, both of the veteran, and of the system itself. With that I'd like to welcome our friends from Hume Veterans' Centre, and if you both could give your name and the organisation that you represent, for the record.

MR RYE: Certainly. So, David Rye and - - -

MR TAYLOR: Wayne Taylor.

MR RYE: So I'm the Vice Chair. Wayne is the Chair of the Hume Veterans' Information Center, over in Wodonga. The Hume Veterans' Information Center is part of a veteran information program that was

established 20 years ago for Victoria, in partnership with RSL and the Vietnam Veterans Association. Our centre has been operating for 20 years. We had our 20 year anniversary in October last year, and we provide both wellness or welfare, advocacy, and compensation advocacy support to the region, not just all in Wodonga. We've extended as far north as - as Wagga in the past, over the mountain region, and as far down as Wangaratta.

COMMISSIONER FITZGERALD: Okay. So if you can make an opening statement for about 10, or 10 to 15 minutes, and then we'll have a chance for discussion.

MR RYE: Certainly. I probably won't need 10, 15 minutes for an opening statement. In essence, we certainly agree with the direction that the report has taken. We feel that anything that simplifies the process for a veteran to receive support, whether that's financial support, rehabilitation support, health support is - is definitely a move in the right direction. And I would state that any of our comments, and we have made several comments to the Commission, and our people just do that in general discussion, rather than formally, is from an advocacy point of view. The report does cover other aspects such as - as war graves, that, obviously, we have no influence over. But just from a pure advocacy support.

So on that, processes, obviously, governed by three pieces of legislation that's very convoluted. The current system is very stovepipe in the way that the DVA deals with those three pieces of legislation. It's not one person that's making a decision from start to finish. It goes through several different people. So, improving that process is a big plus. But also the training and experience level of the decision makers, with whatever statutory organization is empowered to make the decision towards veterans.

As advocates, we are held to a national level of competency. We have to be accredited, and maintain currency, to offer our advocacy support. That's not the same case for the people that are making these decisions. In Melbourne, they've got delegates that are rotating through on a six month basis. So, they've got no experience, very little training. So I think this goes - this report and the recommendations within it, go a long way to improving that. So I think, in harmony of not only thinking of the through life, continued support of the veteran, but also the organisation that supports them, and the decision makers within those.

If we can improve their training, experience levels, I think that'll go a long way to smoothing out the process.

COMMISSIONER FITZGERALD: Any other comments?

MR RYE: Only with regards to one thing that stood out to me, and it will be addressed, I think as we go through, is that - and I appreciate that it is a very broad brush, and there's a - DVA is a very big beast. And in many respects it's - it's about bringing DVA, and the Acts, three Acts of legislation, in line. So I think it's important that where possible, where there is specific points, we need to narrow them down. So, when a report is presented to DVA, that where necessary we actually give them those fine points and say, "Yes, we've got a broad brush. This is what you need to address. But there are some areas that need to be touched up as a final point."

And probably, just by way conclusion, speaking generally from a centric point of view, what we find most of our dealings with DVA, the people within DVA are good people. They generally have the interests of veterans at heart, but they're often constrained by their own bureaucracy that they've got to work within, which often causes the difficulties they encounter. So again, anything that can smooth that process, and that bureaucracy out, is going to be a definite - definite bonus.

COMMISSIONER FITZGERALD: Good, thank you very much. You've raised a whole lot of questions, and we'll raise some of those as we go through this particular discussion. Can I just raise the issue about advocacy in the air, just for a moment. As you know there was an inquiry by Robert Cornell in relation to advocacy, and touching on the role of ESOs, which the government has, but has not yet been released to the public. So we will be looking at those particular recommendations and considerations by Robert Cornell, and informing our views as we go forward in the final.

But one of the things we will be also looking at is how ESOs can be better utilised by the government in delivering services to the veterans' community. And I was just wondering whether you have any particular views around how could government better leverage the ESO effort, the commitment by so many volunteers and agencies, to better deliver services to veterans, if at all, apart from advocacy. So we just put advocacy in relation to claims on one side. We'll look at that separately. More generally, do you have any guidance for us about how we should approach the issue of ESOs, and the point that we're making is not about how you shape ESOs, they can shape themselves. But how does government better use ESOs to achieve outcomes for veterans?

MR TAYLOR: From our perspective, the funding we get through BEST is probably one of the most important things we have, in moving forward. Is anyone not aware of what this funding is?

COMMISSIONER FITZGERALD: You might just need to explain that.

MR TAYLOR: All right. BEST funding is a government funded lot of money that we receive. We vote for, you know - we vote for it each year. BEST stands for Building Excellence in Support and Training. It's been around for quite some time. The Veterans' Centre project in Victoria has been around for 20 years, and I would say it would probably close to the 20 years that it's been around. Up until last year it was only available to selected Veterans' Centres, RSLs, welfare support. It's now open to all ESOs, and it's administered through the grant sub, so human services.

We put in a bid for that. That will cover - that will only cover certain things. It will cover payroll for a permanent staff person, replacement of computers, certain stationery. So there's a restriction on what we can use BEST funding for. The funding is very, very important in order for a Veteran's Centre to move forward. Another initiative which you're aware of, the Victorian RSL is moving down the path of, is a veteran hub. So a veteran hub will be a central focal point that veterans will be able to attend to seek assistance.

So there will be different - my understanding is there'll be different levels of veteran centres, where a veterans hub, a veteran will be able to move forward and have a primary claim at, yes, primary level. They can have an appeal done at the Veterans' Review Board, and they can also see a person at that one centre if they want to go to the Administrative Appeals Tribunal. So to fund that, obviously you can see the impact that this funding would have on your permanent positions available there.

We at the Veteran's Centre in Wodonga have a - one paid permanent, and that equates to, I think, about $60,000-odd a year. So it's pretty important that we receive that funding. We never receive all 100 per cent of the funding, and the rest of our funding is made up through Anzac Day proceeds, which is administered in Victoria through the Victorian Veterans' Council.

COMMISSIONER FITZGERALD: And just in relation to the veterans' hub, what are your views in relation to those, because we are looking at those in the preparation of the final report?

MR RYE: We think they're the way of the future, but that's the way we should shape it so it shouldn't - it shouldn't be restricted to, perhaps - maybe in RSL sub-branch, that has a particular, you know, focus on one particular thing. A Veteran Centre hub should have a number of agencies involved that can serve the sole purpose of maximising the support to the veteran.

One thing that may be looked at in the future - this comes down to DVA. For many years, the future of DVA has been discussed in Wodonga. At the moment, we have a VAN office, which is a Veterans' Access Network Office, and it's been in doubt whether, and for how long, the Veterans Access Network Office, the DVA office, will last. There has been a significant amount of talk about the veteran DVA office moving over to Centrelink. Which from a veteran perspective we don't see that as a really good option.

Veterans at the best of time are reluctant to seek assistance. If they had to walk into a Centrelink office, I think there'd be big problems there. Not knowing, and this is just me talking from experience, potentially a large veteran hub, and the idea in Victoria is that they will be sponsored and supported via an RSL that has pokie machines. That's where the finances will come from that. We're, in Wodonga, we're not close to that, and so we rely on the BEST funding. But with the most appropriate facilities, which I think is really important for government to support, is the right facilities that is conducive for a veteran to attend. Maybe a one-stop-shop where you had a totally lockable section of DVA, that they could walk in and speak to a DVA person, face to face, because we can't help them with every need.

And then they can potentially walk straight next door into a veteran hub, and then seek the rest of the assistance that they need, or guidance. That's just a thought.

MR RYE: But if we just circle back to that government interaction with ESOs, obviously we've seen a lot of influx in ESOs in the last 10, 15 years. They all do fantastic work. There's no nothing - no taking away from that. But I think from a government - everyone's bidding for the same government dollar. And I think if the government has a - a level of measure or criteria to which they award the funding, based on the direct support to veteran community, I think that's the way why they need to look at the funding issue. So obviously if you've got a small ESO that's helping a small amount of veterans as opposed to a, maybe, a larger veteran hub that's helping a lot more veterans, I think the funding should be allocated accordingly.

COMMISSIONER FITZGERALD: Good. And just in relation to the Veteran Services Commission, we have recommended a Veteran Services Commission to administer all of the compensation arrangements, including incapacity and impairment payments, health and community service aspects, that are currently administered by DVA. And as you'd be aware right throughout Australia, governments no longer use departments as a way by which they administer these sorts of schemes. There's a much better way to do that. There is, however, contention and we've heard it in all the things, about where policy and planning and others should sit. We've made recommendations, but most people believe there should be some form of DVA retained, and we'll look at those comments.

But we are very strongly of the view that the actual administration should sit in a separate, statutory authority, which in fact would have a Board of Commissioners responsible to the Minister of Veterans Affairs, be totally focused on veterans, and use this practice, from around all the other schemes. Can you - you've raised the issue about the tight timeframe, and I'll just ask the question about this. The timing is based on the advice from DVA, that the Veteran Centric Reform Program will largely be completed by middle of 2021.

And so our timing is based on the fact of allowing that reform to continue, and then that the next year is - is devoted to developing the new commission. So that's the timing. But it is reliant on the Veteran Centric Reform Program being finalised or at least substantially finalised by that time. Can I ask this question: your experience with the Veteran Centric Reform Program. What's it delivering to you, in terms of a practical sense. Is it working as well as you think it is? Do you think it's got a long way to go? What's your general experience with Veterans Centric Reform?

MR TAYLOR: A lot of what we've seen, you don't see it on the surface. There's a lot of things happening in the background, but in saying that, the things that we - we have been seeing is the veterans portal to myGov. They're the things that we are seeing now. myGov, I don't necessarily believe it is the best way to get - it has to be there, but I think it needs to be there, because not everyone can access, and you need to make claims easy for a veteran. But the - as you're aware, there is problems in the three legislations which makes it difficult when a veteran actually lodges a claim, through MyServices, or myGov, MyServices, potentially they're setting themselves up for a fall. So.

COMMISSIONER FITZGERALD: Who's setting themselves up for a fall?

MR TAYLOR: The veteran who's doing his own claim, or their own claim. There's three different apps. The first thing they need to negotiate is three different apps. So in that, I haven't seen myGov, but I'm assuming myGov is just going to basically say, listen, "Yeah, you're entitled, do it in time to check it, and off you go." Two of the legislations, as you're aware, has the statement and principles.

COMMISSIONER FITZGERALD: Sure.

MR TAYLOR: If a veteran doesn't lodge his claim using the correct terminology, that is applicable to a statement principle or was unaware that if - if I knock my knee and that I had bruising, I attended the doctors for whatever period time, or I was exposed to this - they're not necessarily going to put down that contention. As Dave indicated, and this is firsthand from a senior person within DVA, at the moment. DVA have got a six month turnover, in their staff.

Now, a lot of the - what we're seeing is that the staff down there, because of their inexperience, they're not necessarily looking at the full list of contentions within a statement of principle. They'll only address what the veteran has indicated and therefore he winds up in the appeal process.

COMMISSIONER FITZGERALD: So, just on that, the system is only as good as the information is that's imported. So is the fear that the veteran will fail to fully, you know, to fully display all the conditions, or in fact get confused in relation to what the claim should actually contain?

MR RYE: That's the risk. I mean, the overall program is moving in the right direction. You know, getting certain injuries for a certain period of service as a (indistinct), you know, they'll accept those. Our concern is that by encouraging a veteran to complete their claim on their own, there's a lot of pitfalls that they could fall into. Some veterans will be capable of doing it, and will manage it. But I just think if there's a caveat somewhere in that process of them completing that form online, by themselves, but if there's an information box or a link that could be installed that says, "If you've got any concerns, any questions, here's your nearest advocacy agency that you go and get more advice from."

So not discouraging allowing veterans to do it themselves online, but we've always got to see the back to where they can get support and help if they've got any concerns or questions.

COMMISSIONER FITZGERALD: So given the myGov, MyService websites have only been up for a couple of years, as I understand it, have

you had any clients come back to you that have gone through that process and suffered the fate that you describe?

MR RYE: Yes. Several.

COMMISSIONER FITZGERALD: Several?

MR RYE: Yes. And then there is the review process.

COMMISSIONER FITZGERALD: So, what happens if a person comes back and they're dissatisfied with the determination of the DVA, having used myGov, MyService. What's the next step, it's the review process, is it?

MR RYE: Yes.

MR TAYLOR: Yes.

COMMISSIONER FITZGERALD: And is that - when you say review there, are you talking about the VRB? Or are you talking about any internal review?

MR TAYLOR: (Indistinct). So, with VRB, if you're got the MRCA or DVA, or the reconsideration if you're under DRCA.

COMMISSIONER FITZGERALD: Right. We've made a recommendation in relation to, firstly, applying the same review processes across the three Acts. So there'll be no discrimination or change between the three. The second is that there'd be a formal reconsideration process after the initial delegations decision, if you disagree with it, which would have an outreach process, you know, obtaining information, and talking to the claimant. Then the VRB, in a dispute resolution role, and then the AAT in a determinative role.

Can you just talk to me about - do you have any particular thoughts about that review process?

MR RYE: I think they've missed a step. There should be - and again, through the length of time that we've been operating, and building some of a rapport with some of the senior people, of DVA in Melbourne, there just needs to be - and it could be resolved through more experience and training of delegates. But when a delegate does make a fairly basic mistake, that disadvantages the veteran, if there was a team leader, or a person within DVA that you could just simply ring and say, "Listen we feel this is a fairly simple error. Could you please have a look at it? If

you think we're right overturn the decision. If you think we're wrong, then we'll commence the process."

COMMISSIONER FITZGERALD: Right.

MR RYE: So if it would formalise what we're doing informally, but I think nationally, I think that would be a big benefit. But the VRB, you're aware, that they've instigated that ADR process.

COMMISSIONER FITZGERALD: Yes.

MR RYE: We're finding that very successful. That's a really positive step. But then, I wouldn't remove the next part of that, the VRB, which is the formal - - -

COMMISSIONER FITZGERALD: The decision making.

MR TAYLOR: - - - decision making. When I read through, I did have a concern that you were looking that, potential, I think was 2022. bringing it back so DVA administered the review process. I have concerns in you - you're putting a fox amongst the chickens. Last year, and I was actually talking to Dave, I think it's more - this was - can't be more about the fact that there's a lack of expertise in DVA. And it is also in part, too, because of the way the legislation runs with the DRCA. Last year I finalized 17 appeals, 14 of those were had a basis of VEA, MRCA. All 14 were successful. The three which were DRCA based, two of those were a reconsideration. Both failed and one was an AAT, that I took to the AAT, and that was - that failed as well.

So the internal review process that's happening under DRCA, I don't think is open enough to be done internally.

MR RYE: So it should be open the same way VEA and MRCA is, for cyber appeal process.

COMMISSIONER FITZGERALD: Sure.

MR RYE: Independent appeal process.

COMMISSIONER FITZGERALD: The logic behind our recommendations which people may have read or not, is to try, firstly, to improve the quality of decision making by the original delegate. Secondly in the reconsideration is to make sure that all the available information is presented and that there be a conversation and a dialogue with the veteran, early. Then you move to the VRB which is where, as you rightfully say,

we've recognised this is the dispute resolution procedures really come into play.

The only question for us has been whether or not it should be able to make decisions, which is unusual in the way in which appeals review processes operate. But the aim, ultimately is to try to drive improvements in the front end, the early stages of that process.

MR TAYLOR: One is one thing which I have noted from DVA, because on many occasions I've asked delegates - and not just one delegate, but many delegates - we've got a really good relationship at the centre, and quite often, as Dave was saying, we'll ring up, in fact, on Wednesday we're in Melbourne, and we're going to take a rejected claim down one of the delegates who's going to be there, and we've got no doubt we'll go in and backdoor the review process and have a look and see what he can do. That's the type of report we have.

But when we ask the question as to why - why is it a claim being knocked back, but it's getting up at the board so easily, in many cases in the alternate dispute resolution process, they said that - they continually saying the same thing that - that the Veterans Review Board have greater powers from what we do, although they're both working - now I don't know, I don't think it is greater powers, because they're working to the same statutory legislation. But it seems that the VRB have more flexibility.

MR RYE: I think they've got more experience. The members that actually sit on the VRB are a lot more experienced in the three pieces of legislation than what some of the delegates are.

COMMISSIONER FITZGERALD: Sure. One of the dangers we see however, and I think this is not denied by DVA, is that the VRB has become a bit of an automatic backstop. If you muck up the early decision making, it doesn't matter because it's going to be deal with at the VRB. And we are trying to change that whole culture, I'm sure you would to, to a much greater improvement ,in the early part of the process so you don't actually have to get to the VRB. But, who knows. That's the aim.

MR RYE: I mean certainly from our - our perspective, it's the other way. But we believe where we're submitting fairly robust claims.

COMMISSIONER FITZGERALD: Yes.

MR RYE: And again it's those simple errors where just, maybe, a piece of information has been missed by a delegate. You try and talk to the

delegate directors to see if they are prepared to change their mind, and their response is, "If you think we've made a mistake you put in an appeal."

COMMISSIONER FITZGERALD: Yes.

COMMISSIONER SPENCER: Right. If I could take us to another issue now and that's around the issue of transition, and the importance of that. Although, we've heard in recent time some people prefer the term "reintegration". But look, I think everybody's absolutely unanimous that that period of leaving service, particularly if you're medically discharged, is a crucial time. And there are a number of initiatives underway where defence and the ADF is working with DVA to, sort of, share information and that's all to the good.

We obviously think something more substantial and structural is needed to address that issue, and as you know, our recommendation is the Joint Transition Command. And as part of this, there's all these issues linked together. So this is why it's so complicated, as you know. But partly it is another observation we've made around the tension that exists between the role of Defence, and in relation to its personnel. We've signalled in our report that we think Defence should have more responsibility, more obvious and incentives around that responsibility, for its personnel beyond service as well. So there are a number of issues that go to that.

But coming back to this notion of the Joint Transition Command, as you know, we're saying that we think if that is the responsibility of Defence, it would exist for a time afterwards. We've suggested six months, but we're interested in other people's views on that. And you would bring together the people and the expertise that is needed to address a lot of critical issues at that point. So given your experience, because you're right at the, you know, at the - at the coalface a lot of these issues, in terms of the veterans you are dealing with, particularly that vulnerable time. Interested in your thoughts and your suggestions, about first, the notion of that transition command, secondly your reaction to how we see that operating.

MR RYE: Look, again it would be interesting to see what Defence say about that, but as another local example, that we've managed to instigate in our area, if anyone is being medically separated from army in the (indistinct) in the military area, part of their march out process, when they go through their transition, is an appointment to come and see us. So they don't actually get cleared from the unit without an appointment to come and see us and get the process flowing.

And in some instances, we've had some success where a determination has come down with a - with a separation date. We felt that there wasn't sufficient time to actually put in place what needed to be put in place from a DVA perspective to support that particular veteran, and we've gone back through to defence and had the - the separation date held in abeyance until we get everything sorted that we need to get sorted. So, the transition processes is vital. No offense to anyone that's not army, I'm ex-army, I transitioned four years ago and had a very successful transition process.

I think army probably does a little bit better than, perhaps, the other two services. So by making that that joint, is - is not a bad decision.

MR TAYLOR: There is one thing that will jog your memory, because this is actually directly - they had direct involvement in this, but it was highlighted to me again on Friday when I went and got a haircut, and I was talking to one of the senior rehab consultants out at lunch with the barracks. He is on base there permanently. And the lines of communication between Defence and the DVA, there's a disconnect. And I'll leave that one with you because you had direct - - -

MR RYE: Yes. Well that was that was more of a policy issue between the two Acts, the Defence Act and the particular piece of legislation where an individual fell between the two. With me the department would act on either, but that was different actually to the transition back.

MR TAYLOR: And the reason I brought this up is, on Friday this - and I asked him to provide more detail and he said he'd get back to me this week, that he's seen on numerous occasions veterans that are being held up. They've gone to DVA for assistance, and DVA have said, "No, we cannot provide" - even that, in one case, he said, this particular veteran had been out for four years. He said DVA would not accept liability for that medical treatment because technically he was still a defence member.

UNIDENTIFIED SPEAKER: (Indistinct) in reserve.

MR TAYLOR: (Indistinct) a breakdown in that communication so that proper transition hasn't been able to occur.

COMMISSIONER SPENCER: Yes. No, and we're hearing that the notion of in service, out-of-service is changing, because of the reserve situation, and some people moving back and forth between those different roles.

MR RYE: This particular instance was, some someone that was entitled to a DVA entitlement, DVA refuse to give it to him because he was still,

technically, in the standby reserve. Even though he was administratively separated, so it is automatic transfer the standby reserve for five years. His medical issues didn't come to light until about twelve months after he'd separated, came and saw us. This individual was so physically and mentally broken he was never, ever going to be recalled to active duty. But Defence wouldn't take him off the standby reserve list because they are automatically in by the Defence Act.

DVA wouldn't make an exception, because they were constrained by their legislation, and again, the matter was only resolved through a personal relationship that the Senate had with a high ranking officer in army, but went and saw the Chief of Army, and got the Chief of Army's delegation to resolve it.

COMMISSIONER SPENCER: So, clarifying that issue of transition when is it, is it to back to civilian life or in the reserves and who has responsibility? So, one of the things we're trying to do with the Joint Transition Command is to say Defence has that responsibility, rather than relying on goodwill and cooperation, they have clear responsibility during that period. We're suggesting for a six month period after discharge. Do you think that's the right period of time? After that it becomes DVA, or in our case VSC.

MR RYE: No, it needs to be longer.

COMMISSIONER SPENCER: Needs to be long? Why do you think that?

MR RYE: I think a minimum 18 months perhaps two years. Because as we've seen a number of times, a lot of people separate, think they're fine, no problems whatsoever. And it's sort of 12 months 18 months two years later, and it might be something like perhaps going back to an Anzac Day service, or something, that will trigger - trigger something, and that's when the whole issue comes to light. And I know transition isn't directly related about - necessarily about health and wellbeing, but even some of the services that transition does offer, I think if it was opened a little bit longer than then six months.

Because a lot of people get out too, and they go, "Oh look I'm going to go and do this." And they go, "Oh, hang on a sec. I actually hate this, I don't want to do that," and there is a bit of a loss. If they can reach back then, at that point in time, and still access those transitional services that are available to them, especially for retraining, I think that would be would be better.

COMMISSIONER SPENCER: Right. Thank you. Can I just quickly check on your thoughts regarding the pathway that we've outlined to move to a two stage scheme. As you know we believe that the VEA is highly valued by those people who are receiving their benefits under the VEA, and that should be allowed to continue, with some slight modifications. That eventually MRCA would become the single scheme. But that is, you know, for some period in the future. The timetable issue we've taken note of, and we'll look at that again because, you know, the - as Robert said, what's important is to make sure that the VCR process has had a chance to be completed, or substantially completed, and the benefits become apparent then.

So we'll look at that again. But that is a from a very complex situation which we appreciate both from the point - well, from point of view of everybody involved in this process, it creates enormous difficulties, tensions, and stress. Our pathway to that two scheme approach over that period of time, or perhaps that might be changed. Does that makes sense to you? Do you have any issues about that?

MR RYE: Yes it does. But I just qualify that and say it should be seen as an interim step to ultimately what might be, 20 years down the path, where it is a single piece of legislation.

COMMISSIONER SPENCER: Right, right.

MR RYE: So I think you should perhaps, slightly modify the language around that scheme to perhaps reinforce that it is an interim step to an end, and an end goal.

COMMISSIONER SPENCER: Right. Well, that's certainly our intention, so we'll look at that, yes.

MR TAYLOR: Having two schemes it's great, if you can narrow that down. In saying that, one of the things that you've focused on too, was the rehabilitation aspect which should be a primary function of what we want to achieve. The VEA is not designed whatsoever to have that function. DRCA does. So, and MRCA does. So if you were to roll that in to the VEA, it may not necessarily be the best way forward. What may be of more advantage is getting rid of - the VEA has a material contribution, but DRCA has a significant contribution as you know. Bring it back to material contribution. Get those little idiosyncrasies out, that way you've still got a focus on your rehabilitation.

COMMISSIONER FITZGERALD: So, I'm not quite - well, a couple of things just if I can say that. The first stage of this is to try to harmonise

the Acts where possible, in relation to language, tests, the statements of principles would apply across all three Acts, the same review processes would apply. So as an interim measure we're trying to say, "How can you harmonise some aspects of all of those Acts." Then, as Richard was indicating they're ultimately moving by 2025 to two schemes, VEA and MRCA/DRCA combined, and then long term, something else.

One of things we have suggested is the VEA would be not available for new claimants after 2025, if they'd never put in a claim prior to that date. The second thing we've said is that people under the age of, I think it's 50, at the date of 2025, would have an option to move into MRCA and DRCA if they so chose. So, there's an option to come across. So we are seeing that VEA would travel, and for those that are currently receiving VEA there'd be no changes, generally. But at some point new claimants would be not be able to access the VEA.

MR TAYLOR: I spoke about broad brush, and this would be a finer detail. I think in moving forward down that path you have to get rid of the alone test under the VEA. The alone test, and I'll give you an example of how the impact of the alone test. As it currently stands, you've got a veteran that's got all injuries bar one under the VEA. He has an injury under the DRCA, one injury. Now of its own, it doesn't impact on his ability to work. But as a greater picture, it does. This veteran will never be able to being received a TPI pension, even though the conditions under the VEA - for instance, he may have post-traumatic stress, and not capable of working anymore. So a finer detail like that.

COMMISSIONER FITZGERALD: Yes. Richard.

COMMISSIONER SPENCER: No, I'm fine.

COMMISSIONER FITZGERALD: Now, you've raised a number of questions in relation to your submission, and we'll get one of our staff to come back to you and clarify some of those, separate to today. Are there any of those points that you, in the last five minutes we have, would like to particularly raise either as a question or as a comment that we haven't raised so far.

MR RYE: Yes thanks. That is to do with the card system. You've suggested that - you've questioned whether the model or card system should exist, or it's a single card system. Or looking at an alternative to the automatic granting of a Gold Card for someone with a qualifying service at the age of 70. Probably just seeking from you some greater clarification around what you're thinking is.

COMMISSIONER FITZGERALD: Well, a couple of things we have said in the report: those that are currently receiving Gold Cards and are currently entitled would continue to receive Gold Cards, so nobody loses that benefit today or until such time as it's a change. The issue for us is, is there a better way of funding health services, for the whole of the veterans' community, other than through a Gold Card going forward. The Gold Card comes from a particular era. It serves a particular group of veterans, and it's part of the architecture. But if you actually look at it, it's not well targeted. It keeps getting expanded, and the rationale for its expansion is not clear to anybody. And so the question for us is - is not whether the DVA should continue to fund all services, but what is the most effective way to do that.

So we're looking at the notion of smartcard, where you can actually have just one card, but it identifies different conditions, a bit like what White Card does. We are looking at whether private health insurance has any role to play or not, and we have no view about that. And we're looking at different ways to fund health services than currently is the case. So it's a genuine exploration of we are sure of is the default answer can't keep being Gold Card. You can't - everyone can't keep saying, "Oh, it's the Gold Card," because the Gold Card doesn't actually serve war veterans all that well.

It's no good having the Gold Card if you can't access services, and there are issues around it. So our aim is not to get rid of the Gold Card. But it is to say, "Is there a better way of funding health services for veterans and their families going forward." And that's the exploration we're having. But I want to be very clear, no one who currently gets the Gold Card is going to lose it, and that's not our aim. Our aim is, as I said right at the beginning, looking much further into the future.

MR TAYLOR: One thing, when you when you're looking at that. If you've got a veteran, and a smart card is a great idea, and it could be why - I don't think the Gold Card, all that does is differentiate for providers.

COMMISSIONER FITZGERALD: Sure.

MR TAYLOR: Yes, that's all it does. When you've got a veteran that has got a second a significant amount of incapacity, they've got a high - for example, 80 impairment points. You don't want to have a card that says that's all you're entitled to as far as your health care, because a veteran doesn't want to be tied up with going back, and you don't want to tie DVA down going back, knowing that someone who has got these ailments, will generally generate another ailment.

So if you're going to have a card, a smart card, maybe a card would be all conditions. Now I know it sounds similar to a Gold Card, but you'd have no conditions or specific conditions on a smart card. The money you're going to spend on having that person go back to get a new condition, although he's very incapacitated, mentally it's not good for him and financially it's not good for DVA.

MR RYE: And I guess my - I guess part of your exploration around private health insurance, if that's a potential answer.

COMMISSIONER FITZGERALD: Well it's just an option.

MR RYE: It may or may not be. The only thing I caution there is that if you've got a veteran that needs immediate treatment, they're going to a public emergency room and a private health insurance doesn't do anything for them, so.

MR TAYLOR: We see, in Wodonga, it's happened quite a few times. A veteran who is covered. for all conditions, Gold Card, goes in, sees a specialist, specialist sends him in for a knee replacement and the specialist says, "Five hundred dollars." So if you leave it open to the broader health professionals to determine, I think they'll be coming back charging veterans. And we do see, in the broader Wodonga area.

COMMISSIONER FITZGERALD: Okay. Just a couple of other things, if I can, just in your list. We've sought, in relation to the standards of proof, we are saying that our preference would be to have only one standard. Currently there are two standards. People don't agree - a previous inquiry said one standard came up with a midpoint. So we're looking at that, but your view here is that if there is only one, it should default to the reasonable hypothesis.

MR RYE: Certainly, because that's going to benefit the veteran.

COMMISSIONER FITZGERALD: Well, can I ask this question - - -

MR RYE: But also it's not - just not that - it also like the decision making process for the statutory authority whether that's DVA or whoever it might be.

COMMISSIONER FITZGERALD: Sure

MR RYE: It'll make it easy for them as well.

COMMISSIONER FITZGERALD: Well, it makes it easier, that's true. We have to look at the costs, the costs and the other consequences of doing that. Can I ask this question, but in practice - I understand the legal differences between reasonable hypothesis and a beneficially applied balance of probabilities. I understand the difference. In practice, is there a significant difference to the way it's actually applied.

MR RYE: Yes yes yes.

COMMISSIONER FITZGERALD: So, what's your experience been about that.

MR TAYLOR: The way it currently stands, is that the reasonable hypothesis - in the process, the reasonable hypothesis only makes up one portion. Now we know when people serve overseas, potentially they are exposed to things that you wouldn't be in, back here in Australia. And they've obviously used the reasonable hypothesis to try and compensate for that. In the process, and there's a case law, Deledio v Repatriation Commission.

Now in Deledio v Repatriation Commission, they actually break down the steps. Once you get to the bottom step, all the reasonable hypothesis does, is says that, "Hey, listen, there is a reasonable hypotheses that - that statement, you've met that statement.

COMMISSIONER FITZGERALD: Sure.

MR TAYLOR: When you get down to this fourth step in Deledio, then actually - you've actually got to look at the evidence, and evidence then comes into play. So regardless whether you've got a reasonable hypothesis or a balance of probability.

COMMISSIONER FITZGERALD: But you think the way it's being applied by DVA and the VRB, there are significant differences in the outcomes for veterans.

MR RYE: Absolutely. Well I'll categorize it as this. Again, in our experience, of our centre, we find less of those administrative errors occurring when we're submitting a claim under a reasonable hypothesis as opposed to balance of probabilities. Does that make sense?

COMMISSIONER FITZGERALD: Yes.

MR RYE: I'm currently doing an appeal at the moment, and this particular veteran served in Somalia. When his claim went to the DVA,

they actually looked under MRCA, and used a balanced probability. But his service in Somalia occurred under the VEA, so we said, "Hey, listen, you need to look at it under the VEA," because the reasonable hypothesis had an extras standard, or extra convention in there.

COMMISSIONER FITZGERALD: So we're out of time. Richard, do you have any final questions?

COMMISSIONER SPENCER: No, it's fine.

COMMISSIONER FITZGERALD: Are you sure?

COMMISSIONER SPENCER: Yes.

COMMISSIONER FITZGERALD: Any final comment before we conclude?

MR TAYLOR: Just have a look at non-liability healthcare for veterans. Because at the moment - - -

COMMISSIONER FITZGERALD: in what sense?

MR TAYLOR: There's veterans that are not covered by non-liability healthcare, that should be. In particular - - -

COMMISSIONER FITZGERALD: We'll just expand - if you could expand that bit?

MR TAYLOR: So, you're aware of non-liability healthcare. Yes. Right. So non-liability healthcare, as it currently stands, you've got a veteran that served - say he served in 1971, '69, '70, '71, right? He's covered. He's never served overseas. He's covered by the DRCA. Right? His non-liability healthcare extends only to mental health. A veteran under the Veterans' Entitlement Act, his non-liability healthcare is mental health and cancer. A veteran under the MRCA, his non-liability healthcare in peacetime is mental health, if he served overseas it's mental health and cancer.

The only thing I can put it down to is that they're looking at occupational health and safety, set during those times hence VEA are covered by both. And the fact that if you serve overseas on MRCA, you're not being exposed to those threats. But someone under the DRCA in 1969, they're probably exposed to more than any - anyone, but they're not covered for cancers.

COMMISSIONER FITZGERALD: Okay. Well, we're looking at what the entitlements would be under a combined MRCA/DRCA. So we'll take that on board. Yes. Okay. Good. Thank you very much for that. That's terrific. Thank you. Is Mr Pope here?

MR POPE: Yes.

COMMISSIONER FITZGERALD: Would you like to go up now? And then we'll have a break after that. Okay, that's right. I just should mention that Sophie, is it? From Open Arms is here, and if anybody would like to talk to her or have any issues that arise as a consequence of any of the informational sessions today, please use her. Open Arms has been at all of our public hearings, which is terrific. It's also good because they are a very important part of the - the scheme that we're looking at, generally.

Rod, if you could just give me your full name and your date - sorry, your full name and the organization you represent, if you represent any.

MR POPE: Yes. So, Rodney Pope, Rodney Peter Pope. That's my full name, and I'm here to really, I guess, as an individual with a specific research background in this area.

COMMISSIONER FITZGERALD: And you're currently with which institution?

MR POPE: With Charles Sturt University.

COMMISSIONER FITZGERALD: Terrific. So, Rod, the system is, if you can give us a 10 minute precis of what you'd like us to think about, and then we'll ask some questions.

MR POPE: Sure. So, for the benefit of observers, just very briefly, my background is, I'm a Professor of Physiotherapy with Charles Sturt University currently. My main area that I work in is occupational health physiotherapy, with tactical forces. I started my career some 30 years ago, very early working at the Kapooka, at the Army Recruit Training Centre. I was a physiotherapist there. I was head physiotherapist for eight years there.

In that time we developed some good systems for preventing injuries, and so as a result of that, I was invited by the defence health service branch to develop the Defence Injury Prevention Program to roll out across the ADF to prevent injuries across the ADF. And I continued to do that work for about six years, to 2006. Following that, and subsequent to that, in the

remaining years I've continued to do contract work for defence, and other technical forces around Injury Prevention and improving performance of personnel. And so that's, I guess, the background that I have in coming to the discussion and the input that I've had so far to the report.

So I guess, firstly, I'd like to just congratulate the Commission, I think, on what is a comprehensive, and long, rounded, and balanced report in terms of the recommendations. I'd like to restrict my discussion today to Chapter 5 of the report, which focuses on injury prevention, that being my main area of expertise, and most of the discussions that we've had to date around that.

So the key points I wanted to raise, there is a number of them. The first is that in terms of the - chapter two of the report, it actually notes there from the Defence Force Welfare Association, that ADF members do not have a union that contributes to negotiations about their pay and conditions. But I think it would be worth potentially, and I would raise it for consideration of the commission, the potential to note that again in Chapter 5, and revisit that with regards to advocacy around injury prevention and health and safety of personnel.

So I think, what I see across other tactical forces that do have unions is that unions advocate very strongly as independent advocates for personnel in those other tactical organisations, and that benefits those personnel in terms of work health and safety in those environments. So that's just a comment and something perhaps for the Commission to consider.

One of the informants in chapter five, Peter Hawes, noted:

> *"I was happy and healthy when I joined the services, and ready to do my duty, to go wherever I was asked, to go and to do repairs and other military activities in the field, and while at home base that would make even the most liberal union or OH&S representative cringe and run away in horror."*

So I think that, again, just from an informant that you've had to the Commission, just indicates, I guess, that there was a belief there that if there was a union there, that they perhaps would not have just let things happen along the way. So that's my first comment.

The second was, the commission has been looking at an information request 5.1, has been looking at the fact that Sentinel significantly understates the true incidence of most types of work health and safety incidents, and I've had a bit of input to this already. However I note that on page 203 of the report, with regards to the smart device injury

surveillance system, currently implemented at Lavarack Barracks, the draft report states that:

> *Initial results from the Lavarack program indicate a level of musculoskeletal and soft tissue injury reporting that is significantly greater than the corresponding records on Sentinel.*

So, again, strengthening that finding that there have been some definite deficits, historically, in what's been recorded on the Defence work health and safety injury surveillance system. And my comment there is that it may be worth considering, I guess, in terms of recommendations, that in addition to supporting those initiatives that Lavarack Barracks at Holsworthy around the use of smart base, that it may also be worth Defence actually conducting some analysis of the differences between what's being recorded on that system, that smart device system, and what is being recorded in Sentinel.

Because that may well be informative for the development of a new hybrid system which you've recommended in recommendation 5.1, integrating data from the health system of defence with the occupational health and safety, work health and safety surveillance system of defence. So that's just to make that point.

If I can go on to talk a little bit more, just about the systems in place that you've discussed at Lavarack Barracks and Holsworthy, they're more than injury surveillance systems. And the report notes that - they note that - well, the report notes that:

> *This injury reporting system is combined with scientific assessments to determine an individual's injury risk profile. A real time data collection and monitoring system and a periodised strength and conditioning program to improve baseline performance and deliver enhanced combat readiness that informed by the system is tailored to each individual.*

So, what's actually happening here with the smarter base, and I'm familiar with smarter both from other tactical forces using it, is that the susceptibility of individuals to injuries, and their fitness levels, is being recorded and monitored, so that some individualised training and conditioning, strength and conditioning training, can be implemented for individuals to make them more resistant to injury, effectively musculoskeletal injuries, make them able to perform better on the job without injuries, or more safely on the job with without injuries.

Now this is to be commended, and I think it's an important part of any sort of injury prevention system. But the point I want to raise, I guess here is that it's important to recognise also, that there is a risk with this, that if we focused purely on the intrinsic risk factors for injury, as is the fitness of individuals particularly in this case, that actually only accounts for between five and 10 per cent, at a maximum, of the variance in injury risks between individuals. And the remaining, sort of, 90-odd per cent of injury risk variance between individuals, depends on the extrinsic risk factors that they face every day on the job.

So, we're thinking about hazards, we're thinking about errors, including training - training errors, and we're thinking about other contributing factors in those environments. And it might be, for example, in the social environment they're operating in. So the operational tempo at the time, if they're tired, and people tend to be more fatigued, and so that then impacts on injury risks and so on, just as one brief example.

So I guess my comment here, my primary comment here, is that in making this recommendation for Defence to support these systems that are in place at Lavarack Barracks and Holsworthy as pilots for what can be done for injury prevention across defence. I think that's good as far as it goes. But I think that it should be the added caveat that it's important that combined in those systems is a key focus on extrinsic risk factors, as well as an intrinsic risk factors. So, there's some clear work being done to identify hazards, to identify other areas that are not to do with the individual who has been injured, and to identify other contributing factors in the systems that create and lead to injuries that are actually occurring.

So, for example, we look at my own PhD work, which I did some 20 years ago now. What we found in that particular study was that the aerobic fitness levels of Army recruits account for only about 1.2 per cent of the variance in their injury risk across those individuals that are in training. So aerobic fitness is important, and it makes a big difference at the extreme, so when people come in very unfit, or they are very fit, it makes a big difference when you compare those two groups in their injury risk.

But when we look at the - the middle of the road people who are reasonably fit, but not terribly fit, it doesn't make too much difference to their risk of injury. However in comparison to that, with some of the other studies we did, where we looked at changing some of the ground surfaces for training, we were able to virtually eliminate ACL ruptures that were occurring at one point, and by changing training errors, occurring with female recruits particularly, we were able to almost eliminate our pelvic stress fractures that were occurring at that time in the

female recruits. So that's examples of extrinsic risk factors, and the differences I guess in terms of what each approach can do.

Linked with that is the need, I think, to make sure that injury prevention programs employ a systematic, local participatory approach to identifying and addressing these key hazards, errors and other contributing factors to injury and that's including the intrinsic risk factors. So, I think there's a risk in delegation of the injury prevention to specific individuals, whether they be safety officers or whether they be preventive health officers who are there for that particular role alone.

So, those people who will bring key expertise but they don't necessarily understand all of the training or the operations that are going on, and the full context of what's going on. So it's really important that they are supplemented by others that are working with them on injury prevention who actually have a good understanding of the full context of what's actually going on.

Now, what this also means is that we can't do injury prevention from the top levels of Defence down, so we can't just do injury surveillance and then identify the key hazards that are occurring, the key training areas, and the key contributing factors at a high level in Defence and then promulgate that down through Defence and expect injuries to be prevented. We've really got to get people who are on the ground, at particular units, in particular trades or professions who are actually understanding the activities and the venues that are being used and cannot help to identify on that basis what's actually happening on the ground and be involved in the injury prevention process.

So that participatory approach was used in the Defence injury prevention program that's mentioned in the report. And that can be potentially a key point of difference with an injury prevention program going forward. And so, I would just, I guess, encourage the Commission just to consider that further in terms of those - that recommendation around the - the processes that are in place at Lavarack Barracks and Holsworthy, which are great, but perhaps may need to be reviewed and extended to make sure they include those sorts of approaches.

I think, adding to that, is just a quick note just to say risks are not always identified in a timely fashion by injury surveillance. There's other things we need to do apart from injury surveillance to identify risks and this is where that local participatory approach can come in. It's really by having a proper risk management process in place. So, for example, if we look at the deseal/ reseal catastrophe that occurred, that would – that clearly wasn't identified in a timely manner through injury surveillance, but it

could have been, probably, identified if people had have been looking at the risks in that context and understanding what was being used in terms of substances in the context in which people were operating in that environment, and people who were local, who understood what that role was, were involved in some of the risk management pre-emptively.

So injury surveillance particularly does not work where you've got small teams because the numbers of injuries and things that occurred from a particular cause are small in number. So, in terms of statistical power they don't reach the level, the numbers that we need to start to see a problem. So they don't work well in that environment and they don't work well where the operations or the training are not recurrent; they're not the same sort of thing happening again and again. Because injury surveillance depends on the system being stable and things continuing to happen in the same way going forward, which happens in most workplaces, it happens in sports; the same thing's done each time. And so, if you do injury surveillance now, you see there's a problem, you can then intervene to stop it from happening again.

But where we have in a Defence context, activities which are novel and where things are emerging because of changes in welfare, the way things are done, then what tends to happen is that those threats or those hazards risks and so on can only be identified through a proper risk management process with some brainstorming from the experts who are the people on the ground during the job or about to do the job. We can start to go through it, understand the context they're about to go into and begin to look at what might happen.

So I think that's an important aspect to this and, again, the Defence injury prevention program embraced that approach alongside injury surveillance to identify some of the problems that may emerge pre-emptively so that then things didn't happen and action could be taken to reduce those risks.

On page 208 of the draft report, there's some discussion of introducing a premium on Defence. Basically, a notional premium around the cost of injuries and illnesses arising, or compensable injuries and illnesses arising from Defence operations and duties. I guess, my comment here is not about that specifically, but it's about just incentives for Defence and for commanders to make a difference around injury prevention.

And one of the first things that I had to recognize when I came in, so I came into setting up and implementing the Defence injury prevention program, thinking in my head that the dollar cost of injuries would be meaningful to commanders, and they would be interested in that, and that that would be a driver for them to actually reduce or to address injuries

occurring and to prevent injuries. And what I found, in fact, was that that was much less of a driver, that was important to the Department of Defence and to the bean counters, if I can call them that, the higher levels in Defence, who basically were doling out the funds and working out what the budgets were going to be.

But to commanders, the things that were much more important were around basically personnel availability for deployment on any given day. And once we started to estimate that and we started to give some feedback to commanders on how injuries were actually impacting on the numbers of personnel they had available for duties on any given day and the likelihood that they would have critical individuals available to fulfil key roles within teams, that's when commanders started to come on board to prevent injuries.

So one of the things I would suggest, again for consideration by the Commission, is whether there should be consideration of an incentive around estimates of impacts of injury on personnel availability for deployment on any given day. And I think that's likely to have a bigger impact for commanders and be useful information for them because, from my perspective, injury prevention is a force multiplier. And I think that's important to commanders.

The second issue is just - - -

COMMISSIONER FITZGERALD: Just the time – so we'll just - - -

MR POPE: Sure.

COMMISSIONER FITZGERALD: If you could just wrap up in a minute?

MR POPE: I am wrapping up. Yes, this is my last point, is with regards to incentives. Again, I think another really valuable and positive incentive that I found in the injury prevention space, is to make sure we have some recognition of the action that commanders are taking around injury prevention. I've seen great pride from commanders in the work that they have undertaken to prevent injuries, and the results that they've achieved. And then, through them talking with their colleagues and disseminating that sort of information to their command colleagues, there's been good results in terms of seeing that extended to other units as well. So that there's that kind of ripple effect that occurs once we start recognizing, I guess, what commanders are doing in this space.

COMMISSIONER FITZGERALD: Good. Thanks very much, Rod, and thanks for your assistance prior to the draft. Can I just go to the very last set of points you were raising, and that is in relation to incentives? So the three incentives that we've been looking at is force capability, the Workplace Safety Legislation, which largely had a big impact since 2011, and the notion of an actual premium not just the national premium.

At the unit level, we're very aware of what you've just indicated, that it's not about money and that's likely not to drive anything at that level. But do you believe that a premium applied against ADF, and for those that don't know it, there is already a premium that is actually raised. It's a notional premium it's not actually applied, so there is a premium; do you think that a premium has a value even if it is really only affecting the behaviour of the top order of Defence?

MR POPE: I think this is a mixed bag. So, from my perspective, I think there are risks with a premium. So I can see the benefit of it and obviously that's been seen, I guess, in other occupational settings, where we've seen the benefit of premiums being put into place. Where they've got a business model in place, particularly, I guess is where that tends to occur, and that's where it'll occur, as you say, at the top levels of Defence.

The risk is, though, that the organization as a whole will then start to feed down to commanders at a more local level. This pressure to reduce injury rates that are measured by some system that may or may not be accurate in terms of the rates. And the big problem we've had is around reporting. And what this can do, I believe, is it can actually then reduce the rates of reporting of injuries that are actually occurring, so we end up not seeing a clear picture of the injuries and we end up not gathering the information we need to inform injury prevention.

So that's the risk in it, and I'm not quite sure of the solution to that. I can see the purpose in it, to actually drive the organization to give better accountability but I'm not quite sure what the solution is to addressing that other risk of them underreporting due to that pressure from above to reduce injury rates.

COMMISSIONER FITZGERALD: Yes. In relation to your point about only sort of 10 percent, if not less, of injuries really occur because of the individual fitness of a serving member as distinct from these other 90 percent which are externalities or as you say extrinsic factors - can I just understand what you think needs to be put in place? So if I can just put this - the Workplace Safety Legislation undoubtedly had a big impact within the three forces. Everybody tells us that, inside the forces, outside the forces, and that's very clear.

And its big impact was in 2011. So since that time, we feel and from the information provided, there's been significant improvement in relation to workplace safety, generally; is that your experience or view, looking at it from both inside and outside?

MR POPE: Yeah, look, I think again, it's quite mixed. So, with some of the data I've been looking at recently, so I think some of the data in the draft report was really informative to look at some of those fatality rates, and the serious personal injury rates, which in most cases you can almost guarantee that they will be reported. And so, to see them coming down over time was fantastic and that was really good news and I hadn't seen that data before. So that was fantastic. But at the same time I'm looking at other data. So, for example, from one of the recruit training bases, from one of the services, which is mentioned in the report, and what I'm seeing is that we're seeing injury rates in recruit training that are very similar to what we've seen historically through time.

So, I think we've got probably a bit of a mixed bag here, where we are making progress and I'm really pleased to see that we are making progress around this. But I think there's still a lot of work to be done, and I think there's still a lot of scope for continued work to be done in this area.

COMMISSIONER FITZGERALD: Your message - your central message in the first part of your presentation is, don't put it all on the individual, their own fitness and what they're doing. Rather, it's about risk. So when we met with the Navy they'd introduced a thing and I hope I've got the right term, Ship Safe Approach, which is looking at the totality of risk and injury on their naval vessels and they're extending that concept to, and I've just forgotten what the name of it is, but a whole workplace safety framework. And they believe it's got great success.

I'm not sure you'd be familiar with those but that is really tried - seems to me to be trying to take account of what you're talking about: putting the risk and the environmental factors, you know, as equal, if not more important than the individual fitness. Have you seen other examples of that?

MR POPE: So, historically, yes. Look, there's been some great examples. So I think one of the key things to note is that with the Defence Injury Prevention Program, when that was occurring, there was a whole career path for physical training instructors and senior physical training instructors to become injury prevention advisers within the services. So that worked by basically relying on the fact that they understood physical activity, what people did, looking at training areas, those sorts of things.

Then they were then able to look at injury surveillance, look at other systems of risk management.

But they were basically able to facilitate as insiders and people that personnel respected within the services; they were able to facilitate a really solid local participatory injury prevention process along with the work, health and – at that time, occupational health and safety communities that were in play. So I think – yes, so we've seen good results from it. We know from the evaluations of that type of an approach that it does reduce injury rates. Those sorts of things go into place. I'm not familiar with the couple of models that you've just presented to me, but yes, those are historical ones.

COMMISSIONER FITZGERALD: So could I just ask this question related to all of that. One of the issues that people have said to us in some of the forces, not at senior level but at other levels, is that all of these focus on safety has, in fact, or has the potential to dumb down training and affect work force capability. It's impossible for us to actually know whether that's so or not. Nevertheless, I was wondering whether you have any view that – where – is there a tipping point where in fact you could start to, in fact, negatively impact on the training and the capability of the workforce in a detrimental way?

We certainly don't think that point has been reached, but nevertheless there are some concerns by various officers in all of the forces that have that view or at least have a fear of that occurring.

MR POPE: Yes. Look, I absolutely agree that that is a possibility, and I think that's another, I guess, aspect to the going forward, the sort of injury prevention system that we put into place has to take a holistic risk management approach where it doesn't just consider risks of injury and illness that might occur but it also occurs - it also takes into consideration those risks around achievement of outcomes of training and mission success. So it's really important that all of those risks are considered within that that injury prevention framework that's adopted going forward. So the Defence Injury Prevention Program certainly did that. Those that were involved in that process were trying to do that specifically to take a holistic approach.

And that's why it was so important that we had this participatory approach where there was an understanding within that team that was doing injury prevention, locally, of what the requirements were for achieving training outcomes, what they were for achieving operational outcomes, so that that was factored into the decision making. Because when we look at the ways that we deal with risks, hazards, you know, errors and other contributing

factors, there's a range of different approaches that we can potentially take to address those. It's not always just one option.

And so we can then consider those other risks, in terms of the one - which options we select and the directions that we go to reduce those risks.

COMMISSIONER SPENCER: Just to pick up on that point about the tension, about injury rates. The – in looking at overseas examples of other military systems, one particularly struck me, the comment by the chief medical officer, because he said, "Look, we have a duty of care. We also have a duty to prepare." And then he said - and they track and their systems are very good at tracking injury rates and what was happening. But he said, "If the injury rate's too high I'm really concerned about that." He said, "If the injury rates are too low, I'm concerned about that."

And it seemed to me to be a very direct statement about the tension that leadership in ADF has to deal with and I think we all recognize that. The other thing I wanted to go to, in that context, is the culture of the organization. And to be clear, everybody engaged in this will have, as the driver, the - having good care, appropriate care in service for the people they're responsible for. So it's not about intentions. It's about, sometimes you don't know what you don't know. And I think this is where the kind of insight you're giving us is very helpful as to how do you manifest a system that gets to what the overall objective should be?

You raised a couple of very interesting issues, because if you go to civilian systems, quite often the premium idea is said sometimes to be more meaningful because there's (indistinct) associated with that. But, when you look at the other drivers of performance, Workplace Health and Safety, leadership around that, really driving that through the organization is critically important, and arguably gets better results, frankly, than a sort of a blunt instrument around a dollar figure.

But I'm just wondering, and my question goes to, with your experience of insight into how this plays out in a military context, when you look at civilian schemes I'm just wondering what - and the best performance schemes there - what do you see in terms of culture that could be addressed, needs to be addressed in your view? And I think just to add a comment to that, some people have been very concerned when we talk about workers compensation schemes, because they say, "Well, isn't this just you know taking what should be a military specific scheme and turning it into a civilian scheme?" And I guess the suggestion that somehow it's going to be less than what we now have or should have. I think, just to be clear on that, we're interested in best practice, which, right at the outset, minimizes prevention, appropriately, deals with long term

consequences, and gives insight and knowledge about that to enable a continuous kind of reassessment and risk management process of the sort that you've described.

So when you think about best practice, when you think about what you've seen in other areas in other parts of the community life and then you think about the cultural issues there and then you think of the military, is there something that needs to be addressed there over time that we need to think about?

MR POPE: I think - I think over time, things are changing. But, I think one of the big differences has been over time, that there's been a perception, I think, within tactical forces, generally, not just military, that incidents that occur that cause injuries and illness are inevitable because of the nature of the duties. And I think that's changing. And I think commanders at all levels throughout the ADF, definitely, I think are understanding that that's not the case.

I think that they are understanding that injury prevention is a force multiplier, that proper risk management is a force multiplier, that they can save themselves a lot of headaches, get people on the ground and actually look after their troops which they want to do by actually doing an injury prevention well. And I think that's why they get behind these sorts of things, once they understand what it's going to mean to them in terms of returns for both them and for their troops or for the personnel, I should say.

So I think that is developing over time. I think the culture of underreporting that has occurred over time is probably linked to that, is that there's a sense, well, why are we reporting if incidents are inevitable?" But, secondly why are we reporting if we never see the benefits of that reporting back at our local unit level? Because all the stats are just gathered and there's a huge lag time at the top levels of Defence where that stuff is gathered together. And it's, you know, I guess, compiled and analysed at that level, but we don't necessarily see the results of that, that are meaningful for our particular unit or our particular base.

So I think that's why it's absolutely critical that we have these reporting suites that actually do provide commanders with real-time information on what's happening on the ground in their particular unit or base that can inform their own efforts. Now, one of the key components of that, I think, is the narratives that occur, and they're collected within the Sentinel form at the moment, the injury and incident data collection form. There's narratives in there that talk about the specific venue and specifically what

happened at the time. Now, often, that information is not used at a high level in Defence to prevent injuries because it's meaningless at that level. It doesn't tell us about, you know, the commonly - the common name of a venue at a particular site where things are occurring. But it's very meaningful for the local people and they can see straight away by reading that narrative, I can see this is exactly what's happened at this location. I know that location. I know what's there. I understand the context. And I think that's why this local participatory approach is really critical in addition to what's going on at the higher levels in Defence.

COMMISSIONER SPENCER: Okay. Good. No, thanks, Rod. Yes.

COMMISSIONER FITZGERALD: Now, that's fine. Is there any final comment that you'd like to make? You've given us an extensive commentary.

MR POPE: Look, not at this stage. I think I have given you most of this in writing. I think, just going back to my first point about unions, I'm not suggesting that we should introduce unions to Defence.

COMMISSIONER FITZGERALD: That's probably a very wise thing.

MR POPE: But what I am - what I am suggesting is that if we don't have a union there probably needs to be some other sort of advocacy that is taking place in the injury prevention space so that that's actually occurring with some independent advocacy for personnel within that space.

COMMISSIONER FITZGERALD: And I noticed that recommendation of yours so we will look at that and explore that a little bit further. It is one of the very few workplaces where the actual members, or workers, don't have that sort of advocacy. But it may be facilitated in other ways but we'll certainly look at that in more detail. So, thank you very much for that, Rod.

Can I just – before – can I just check who's in the – is Bob back here? Yes. And is Richard Salcole? Yes. Bob, would you be okay, if we went out on after morning tea? Would that suit you? And then do Richard? And then what we'll do is ask - if during the break, we'll take a 10 minute break - is Judy here?

COMMISSIONER SPENCER: Judy's here, yes.

COMMISSIONER FITZGERALD: Judy's doing this. So, I was right.

COMMISSIONER SPENCER: Yes, substituted for this - - -

COMMISSIONER FITZGERALD: Okay. So sorry, I just made a mistake. So, Judy, we'll do you straight after morning tea, then Bob and then Richard. Is that okay? If you want to make a personal statement at the end of those presentations, can you just see either Aaron or Colin and we're happy to do that? It may be just a short presentation and I must say, Darwin, Adelaide and Perth, people have availed themselves of doing that. So, just see them during morning tea. We'll take a 10 minute break and then we'll have Judy, Bob, Richard, and then any other personal statements.

SHORT ADJOURNMENT **[11.23 am]**

RESUMED **[11.34 am]**

COMMISSIONER FITZGERALD: Are we set? Judy, if you can give your full name and any organization that you represent.

MS EMBERSON: Hi. Thank you. I did not know I was speaking. I'm Judy [Ann Emberson]. I'm an OT. I was – been OT for 40 years this year. And thank you for letting me talk. I hope - I've read some of the submission. And I hope I can be - offer some insight. I'm recording, now. Music.

COMMISSIONER FITZGERALD: No, that's fine. So, if you can just make a presentation for 10 minutes.

MS EMBERSON: Sure. Thank you.

COMMISSIONER FITZGERALD: And then we'll just have a chat.

MS EMBERSON: I've just started to deal with young veterans. I've mostly been an OT in the community in the Riverina 15 years. Veterans, 20-odd. And so, of course, I deal with, from 104 year old and yesterday a 34 year old. And I do - so I'll be a little bit fragmented because I didn't know I was presenting. The issue about colour of card, for the clinician means we have to write a submission to justify everything, from a back support to a cushion for a White Card holder. I would suggest that some therapists then don't bother to prescribe things, because they can't - they're not interested in writing a report.

Physios don't like writing reports. That's a general observation, but it would be nice if they refer to the OTs. We can do the justification of small items.

I sense with the young ones, or people on a White Card, they sense that nothing can be excess and when we are successful with a letter, they're very appreciative and have a great sense of worth. Certainly, Gold Card's easy for therapists and clinicians. So, that's a little summary, and I could talk about other issues. The small rural towns are very under covered for veterans' community nursing. What we can get in Wagga, that is community nursing night and day for free, is not available, Junee, 50 ks away. They've got to go on an aged care package.

I noticed that veterans' home care aren't aware of the veterans' community nursing, although I think they're in the same building. I, personally, help a lot with carer's allowance. Ask the doctors for this referral. Exercise physiologists in the home have made a dramatic difference on even 90 year old war widows and veterans.

I then, because I'm on the ground all the time, I see a lot of people as they get frailer and deteriorate. So we access, sometimes I've had to call ambulances and I do a lot of work with the carer. The young ones we've just started, this is something innovative when you're talking about your good ideas for your young people, is using the respite – this is my idea – respite service in the home with the young male veteran. A male, let's say home care worker, to sadly the males that are at home, not working, the expectation is that they are domestics. They have the domestic of the house. It's not always their interest. So perhaps there's a proactive role there. We've just started that with one or two young male veterans. Then the younger wife is happier that a male care provider's in the house.

I feel strongly that senior veterans are at home very isolated because of course I can't over-service. I would love that a friendly visitor service was happened out of the league or, you know, something in the Riverina. It's just terrible that they're home alone with no one to talk to. And I know they're doing a program in the RSL nursing home.

Community nursing services, which is the night and day, is doctor driven. So, I go to the doctor with the client carer to get the referral, then I scan and send it. Some of those are pushing them to take an aged care package because they get better fees like four to $600 a month, and a high rate - hourly rate of payment to them as a provider. I see that as a big conflict of interest. So I'm often telling them to be strong, stay with the DVA service.

Availability of psychiatrists is very low. I think there's one or two in Wagga and many are travelling a long way, so they're disconnected. This is for the young ones from their family. And of course your very, very old veteran will not seek psychiatric assistance. It's hard to lobby and get through. But again I might go with them to the doctor. Complex diagnoses like encephalopathy, chronic pain, we're not good with in the Riverina. Sometimes, I've had to do research and find centres like the North Shore Pain clinic. We're not good with irritable bowel, which is a little bit – yeah, well, it's not a positive diagnosis and it's a lot – very difficult for DVA with encephalopathy issues outside of that. .

Emergency services. That's come up when we - we only knew about this, like, Thursday. So if a male is dislodged from his wife, a 30/ 40 year old, in an AVO or a – there's nowhere for them to go. They might get three days of paid accommodation in a motel. They land up at Edel Quinn which is a centre for drug and alcohol in Wagga, which is really to me a travesty. I know they're – I did a fair bit of research, they're proactive and – but they're really for ex-convicts, burnt out alcoholics and surely there's something better we can do for the young veteran who can't go home but he still wants to see his kids.

They did - I know they've lobbied the league. They've got real estate, as far as having accommodation available. Because it's just a, I mean, you wonder why there's suicide. Where do these poor young boys go? There's lots for women. It's a fact. Children, diabetics. But where do young injured males go who are psychologically injured?

And I did say GPs: they don't know the services. I know they think more on a biological: how are you cleaning? How are you shopping? Personal care. They don't think that way. So I do a lot of lobbying the client or I'll go with them to the doctor and then the doctors are very often no trouble. They have to initiate that referral. As well as initiating referrals to myself. Yes, I think that's - - -

COMMISSIONER FITZGERALD: Thank you very much. Can I just raise a couple of questions that you've raised? Just as an administrative issue, the reporting that you have to do for a Gold Card and the reporting you have to do for a White Card recipient is very different?

MS EMBERSON: Very. I can just order items for a Gold Card veteran. Well, let's say a simple back cushion. I feel, I have to write a next – well, it is – it has to be an extensive report on justifying a cushion or a back support.

COMMISSIONER FITZGERALD: Sure. You're aware – or are you aware that the so-called RAP program, which I think you're under, the Allied Health one, is under some review or change?

MS EMBERSON: No, but that'd be good to know.

COMMISSIONER FITZGERALD: Well, I won't go through that. One of the issues that you've raised, is you've – this issue of home care, veterans' community nursing and you've mentioned the issue of respite. Is there a better way for all of that to be organised? Somebody said that the home, care at home services, there's different entitlements under different acts and they all should be merged and what have you. But on the ground, is there a better way of dealing with home based services for veterans, however that is paid for?

MS EMBERSON: Well, I guess it's accessing. So I go - home care: I can do that direct or with the client. Usually, I fill a form and do a report. Veterans' community nursing needs a doctor referral. So that means we go to the doctor, get another referral and justify that. Then, yeah, it doesn't happen.

COMMISSIONER FITZGERALD: So is there a better - so my question is and you may not have thought about it, Judy, but is there a better way of organising all of that?

MS EMBERSON: Well, why can't I as a senior clinician, initiate some of the services. That's what I would suggest. You know, I've got a degree working for 40 years. If I see your grandmother, why can't we make it happen? Because by the time you need nursing, you really have to wait another week. Sometimes, they can't even get to the doctor. And time is slipping away. When they say, "Yes, I need help."

COMMISSIONER FITZGERALD: There is an issue that's been raised and that is over servicing by some Allied Health professionals. And the question is, what is the right mechanism by which you can deal with that? So, obviously, we know that there are areas where there's a shortage of services. And we know that many people are receiving, you know, the appropriate level and then there's this group over here largely provider driven, not claimant driven.

MS EMBERSON: Yes, yes.

COMMISSIONER FITZGERALD: What's the right level of oversight? Because we've been very critical of DVA and I might say Defence but particularly DVA about oversight. It's almost non-existent in some areas

and it's certainly not outcomes-focused at all. There's very little attention to individual outcomes or even the system's outcomes. It's all about processes.

So I'm just wondering whether you think there - you have any ideas for us in terms of the right level of oversight so that you get accessibility, you get the flexibility that you're talking about, but you also avoid the potential for over servicing in - - -

MS EMBERSON: Well, you just won't be paid, if you over service on the particular codes. They won't pay you. And may I say, they don't pay you for about six to eight weeks over Christmas/ New Year. So we used to go into Sydney for free workshops, whole days, and they've stopped that. Allied health could go in and then we would learn. And gain direct input from the OT and physio advisors. That has ceased, which is a shame because then new businesses can start up or people who think they can overuse these particular codes. And that's made us look - some of us look like we're doing the wrong thing.

It has a bad reflection on some of us. They haven't gained the message of volume of interaction. But a trained therapist usually goes – in my personal opinion, if I get you set up at 70, you will call me. If I get - because I personally don't have time to see - over service people, you'll call me if you do, because you'll remember me.

I do - can see where you can get - some new practitioners, let's say, get excited about over servicing. But I'm - I know demand will - stop that. But if we all were obliged to go into Sydney and to have the one-on-one workshop was a great - we got the culture, we got the message.

COMMISSIONER FITZGERALD: You deal with clients other than veterans?

MS EMBERSON: Yes. Not many.

COMMISSIONER FITZGERALD: And do you deal with other systems, other than DVA? Are there any lessons or learnings or differences between your dealings with DVA and your dealings with other organisations? WorkCover organisations and all that, generally, that we could be mindful of?

MS EMBERSON: Some of the young ones going through - this is just observational private WorkCover, or even specialised units, let's say ambulatory rehab Wagga based, they don't know a lot of what's on the ground that we can get from sensor lights to hoses, let's say. Be nice if

we spoke together more. I think a lot of the big centres probably aren't thorough enough.

They deal with that immediate diagnosis and not the implications. The going into someone's home is a great privilege and you learn all about function. I think they should have an environmental home assessment to anyone. You can't beat. You can't. You can see the dynamics, the relationship. That's invaluable and it's - there's a lot to be gained from knowing people in their home. That is incredible.

Other systems, a bit too quick, address that. See you later. Without an impact on their function. Intereach Commonwealth Care Resource Centre is an amazing centre for emergency respite. Again, we need an ACAT. We need to find vacancies. There's three or four forms to do before we - your grandmother's failing, she's got to go into emergency respite. That's not quick. When it's an emergency sometimes it means an ambulance to Wagga Base while that's sorted out. Yeah, there's a whole lot of things: discharge planners and, yeah.

COMMISSIONER FITZGERALD: Sure. But in relation to DVA itself, what are the one or two things that you think needs to change in the DVA system? You've only got two. So that's all I'm giving you. What would be the two that you would change to improve it?

MS EMBERSON: If I could, as a clinician, get the particular senior citizen or unwell person there veterans' community nursing. If we could get day - night and day or daily care without having to go through three or four steps, before they get too frail, or admitted to hospital. That's the big one, really. The nursing care.

COMMISSIONER SPENCER: Judy, just in relation to other systems do you do – are you engaged with the NDIS at all in (indistinct) services?

MS EMBERSON: No, I'm too old. I chose not to do that. But I know I see other people doing the NDIS and I am involved with - I see from afar. Yes.

COMMISSIONER SPENCER: Okay. No, no, thanks for that.

COMMISSIONER FITZGERALD: Judy, I get the impression you go well beyond, probably, frankly what you are paid to do in the sense of coordinating, connecting people up. One thing that strikes me, in a range of different issues that an individual will have, in a sense the individual gets divided into different areas of Allied Health, whereas the

overwhelming need, quite often, is the coordination of what's happening to them. And it seems to me you're doing some of that.

So I'm just wondering, in relation to - what flexibility could you be given, in addition to the one you've already mentioned? That is not having to go to a GP and get referrals and that sort of thing: what additional flexibility could you be given to try and do the things that you know make a difference on the ground?

MS EMBERSON: New, a new position at Wagga base just happened and she rang for someone who's had multiple admissions to the hospital, which is a great position. And I went straight away, liaise back. Because we can't have that person readmitting. It's a sign for prognosis. That's - the fact that we can loop and everyone talks, I think; sharing information is important.

COMMISSIONER SPENCER: And can I just ask, we've heard quite often around Australia that the fee schedule is an issue. And so your general experience - I know that you've mentioned already that, you know, apart from – which is significant - not being paid perhaps for a six or an eight week period - but generally speaking in terms of the fee schedule that you work with, is that adequate or do you think it's - - -

MS EMBERSON: Well, compared to our association, it's $70 an hour less.

COMMISSIONER SPENCER: Seventy dollars an hour less?

MS EMBERSON: Yes. And that's a full assessment and then it's half that for a follow-up.

COMMISSIONER SPENCER: So, do you see – and other providers saying, "Well, I'm not going to do that because it's not worth my time?"

MS EMBERSON: Yes. And that's – we were just saying even as psychiatrists. And some psychologists will – are anti-DVA because of a low fee compared to their professional - I mean, I travel. I, probably – that's of some benefit. But I go through a lot of cars. So, yeah. And I've probably got the personality to go with volume and distance; I don't mind travelling.

COMMISSIONER SPENCER: And, look, just a final question, Judy, and you may or may not have any comments on that. But one of the things I've already mentioned this morning is the role of ESOs. And there's a lot of hidden work that goes on which is extremely important and

valuable in supporting veterans. And it's often missed when you look at the, sort of, the big system. So when you think of the role of ESOs, what might there be additionally, might they be able to do to be supportive of some of the things you're talking about? And just to give a bit of context to that, we're very keen to think of ways in which the government may be able to fund some of these services or to leverage that resource in the community. But as you look at the ESOs and the potential for them to be doing even more than they're doing now, which they would want to do, what could that look like from your point of view, from your experience?

MS EMBERSON: Well, I have – I know a lot of them. I actually go and do a presentation. Here's the amazing resources. So, they all feel it's okay. A lot of them don't feel it's okay: "I don't need that yet." "I'm not old enough." But you know, once you've got some problems like falling, the big thing is falls (indistinct), wellness, fitness. And I like to network and I'm often liaised with the ESOs or the presidents of this particular veteran group. So they know or - I do presentations with them. I think that's important.

I think it'd be great if you employed trained, experienced social workers, psychologist, throw in an OT, who knows all about DVA. And this - it's complex, as are the ages, as are their limitations and carers, you know. There's serviceman and then you've got a service widow. There's a lifetime of work for a good trained - instead of - I'm having to drive to Canberra. If you had dedicated therapists around Australia who specialize in DVA, I think it's money well spent, as social workers, psychologist. I think you couldn't go wrong.

COMMISSIONER SPENCER: All right, good. Thanks, Judy. Yes, that's good.

COMMISSIONER FITZGERALD: Any final comment, Judy?

MS EMBERSON: Thank you. I think I jumped all around. But I think I got some of the things there.

COMMISSIONER FITZGERALD: Good. Thank you very much. If I could have Bob Bak, please? No, too quick. Grab a seat.

MS EMBERSON: Sorry.

MR BAK: No, you're right.

COMMISSIONER FITZGERALD: Thanks, Judy. Thank you. You're so quick. Putting us to shame. Bob, if you give us your full name and the organization that you represent.

MR BAK: Robert Bak, I'm the - - -

COMMISSIONER FITZGERALD: And the organisation you represent?

MR BAK: We represent the Integrated Service People's Association of Australia.

COMMISSIONER FITZGERALD: Thank you. If you can give us an opening statement and then we'll have a bit of a chat.

MR BAK: Just before we go on, have you got my latest submission, there?

COMMISSIONER FITZGERALD: This one here?

MR BAK: This one. The one I handed this morning?

COMMISSIONER FITZGERALD: No. I have with us, a two pager and then a very extensive one.

MR BAK: And then you've got one at the back? You've got an addendum on the back as well.

COMMISSIONER FITZGERALD: The final - that's the final page I have. It's information request 17.1, with - - -

MR BAK: Yes. So there should be an addendum. With my – with our letterhead on it.

COMMISSIONER FITZGERALD: Yes. So that's the one there.

MR BAK: I've got – yes.

COMMISSIONER FITZGERALD: That one there is it?

MR BAK: Yes.

COMMISSIONER FITZGERALD: Great. Okay. So you've got 10 minutes to tell us what you think and then we'll, as I said, have a chat.

MR BAK: Righto. Our response to the Productivity Commission's draft report dated December 28. This is done by ourselves and a group forum that we conducted last Wednesday. Okay.

Now, in essence, the Productivity Commission Report: A Better Way to Support Veterans, has been a long time coming. And it is about time the plight of our serving and ex-service ADF personnel were given a fair deal. The anomalies identified within all three legislations, and in particular the DRCA and the MRCA have yet to be fixed. A fairer and more beneficial legislation for service and ex-service personnel must and the sooner the better.

It is obvious, the draft report is the result of quite some investigation into the Department of Veterans Affairs and Defence. It is good that some poor practices have been identified and brought to the foray. Hopefully, these problems will be fixed in the not too distant future, especially the transitional management of our veterans and their rehabilitation. This report has some very good recommendations with regards to the combining of the legislations into only two by 2025.

Claims procedures, heads of liability brought into line, and as well as one standard of proof for all service and ex-service people, SOPs to be standard use in all three legislations. These are very excellent moves, and if this is acted upon and implemented, I'm sure this will lead to a better, simpler method of administration of veterans' claims.

If these recommendations are implemented, it would mean a fairer deal for veterans by being simpler to navigate and a bonus for DVA staff as well, providing better productivity outcomes in terms of saving on costs through duplicitous practices. There are some disappointing recommendations in relation to the Veterans' Review Board. If implemented, this would see an end to the Veterans' Review Board and leaving our veterans in the hands of the bureaucrats within DVA and the Department of Defence. It means the removal of another appeal path for our veterans. Or should I say, it would mean.

The VRB should remain sacrosanct and should never be removed. The VRB is the independent unbiased watchdog which gives our veterans a level playing field. The removal of the Gold Card is another disgusting effort to remove our entitlements from the Veterans' Support System. It is a conscious attempt to remove the wellbeing of our veterans and their families. It is a disgusting effort to remove this major entitlement from our veterans.

All the health recommendations within the report are only leading to a negative outcome for our veteran population. It is an attempt to bring the Veterans' Support System into line with Medicare. And I should say, in line with civilian insurance schemes, which we all, or a lot of us know has been very negative on those people involved. Overall, we think that these recommendations should be squashed - this is in relation to the Gold Card and health - without further talk on removing the benefits we have.

How is the removal of the Gold Card going to improve our veterans and their families' health? There are other ways to reduce health costs, we are sure. When conducting the forum on this draft report, all veterans present were very suspicious of the outcome of this report and what the government is really up to. They believe this is another attempt to remove the hard earned benefits they are receiving or have received in the past. Dollars is what this is all about, saving money at the expense of our very special people. Our veterans. Does the government really care about its very special people? We request the Productivity Commission have a good rethink of the health recommendations and the Veterans' Review Board.

COMMISSIONER FITZGERALD: Any other comments or that's fine for the moment?

MR BAK: That's all right for the moment.

COMMISSIONER FITZGERALD: No, that's terrific. Thanks very much. We appreciate your comments.

Can I just deal with a couple of issues? One of them is just in relation to the VRB.

MR BAK: Yes.

COMMISSIONER FITZGERALD: The only – the recommendation - what we're trying to do is to get DVA, or the Veteran Services Commission to better deal with the initial claim by the delegate. And so, as you would have heard from this morning, Bob, we're talking about better improved decision making by a delegate, a formal reconsideration process which uses outreach, the dispute resolution procedures in the VRB and then a decision making at the AAT. So that's our plan.

We know that the VRB is deeply loved by the veterans' community. We understand that. But do you think that, at the end of the day, the VRB would be necessary - we're not recommending its removal at this stage – it would be necessary, if you actually got DVA decision-making and its

reconsideration functions better? Or is it that you don't trust those - that that will happen? What's really behind the VRB? We understand how it works. We understand that it's popular. We understand many of the points you've raised, but at the end of the day, VRB only came into existence because veterans really didn't trust the department and there was good cause for that.

So do you think there's ever going to be likely to be a change? Or you just don't think so?

MR BAK: The only thing I can envisage happening is if they did improve their decision making, okay, there's still going to be errors made, regardless. As you mentioned in the report that the DVA has an error rate – an unacceptable error rate. Well, as you were reading my report, when you get a chance, in your responses to your submissions, these – hang on, lose my train of thought for a minute here. There's still going to be veterans who have had adverse decisions made.

COMMISSIONER FITZGERALD: Sure.

MR BAK: There was one step you missed there, there's the internal review within the department. That's (indistinct), it's a s.31 under the murderous 319 or whatever. So that - that's important. It gives DVA, virtually, a chance to redeem themselves, really. OK. Now, I've had many instances in the past couple of years. We started doing this in 2000, but the last few years has been abysmal. All right. Although, a lot of good decisions have come out as well. I've got to be fair about these things. All right? But if – like, for those people that are going to be left out, without having an internal review first up before it goes to the VRB, I think that's – we're moving one avenue of going through the whole appeal process.

Now, when we get to the Veterans' Review Board. Which, as you say, yeah, I'm not saying it's loved but it's independent but they're not adversary either. I recognize that they are independent. I recognize they have to consider the legislation and they are followed by it. They have to follow the law. That's fine.

So with the Veterans' Review Board, they've recently in New South Wales, I think Queensland as of the beginning this month, and Victoria, they have implemented the ultimate dispute resolution. Okay? Now, in the past – since that was conceived and they started using this ADR process, we have not lost one case for the veteran. And I think the Hume representative, firstly, is "Well, they said the same thing."

Well, I believe the ADR resolution should be kept. End of story. Now, the next thing after the ADR resolution, if they can't come to an agreement? Fine. It should be left to a full board hearing. That's a view where we're skipping. In other words the veteran is going to be denied that avenue.

So, no, I reckon keep the Veterans Review Board as it is, and if - and in relation to referring to the AAT – I'm not too sure what you mean about that. Are you talking about the VRB has a right to refer you straight to the AAT?
At the moment, it is up to the veteran whether he or she wants to go to the AAT for another hearing, and I think that's a better deal. Not bringing direct, straight to the AAT. They've got a million cases more.

COMMISSIONER FITZGERALD: Can I just go back one? I just need to clarify. We're actually strengthening the step before the VRB, which is this reconsideration process. So we hear you, we're strengthening that and we've had many recommendations around that. And you're right. There's already powers under the Acts that should be used.

But what we are discovering is the DVA traditionally has let matters go through the VRB which we think should have been reconsidered much earlier.

MR BAK: Yes, I have addressed that in the responses as well. They have been - in the last couple of years, if - the impression that we get is that if they are really busy, they're inundated with claims in the DVA and they've got to get so many through by a certain time, a lot of them make such stupid decisions, which I laugh at, you know, we all laugh at the decisions that they make. And when we go to the VRB you know, the ADT - ADR process, well, it proves the DVA were wrong.

Now, I don't know why this has happens in the past couple years. Is it because of extra claims being received by the DVA? Is it because there's not enough staffing within the DVA to deal with these matters. It's not very – if we're talking about looking after our veterans, let's get some people in there, or get extra staff in there who are very conversant with the legislation and with - and the bureaucracy within the Department. Let's get those people in there and see to these claims on a more efficient and fairer basis. All right?

COMMISSIONER FITZGERALD: Can I just ask this question? We support the ADR as you know, the Alternative Dispute Resolution procedures and as you know, as you've just indicated, it's being introduced

into Queensland and we would think that would be very positive. So we are at one in relation to that. We think the evidence is good. I suppose we have a difference that if at the end of the day, the ADR is in fact working really well, we would question whether you'd need that for more consideration. But I understand what you're saying about that. And time will tell.

The other issue, just which is not referred to in your paper, but I think it may be your full submission. Just to clarify, there's been some confusion about what we're doing with the Veterans' Services Commission. We have never put compensation under Defence, and we put - what we are recommending is putting policy under Defence. That's not very popular. Nobody seems to want that. But we had never, ever, ever thought of putting the actual administration of compensation health care and community services under Defence.

We see that as - within a commission, solely dedicated to veterans, run by a board of commissioners, and using very best practice. So, there is a misunderstanding in the veteran community.

MR BAK: That's the way I read – I read that.

COMMISSIONER FITZGERALD: I know, and it's our fault that's the case because we were never going to put the administration into Defence.

MR BAK: I just think it's like - - -

COMMISSIONER FITZGERALD: No, we would not be - - -

MR BAK: The bureaucracy in Defence is unbelievable. It's worse than DVA.

COMMISSIONER FITZGERALD: Well, can I ask this question? We did say that we thought putting policy in Defence might be a good idea. This happens in New Zealand; it happens in other parts of the world. But there's been great hostility to that. We hear that and we'll reflect on that. But why do you think that is? What is it about defence that makes it a poor place to deal with - not the administration, but just the policies relating to veterans? Given that you know you're there – you know, you were their personnel, you were their members.

MR BAK: Well, when we're talking about Defence, I have just - just before Christmas - I'm talking about transitional management now, okay?

COMMISSIONER FITZGERALD: Sure.

MR BAK: Now, this is Defence. I just completed looking after a veteran and this happened just before Christmas and we ended up talking. The thing is, she had a back condition. It had been reported in her file three times prior to her discharge. And on her final medical, they wouldn't give her an X-ray to find out what was wrong with her back. Okay?

So I got in touch with the director of medical services in Canberra. Army. Director of medical. Army. And he explained to me that, "Oh, look, if – if the on base physician doesn't think that the veteran requires an X-ray or another scan or something else, okay, that is their prerogative." Now, within Defence the director of health - medical services says, "Ah, all right, she says she's don't need a - she doesn't need an X-ray so I'll go along with that." Now, when I - when I spoke to this fellow, he's a brigadier. We're back and to and froing for a few days over the matter of giving her an X-ray because Defence's policy is - on people discharging that they must have their claims submitted to the DVA prior to discharge. All right?

So fair enough. How the hell is a veteran going to put in a claim for a back condition when she doesn't know what it is? Because if DVA don't give it to her, don't give the X-ray, so that we've got a proper diagnosis to put it in there with an X-ray report on the veteran's claim, right, well, it just seems ridiculous that they can't - that they won't give that X-ray. The money – it's again - it's money generated. $130 or whatever it is that Defence pays for an X-ray. Now, this person now has to wait an extra two months before - her claim has already gone in, so I'd envisage by the end of this month she'll have a letter to provide an X-ray or they will - they will arrange it for her.

So, that's an extra two months by the time they – by the time she's got her X-ray and gone back to - it's gone back to DVA, there's an extra two months that person has to wait for the outcome of her claim. Now, as far as I'm concerned, DVA and Defence there should be some sort of system in place where these things are standard and they're no different from each other.

COMMISSIONER FITZGERALD: So, just in relation to that, you'd be aware that we're recommending a Joint Transition Command which seeks to deal with those sorts of issues much - in a much better way. There are initiatives being undertaken by the ADF, particularly at Holsworthy Barracks in Sydney, and a couple of other places, but we are - we do think a wholesale change needs to happen within that space.

MR BAK: Well, there's a disconnect there.

COMMISSIONER FITZGERALD: Sure.

MR BAK: A clear disconnect between Defence and DVA, and I don't see what security breach there would be by providing things between the two departments because they (indistinct) well - they are connected.

COMMISSIONER FITZGERALD: Well, you'll be pleased with our recommendations in relation to that area because we are - we fully understand what you've just said about the disconnect, so that's it. Richard?

COMMISSIONER SPENCER: Yes, I just wanted to - Bob, go to the Veteran Advisory Council because there's a bit of commentary in your longer document here about - you were not – I don't think you were too impressed with our recommendation around that, or alternatively it was missing detail that you think is important. So, we thought it was an important piece of direct input to the Minister to be able to give advice about, you know, issues of key concern.

MR BAK: Which recommendation are we talking about?

COMMISSIONER SPENCER: So, let me just say - if I can get the reference to it. It's the Veterans' Advisory Council. Yes, it was a recommendation 11.3. So, it's on - - -

MR BAK: 11.3?

COMMISSIONER SPENCER: Yes. We had said the Australian government should establish a Veterans' Advisory Council to advise the Minister for Defence personnel and veterans on veterans' - on veteran issues.

MR BAK: Yes.

COMMISSIONER SPENCER: Including veterans' support system, and your response to that was - - -

MR BAK: No.

COMMISSIONER SPENCER: No. Another jobs for the boys' scheme.

MR BAK: That's right. White collar jobs only.

COMMISSIONER SPENCER: And it's my comment, I don't think you were too impressed with that. We – well, our intent there – so let's just talk a little bit about that. Why is that - it's important for the Minister, and as you know we want – we're suggesting that the Minister for Defence personnel and veterans be one minister, to get that integration at the highest level. That the VAC would be there to advise the Minister directly, and would have a combination of people or veterans - people with experience about workers compensation schemes.

How the Minister should think about policy at the highest level around veterans' needs into the future. So that was our intent, but clearly you're not convinced.

MR BAK: Certainly didn't come across that way to me – to us.

COMMISSIONER SPENCER: Okay.

MR BAK: Actually we had this forum last week and - - -

COMMISSIONER SPENCER: Yes, so what – so what are the concerns there? What – you know, what - - -

MR BAK: Well if you're going to have a VAC, veterans' – what was it called, Veterans' Advisory Council.

COMMISSIONER SPENCER: Yes.

MR BAK: You mentioned the Council should consist of part-time members.

COMMISSIONER SPENCER: Yes.

MR BAK: So, what does that mean? They're going to work two days a week or something, does it or what?

COMMISSIONER FITZGERALD: No, no. It's a - I should just say - just to clarify.

MR BAK: Yes.

COMMISSIONER FITZGERALD: The model is exactly the same as ministerial advisory councils where people meet four, five, six times a year, that's it.

MR BAK: Yes.

COMMISSIONER FITZGERALD: But they're - it's modelled on the very stock standard ministerial advisory councils that exist presently. Oddly, veterans, you have ESORT, which is the body made up of a select number of ESOs that sit within the DVA. But there's actually no body that actually refers to the Minister. So we wanted to elevate that, make it more important. Get advice directly to the Minister and not be put through the sieve of a department. So we actually thought it was a good thing.

MR BAK: Who is going to chair these things?

COMMISSIONER FITZGERALD: The Minister.

MR BAK: See, this is what I mean, there's got to be at least 50 per cent. I said 60 per cent in - - -

COMMISSIONER FITZGERALD: The Minister would chair. Yes.

MR BAK: Somebody that is also qualified in those fields.

COMMISSIONER FITZGERALD: Sure.

COMMISSIONER SPENCER: So further detail around that, obviously, and further explanation around that would be perhaps helpful.

MR BAK: (Indistinct words).

COMMISSIONER SPENCER: So, no, we'll take that on board. Look, I just want to come back to one of the earlier comments and a concern which we've heard several times, and that is this is just all about the money and the short answer is, "No, it isn't". And in fact we think that probably some of our recommendations would need additional investment by government. So just to explain that, as we said in our report we haven't done a lot of the costings at this stage about some of the changes. We're going to do more of that work for the final report, but our feeling at the moment is that there would be an ask in here for government to invest further funds around building better systems. So we'll see what that looks like through the final report.

MR BAK: Well, I've touched on that – I've touched on the – in my responses as well.

COMMISSIONER SPENCER: Yes.

MR BAK: Now I know nothing just falls out of the sky.

COMMISSIONER SPENCER: Yes.

MR BAK: But I think really if - in relation to the claims process, there would be heaps saved in relation to that - - -

COMMISSIONER FITZGERALD: (Indistinct words).

COMMISSIONER SPENCER: Yes.

MR BAK: - - - rather than the three interjecting legislations.

COMMISSIONER SPENCER: Yes.

MR BAK: There would be heaps of money saved.

COMMISSIONER SPENCER: Well, and experience in other schemes tells us there is tremendous potential for savings. Better, more effective, faster, quicker, more accurate decisions - - -

MR BAK: Yes.

COMMISSIONER SPENCER: - - - in the way we've been talking about.

MR BAK: Yes.

COMMISSIONER SPENCER: Which clearly is to the benefit of the veteran, and frankly is going to be more cost effective as well.

MR BAK: Yes.

COMMISSIONER SPENCER: So, that should be a win-win.

MR BAK: Well, it goes hand in hand.

COMMISSIONER SPENCER: Yes. So can I just ask you in relation to the Veteran Centric Reforms, so you've been seeing that roll out.

MR BAK: Yes.

COMMISSIONER SPENCER: Are you seeing changes within the department. Are you – do you see - - -

MR BAK: The only changes - really the only changes I've seen are for the worse in relation to rehab, rehabilitation. I've got clients up in Queensland, been to Afghanistan, two and three tours, and they're pretty messed up. Okay? Now, I've got one particular veteran that's – that she's been on - she does not have to provide a rehabilitation program, she doesn't have to attend one until the end of this month or this year, and it was two years ago, right. I fought very hard for this girl, this person, and - well we've come to the time now where they may be asking her to attend a rehab because of her age. She's only young. Right, and so - - -

COMMISSIONER SPENCER: Well, what's going wrong there? Is it - is it a failure to assess correctly or - - -

MR BAK: Well, the point – what's going wrong there - - -

COMMISSIONER SPENCER: Yes.

MR BAK: - - - is the DVA in rehab terms, nobody within the DVA talk to each other. It's like, "Oh, this is my job, that - that belongs to rehab". (Indistinct) sent it down there. Rehab then have their people and they phone the veterans while they're in a period of recovery, should I say, and they're demanding that these people attend these certain courses, they've made appointments for them, and all the rest, and the veteran is – is in no way or shape or form able to be part of a group for rehabilitation. So, you know, my own answer to people that come to me and, look, ask me for advice, I say see their doctors, whoever they may be, psychiatrists, GP, specialists or whatever. Okay.

See them and get a report from them, but ask the specialist, "Am I fit for rehabilitation?" and if they're not present it to DVA and let it go for another six months, 12 months or whatever, you know. But they are very intrusive into the veteran's life, especially those that are pretty squashed up – up in the head. You know, PTSD, depression, adjustment disorder, bipolar, all the rest of it.

COMMISSIONER SPENCER: Has the introduction of the White Card made any tangible difference, from your experience?

MR BAK: It's a good thing. I was pretty cynical of it at first when it came out, when they said person who have served – well, you say so in here, person who has served one day, definition of the veteran. I was cynical of that but during this forum last week, I know an ex-bus driver who was in Defence, he was working on recruit transport. He had a case where - he used to pick up the recruits and take them - take them down to Kapooka. Right. Now, this one person was crying all the way from

Sydney, where they jumped on the bus, to Goulburn and he didn't know why. Right.

So, because he was crying, the people on the bus started bullying him and calling him a sooky and a sissy and all that sort of thing. So then that changed my mind straight away. Yes.

COMMISSIONER SPENCER: Okay.

MR BAK: Things can happen.

COMMISSIONER SPENCER: Yes.

MR BAK: That you probably wouldn't think of on the day to day. That's why we held that forum. I wanted ideas from all these people.

COMMISSIONER SPENCER: And apart from the rehabilitation observations you've made, any other areas in terms of how the Department is changing its practice, engaging with veterans that you think gives hope for the future or are you - you're not seeing that at this (indistinct)?

MR BAK: I - I'm a cynical fellow. People – I'm aware of an online thing – myGov account and all that sort of stuff. I even got one myself – I hardly ever go there, but for the people getting out of the military they're treading a dangerous line by putting in a claim online. Because that's going to go to an assessor and my experience is over the last 12 months, people who have been discharged and they've already had their claim in, one out of the whole half a dozen of them, one person has been successful. Simply because the information was there on his medical record. Okay, and the rest of them were denied.

Now when a veteran gets his statement of principles and all of this jargon on that, it doesn't mean a thing to them. They should really go and see an advocate in their area, for that assistance. But for them - it just makes us suspicious that the DVA wants people to put in a claim, we'll deny these fellows and we'll get rid of these advocates. They're a pain in the backside, you know. But that's a fact, that's how some of them in their think. I've got a good - I've got a good rapport with people in there. With certain people, I just don't talk to them anymore. All right. Because they're - in my opinion they're – they're either too lazy to do the job, they're anti veteran – anti veteran centric. Okay, and they shouldn't even be in there as far as I'm concerned.

You know, if they're not in there to work hard and do the right thing by a veteran community, they shouldn't be there. End of story, and there's a lot of that going on.

COMMISSIONER SPENCER: Okay.

MR BAK: A lot.

COMMISSIONER SPENCER: Thanks Bob. Yes.

COMMISSIONER FITZGERALD: Just concluding, we note your comments in relation to health chapter.

MR BAK: Yes.

COMMISSIONER FITZGERALD: Can I make just a couple comments. I want to repeat what I said before, it's very important. No veteran that currently is entitled to a Gold Card would lose it. That's our recommendation.

MR BAK: No, I understand that.

COMMISSIONER FITZGERALD: And people under VEA that would continue on. What we're trying to do is - as I said this morning, is to look and see whether there's a better way. So since the Gold Card has come in, we've now got the White Card extended considerably, and there's a whole lot of different initiatives in the health space that have come into play. So we're just trying to take a stock of that and say, well what's changed in health space and what - is there a better way forward. You know, at the end of the day it may be the Gold Card stays as it is, but that's the context we're having a to look at.

We hear the - we hear the advocacy around the Gold Card. So what we're trying to do is really say is there a better way going forward? And that means mental health, physical health, you know, we've talked about rehabilitation and the card system. Now I just want to - nobody loses their card, that's not going to happen. No government would ever do that, and we're not recommending that. But we are having a good look at the health stuff and we'll appreciate your comments, and we've got those so thank you very much for that.

I should just say that the healthcare is going to continue to increase as a cost to government. It's currently over five point – nearly $5.3 billion a year. So it's, you know - it's a very important part of the veterans' compensation scheme. So getting it right has a dollar effect, but it won't

save any money. This is part of the budget that's just going grow and grow and grow and grow. So the government is not looking to save money.

What I think the government is trying to do is there a more efficient way of getting better outcomes for the dollars that are spent. But anyone who thinks this is a cost cutting exercise in the health area, it isn't. It's not possible. The health expenditure is just going to continue to grow and when it's already 5.3, I think it's right that we look at it. But I do - we will read all of your submission carefully in relation to the Gold Card. But you may have a final point you want to raise on that before we conclude.

MR BAK: I've got a couple of points. I - - -

COMMISSIONER FITZGERALD: Please.

MR BAK: If you don't mind, if I can just read out - - -

COMMISSIONER FITZGERALD: No, please.

MR BAK: - - - what I've (indistinct) - - -

COMMISSIONER FITZGERALD: Sure.

MR BAK: - - - in relation to 14.6. Draft recommendation health care.

COMMISSIONER FITZGERALD: Yes.

MR BAK: All right, I'm just – the draft – the Australian government should amend Veterans' Entitlement Act '86 vehicle assistance scheme – no, no, no.

COMMISSIONER FITZGERALD: We've got your comments, it's fine. I mean you – you - - -

MR BAK: Yes, here it is. In relation to the Gold Card. I said rubbish. All right. What you've proposed, what you've found.

COMMISSIONER FITZGERALD: What we're looking at.

MR BAK: Finding 15.1.

COMMISSIONER FITZGERALD: Yes - no, it's fine.

MR BAK: All right.

COMMISSIONER FITZGERALD: I've read that.

MR BAK: You've read that?

COMMISSIONER FITZGERALD: I've read your submissions. Yes, got it.

MR BAK: Okay.

COMMISSIONER FITZGERALD: And you're very clear.

MR BAK: Okay. Does anybody else want to hear it?

COMMISSIONER FITZGERALD: No, no, I don't want to hear any more. No, it's fine.

MR BAK: You don't want to hear any more? That – this is not just my thoughts.

COMMISSIONER FITZGERALD: No, no.

MR BAK: This is thoughts from a forum.

COMMISSIONER FITZGERALD: Look, these are common – look we've heard these before in the consultations we were going around before the draft. Some people have misunderstood what's in our report, that's perfectly fine. But I just want to go gain. We understand the sensitivity of this issue. We can't duck it. We can't have a simplistic solution. So we are going to give it one hell of a thorough examination. But that's what this is about, but we hear your concerns, and we hear concern from many, many, many veterans, and we heard it last year as well. So thank you for being so explicit about it.

MR BAK: I just have one more about the Gold Card. Okay?

COMMISSIONER FITZGERALD: Yes, and that's it.

MR BAK: This is something that hasn't come up. It only came up over the weekend, and I thought, right, yes, that's a good idea. Now, given the Gold Card runs counter to a number of key design principles. Right, at 15.1.

COMMISSIONER FITZGERALD: Yes.

MR BAK: You know, you haven't given any example of the key design principles. You haven't - there's been nothing written on there. That's what I'd like - I'd like to see.

COMMISSIONER FITZGERALD: Yes.

MR BAK: And this thing about pensioners getting a Gold Card with qualifying service at age 70. Service pensioners with qualifying service have 50 per cent disability pension at present. Under the VEA, when they turn 70. If they have 50 per cent disability. Veterans with any amount of service pension and 30 points from accepted conditions under the MRCA can also be issued with a gold card. Okay. Is the commission referring to all veterans under the VEA and MRCA or all the – under all three Acts? If that question you're put.

COMMISSIONER FITZGERALD: The question is really looking across the Acts. But what happened, as you know, the Howard government introduced an extension of the Gold Card to people over 70 that had met a particular criteria, which opened it up considerably and the second thing it did is it introduced it on the basis of no means testing. Whereas people that were receiving particular pensions in their 60s were means tested.

MR BAK: Yes.

COMMISSIONER FITZGERALD: When we've explored why that occurred, no one has an explanation for it and one or two of the ESO groups in the last week were totally opposed to it. They thought this was just policy on the run, and it is. But having now got the benefit in, in an unmeans tested way, you've extended it dramatically. Now, they're the sorts of things we've been looking at. There's been a whole lot of decisions made in the health area which we cannot find a rationale for. But once they're in, nobody is prepared to give them up. I understand that, absolutely fully.

But it doesn't mean necessarily we should continue those practices going forward. So we're looking at it.

MR BAK: Yes, well this is – well this is - - -

COMMISSIONER FITZGERALD: But the ESOs themselves are not able to say why the Gold Card was suddenly extended, it just was.

MR BAK: Yes, well I was – I wrote this response because this was an information request, it wasn't a recommendation.

COMMISSIONER FITZGERALD: Sure. Correct.

MR BAK: Okay? So now this other one, the Gold Card for dependents.

COMMISSIONER FITZGERALD: We've got your comments, and we'll look at that. So I don't need to go through that now.

MR BAK: All right.

COMMISSIONER FITZGERALD: And I haven't got time. But we'll hear it – and we've got a lot of comments in relation to that one. So - - -

MR BAK: Okay. So you don't want to hear any more?

COMMISSIONER FITZGERALD: No. That's it.

MR BAK: I mean I've got plenty more.

COMMISSIONER FITZGERALD: You've done very well, Bob, you know - - -

MR BAK: Plenty more here.

COMMISSIONER FITZGERALD: I'm sure. Thank you very much for that. And could we have Richard Salcole.

COMMISSIONER SPENCER: Thanks.

COMMISSIONER FITZGERALD: (Indistinct words). We'll read all that.

COMMISSIONER SPENCER: Thanks, Bob. (Indistinct words).

MR BAK: I hope so.

COMMISSIONER FITZGERALD: Richard, if you can give us. When you're seated, your name and any organisation that you represent.

MR SALCOLE: Good morning, Mr Commissioners, ladies and gentlemen and fellow veterans, I'm Richard Salcole. I am currently the Vice President of the Wagga RSL sub branch. However, I am here in the capacity as an individual veteran.

COMMISSIONER FITZGERALD: Could I just ask you a question, I've got you down as Contemporary Veterans?

MR SALCOLE: Yes. So - - -

COMMISSIONER FITZGERALD: Is that an organisation or is that just the views you're representing?

MR SALCOLE: The Contemporary Veterans group here in Wagga was formed as part of the RSL, as a sub entity, to try and get younger veterans into the community.

COMMISSIONER FITZGERALD: And your comments today represent their views or are these just your own views today?

MR SALCOLE: A cross-section of both.

COMMISSIONER FITZGERALD: All right. Lead on.

MR SALCOLE: Ladies and gents, I sit here before you as an individual having listened and heard many voices. I'm a veteran of over 30 years' service in the Australian Defence Force who only transitioned from permanent service in January 2016, and final service in the reserves in January 2018. As stated, I'm the current Vice President of our local sub branch, and as a contemporary veteran I am acutely aware of the issues facing our current generation of service members and veterans. I spent two years as a pension and welfare officer within the organisation, and managed claims for veterans from World War Two to current recruits that are going through initial training.

I'm trained in the administration of all current compensation Acts and of the welfare of veterans and their families. I've supported veterans through the death of loved ones and spent many hours sitting and listening to veterans before getting them to promise me that they would not commit self-harm and that they would talk to me in the morning in an attempt to prevent a suicide. So why am I here? The Commission is investigating what needs to be done to support veterans and their families. I'm here to assist them in understanding what a veteran is. A veteran is a label that has been placed upon a member who has made a commitment to the country that they are willing to, at any stage, day or night, regardless of the threat, the weather or the location, to defend Australia, its population and interests, both domestically and on foreign soil.

These select members of the Australian population have volunteered to put their life, their health and their future on hold for you and no guarantee that they will safe – there'll be safety in their exit from their service. Some members have been selected to serve overseas, while many have been employed within Australia to deploy instructing reinforcement, or providing essential support. They should not be forgotten just because they do not face the enemy. Their crucial role enabled others to do what they do to protect Australia and those interests. The forgotten are those who we leave behind, the families who we wave to - wave goodbye to everyday when we go to work, not knowing when or if they will see us again.

The children who move location every two years and struggle to assimilate into a new peer group at yet another school, and often being bullied for their family connection to the service. While the non-defence partner looks for yet another job and make connections in the community, while we get on with our daily duty, so do they. How long has this been going on? Since before 1901, and how long will it continue? Until governments stop sending men and women into harm's way. I've not had the opportunity to read the comments of the submission and the commission, and only recently received 704 page draft report.

But I do wish to address some key issues. I noted in the draft report, I – I went through the initial chapter and some of the statements that stood out. The preventing and minimising Defence injuries and illnesses. Defence services is unique in not only the way the deployed roles occur, but also the peacetime operations. Although Defence does provide training in the inherent activities conducted by Defence, those activities are dangerous. Risk assessments give a level of threat to an individual, however, missions change. Fatigue comes into play, mentally and physically. And simple human response can change a planned activity, but simple accidents can and will happen.

On from that, we did a lot of lead up training before we deployed to the Middle East. However, the conditions that we were training in were Australian conditions. The sand was Australian sand, the rocks that we were walking over were different. We get over there and the conditions that we were fighting in were totally different. There's nothing you can mirror the actual environment with, when you're training in Australia especially when we're not fighting on Australian soil. Simple things like just putting down rocks to prevent dust from flying all over the place when vehicles were travelling through then became a risk injury to ankles and Achilles injuries.

Restoring injured and ill veterans by providing timely and effective rehabilitation and healthcare, so they can participate in employment and life. On this point I noted that veterans injured in service of the country are provided the highest level of medical support and rehabilitation to return to a condition where they can return to a fighting state. While all efforts are made to support the veteran, it inevitably about the service and if the member falls behind in the schedule or does not respond to the treatment like everyone else, then they are pigeonholed and medically downgraded to match a set of policy rules based on outdated and over quoted resources.

Rehabilitation is outsourced to civilian organisations that do not understand nor take into account the full nature of service life. We have quite a few situations where organisations like Connect - and not singling them out specifically, just one that comes to mind – is employed by Defence to assist in the rehabilitation. But not understanding the full nature of service duties, they put on the civilian context and that doesn't necessarily engage all those other military aspects. A simple back injury could lead to a member not being able to complete a physical fitness test. That member is then downgraded and discharged because they can't pass their fitness test. In civilian employment, they'd still be able to continue to do their normal everyday job. It's just that deployed element that they can no longer do. That inherent activity in Defence means that that member is then put out the door.

Healthcare post Defence separation, while the required standard within the community again does not understand the vulnerabilities of Defence members. A member that has gone through their whole service career being assisted through – the ability of just being able to ring up the doctor and say, "Can I have an appointment?" I've had the issue myself and a number of others have as well that you get out of Defence, all of sudden you have to get a Medicare card. You have to know how to use that Medicare card. For some veterans, and I was one, I spent 30 years in Defence. I said to my wife, "How do I make a doctor's appointment?" Something that simple can throw a Defence's member's psyche out totally.

The current transition system is broken. The statement about providing effective transition support for veterans and their families; the way we transition a member depends on how they are discharged. A member who is medically discharged gets a lot of support because that injury has been identified by Defence and Defence are doing everything they can to be seen to be doing the best for the member. The member who had elected discharge at their own request, basically walks out the door and the door is closed behind them. I, myself, went through this and continue

to struggle with it every day. I've been diagnosed with anxiety, depression, separation anxiety and also agoraphobia. I'm only able to sit here, today, because I know people in the audience. If I didn't know anyone here, I wouldn't be here. What we have is an issue with members going through the medical separation are handed on to help providers on the outside. A member that has to seek their own support and their own medical services outside are quite often left in the dark. This thing adds to their anxiety and depression and causes them to go into a deeper mindset.

The service connection of the member runs much deeper than the uniform and an I.D. card. The connection of family before self; the indoctrination to a specific set of values and beliefs, and the lifestyle within the tight knit community of Defence cannot be replicated in everyday civilian life. Without specialist support, these members fall through the cracks. This goes not only for a member but their partner and dependents as well, who also become part of that larger Defence family. And when a member is isolated through separation, so are their immediate family.

What I mean by that is that the families move around with us; they become indoctrinated into that service tight knit group. When we leave Defence, so do they. All of a sudden they don't have that same peer group, the children are ostracized at school because their parents are no longer part of the Defence and the Defence kids don't want to know them and also they're trying to hang out with civvy kids and the civvy kids don't understand what their life's been like to that point.

Enabling opportunities for social integration. This is easier said than done. Again, depending on the unique service to the member as to how socially integrate they are and also how integrated their families are. Internal social enterprises such as Defence Community Organisation and the Defence National Welfare Coordination Centre and even unit welfare officers and support teams are only as effective of the personalities in that position. By personal example; over an almost 30 year career my spouse was contacted by DCO once; received no contact or support while I was deployed twice; and, no support while I was posted member unaccompanied on four separate occasions.

Our story has many parallels in modern Defence community where members do not come from tight knit core units or units that deploy as a formed body on a regular basis. Most families now live in isolation due to the demise of Defence communities and the requirement for members to live further and further away from their workplace. Most Defence members do not live - do not have a wide social basis outside of work. This insular connection, especially at the junior ranks, means that members separating literally feel the door slammed behind them and

thrust into the isolation of civilian world. The anxiety of separation and the grief emotion caused by the loss of driving factors are – sorry, by this loss, are driving factors into depression and, in some cases, the member committing suicide or self-harm. Connection with ex-service organisations before separation is crucial. It enables for the member and their family to not feel so isolated in its transition from Defence.

The providing adequate and appropriate compensation for veterans. DVA currently provide the compensation element for Defence and we've discussed this adnauseum today as well. A member is encouraged to submit a claim for liability and compensation prior to separation for any service related injuries or illnesses. However, there are many caveats. Time limits and policy constraints that either prevent a member from submitting a claim or through the bureaucracy, the member becomes so disheartened that they withdraw their application or do not follow through once liability's been accepted.

Since Federation, Defence members have been lumped under one or multiple compensation and rehabilitation acts. DVA has inherited a complicated and convoluted system. Over the past two years the introduction of the MyService application has simplified the process and displayed a side of DVA that was rarely seen in the past; that of human interaction. The complicated system of (indistinct) of compensation applied to varying conditions of employment over multiple generations of service personnel will take more than a quick fix to sort out.

What I mean by that is the conditions that members served in World War II, Korea, even Vietnam, are much different to what they are now. They weren't trained to the same level that current service members are with risk assessments, with occupational health and safety requirements. Even when I joined 30 years ago, or 30 plus years ago, hearing protection was something that was an optional item not something you must use. So most of us have got medical issues and concerns.

The retrospective application of a new act to previous cases could develop into a loss of entitlements or exclusion from previously accepted conditions that no longer apply. For example, mustard gas exposure; I've got a veteran from World War II that's going through that moment. The Veterans Entitlements Act, Service Related Compensation Act and Military Rehabilitation and Compensation Act and, now, lumped in with the DRCA, are individual acts that covered unique periods of service and, as such, member service may be covered by multiple acts which complicates their situation further and provides that not everyone cannot be tarred with the same brush.

In my view, the only way that the system could be simplified is if all members received a gold card or similar on separation from Defence to cover all medical expenses, whether service related or not. The same level as Medicare provided while the member was – sorry, of the medical care that was provided while the member was serving. A member serving in Defence has all their medical needs met on a daily basis. They step out the door and all of a sudden it's only those service related injuries and illnesses that are covered. I myself was on multiple medications prescribed by Defence doctors, I stepped out the door and trying to get those medications recognised through DVA has meant that I'm, now, not entitled to four different medications that I, now, have to pay for myself.

Compensation could then be looked at as an individual basis, as no two members have experienced the same exact service conditions throughout their entire period of service. Every individual within Defence is a separate individual. By tarring everyone with the same brush and expecting everyone to fit into nice little holes, doesn't work. The human element still needs to be looked at and, when considering what compensation, if any, is entitled to a member that is where it comes into with the individual service. As far as the medical concerns go, Defence members inherently end up with more injuries and illnesses than their civilian counterparts.

I was told at the age of 30 that my knees and my back were almost that of an 80 year old, due to the conditions of service; carrying packs; carrying equipment; and, lifting weights far exceeding those that are expected outside. What's expected as a two-person lift, a lot of Defence members must do on their own because of the lack of personnel. We went from a defence force of over 27000 people when I joined, just in the air force, to a population of 13000. That means that you have to do more with less. That was a mantra for a long time. Under the reforms, was "do more with less", so members were doing more with less by putting their bodies on the line. Therefore, there has been an increase in injuries due to a lack of personnel.

You also look at prior to the Defence Reform Programs in the 1990s when we had a lot of personnel. We were doing a lot more unit and team fitness and sport to actually maintain a fit and healthy body. Now, a lot of people are confined to a desk; a lot of people, their daily routine is, "This must be done in Mission Support," so, therefore, it has a mission critical outcome. You don't give up on your mates that are deployed because you want to go on DPT. So your fitness inevitably suffers through that and, therefore, injuries do occur in normal circumstances.

Commissioners I wish to tender that as my submission.

COMMISSIONER FITZGERALD: Thanks, Thank you very much. Can I just go back to a couple of things? Just on the transition if I might or social or integration as many people call it. You've said that it's pretty poor, in your own words. The elements that you think at the present time that are most egregious, most failing in that system, and we've made a whole range of recommendations around that, but what do you as a current or contemporary veteran - what were the things that you thought were missing in that process?

MR SALCOLE: As I stated, for those that are administered discharged they're the ones that at most risk. They elect to leave Defence within a certain timeframe and you don't know what you don't know. So there are a whole heap of entitlements and a whole heap of necessary factors that are missed out. In my own case, I was married, separated at the time of my discharge. I put down what was my discharge location because my family was here, yet, all my discharge paperwork went through Amberley in Brisbane. I was told by the transitions officer in that state that I had 12 months in which to enact my CTAS entitlement. I got down here and I was told, "No, you only had six months." So there was a difference in communication of entitlements there.

In noting that the job that I was in at the time, and this applies to a lot of younger members getting out, is work, work, work, right up until discharge. There is no transition period where you are taken out of your employment role and put into an area where you can actually effect your discharge in a timely manner and an effective mode of transition. So one of the things that I've looked at is if Defence were to look at a possibility and could be - although I don't like the term of Joint Transition Command - it could be in something similar to that where a member is posted to the transition command, rather than their unit to affect their transition once their discharge is approved.

COMMISSIONER FITZGERALD: In the army there are detachment units that are available for people - - -

MR SALCOLE: Correct. The Army Personnel Capability detachments work effectively within army.

COMMISSIONER FITZGERALD: Yes. Yet, it doesn't exist in, either, the navy or air force.

MR SALCOLE: No.

COMMISSIONER FITZGERALD: Well, why is that?

MR SALCOLE: I was employed as a member support co-ordinator in the air force once I transitioned to the reserves. The member support coordinator is there to assist members in the same process as the APCD for those (indistinct) in medically discharging to help those seriously injured, ill or wounded in that transition. However, the other two services don't have the transition capability.

COMMISSIONER FITZGERALD: Why do you think that is?

MR SALCOLE: The sheer nature of army; army is an intrinsic beast where it is all personnel orientated. Although the other two services say that people come first, in army it is about personnel on the ground and they are soldiers first. They are looked at as the capability within themselves. Within the other organizations it's a matter of you are part of the bigger capability and once you leave, you're just a number; you can be replaced.

Army have also had the advantage of having large numbers of personnel and they have larger groups of personnel transitioning around the same time.

COMMISSIONER FITZGERALD: Sure.

MR SALCOLE: Same as when you redeploy; army tend to deploy a unit air force and navy deploy personnel. So you'll, either, be posted to a ship or posted to a unit on deployment. Army tend to post a whole battalion or a whole company unit at the same time.

COMMISSIONER FITZGERALD: So that sort of potential to be moved aside for a period of time prior to transition, is not current in navy or air force.

MR SALCOLE: No.

COMMISSIONER FITZGERALD: You mentioned just before that a topic about the - once you become non-deployable you're really on a fast track out. Is there a view that that has become more so or less so over time? So we've heard that some people are saying that this has become much more the case recently. Others are not so clear about that.

MR SALCOLE: I think it's become more an individual basis. I recently saw on TV about an army major who was a chopper pilot, double amputee; has now returned to active flying duty, same as Douglas Barter in World War II. However, in other cases, if a member isn't as resilient or

isn't as determined to return to full active duty, their ushered out the door. Again, it's not - I think it's a lot better than it was 10 years ago. I, myself, saw a lot of people because they're obese, they were told, "The door's that way," in the end of the 80s as part of that reform program. "How do we get rid of people?" "Oh, you're obese, you can't pass a fitness test. See you later." Whereas, today, it's more focused on the rehabilitation and getting a member back to a fit state.

COMMISSIONER FITZGERALD: Right. Just in relation to that – and, Richard, you might have some questions - rehabilitation is about either a return to duty or a pathway to transition out and we've had lots of discussions with people, including last week about rehabilitation programs. Your experience of rehabilitation; is the balance between trying to get people back to duty or transitioning them out of the service? Do you think rehabilitation has got that right or not.

MR SALCOLE: I think, again, it's on an individual case. High profile cases get a lot of attention and some cases just fall through the cracks. I have a number of younger veterans that I deal with, now, that have mental health injuries and they basically said, "Here's the door," just because Defence didn't have the capability to actually spend the time and rehabilitate that member whilst in service or the transition out meant that they were, then, able to get a assistance dog; so something that would calm them down, something that would allay that anxiety a little bit to allow them to participate in normal life.

Again, it may be that a member transitions partially. Under Defence Regulations, now, we have the different SERCAT levels. So a member not always is going to transition fully out of Defence. The different reserve levels, now, mean that a member could go on part-time service, they may be a full-time member on part-time service. So there is a crossing over, now, and that is also going to have a large impact on the way we transition people in the future because it may be a partial transition or it may be a full transition out the door.

COMMISSIONER FITZGERALD: So can I specifically ask that we need to look a little bit more about the reserves in the final report and you're absolutely right. The nature of the workforce in the ADF is changing and part of that is transitioning into the reserves. But the issue for us is what does that mean in practice?

So, in a sense, if a person is moving from full-time permanent military service, they move into this so-called transition phase. But as you say, a whole lot go into reserves. But how should we approach that issue?

MR SALCOLE: The classic example with that is in my own case; I transitioned from the permanent air force to the reserves and started the next day, essentially. Because of that transition my CTAS entitlement almost stopped. So I missed out on my entitlement to do additional training support and training days before I left permanent service. If that entitlement was to continue it would mean that members transitioning from one to the other could use that time to actually set themselves up physically and emotionally, make sure that their transition methodologies are set; that they've got a CV in place, they have assistance to actually gain employment, their skills are recognized before they separate. We're not chasing the tail by trying to go through Freedom of Information to try and get members records to get things done post-service.

COMMISSIONER FITZGERALD: When a person decides to cease being a reservist, one of the questions that's been raised with us is whether or not there's anything that should take place at that point by way of transitional support; we get mixed messages. One is, well, they've had lots of times to think about transition. By the time they leave reserves they probably require little support. The other view would be, "Yes, they need support," but it's of a different nature.

MR SALCOLE: One of the big things I see with reserves at the moment; they're the forgotten service across all three arms of the Defence, in that the White Card that was brought in for non-liability health care does not cover reservists, unless they have done continuous full-time service.

COMMISSIONER FITZGERALD: Yes.

MR SALCOLE: Yet, a lot of reservists do actually participate in the maximum 100 days plus per year in training days and do see and do things that can cause mental distress.

COMMISSIONER FITZGERALD: So can you just clarify that for me?

MR SALCOLE: Yes.

COMMISSIONER FITZGERALD: If I move from permanent to the reserves I don't get access to the - - -

MR SALCOLE: Ah. If you've gone through from permanent to reserves, yes, you do. But if you've enlisted as a reservist and your only service has been in the reserves, you are not entitled to

COMMISSIONER FITZGERALD: Yes, so just to be clear; the White Card only applies where you had full-time permanent service.

MR SALCOLE: Yes.

COMMISSIONER FITZGERALD: Okay.

MR SALCOLE: So long as you've enlisted and done one day's full-time duty - - -

COMMISSIONER FITZGERALD: Yes.

MR SALCOLE: - - - either in the reserves or in permanent service, you'll get it, yeah.

COMMISSIONER FITZGERALD: That's what I thought. But if you start off and stay in reserves, then, you don't get it.

MR SALCOLE: You can do 30 years in the reserves and not have any entitlement. Another sort of that - just while I'm on reserves is the - it was mentioned before about medicals. One of the problems we have is you don't know what you don't know; there is actually an entitlement to have a full medical through a supreme practitioner on discharge. Most people don't know about that.

They do their separation health exam from either the permanent or the reserve forces and they go out and all of a sudden they're going, "Oh, that niggles gotten worse, " or, "My knees are not as good as they were." But in that 12 months after they discharge, they may have been able to get a full medical and have everything listed on their medical documents from that point on. And also the access to medical documents, now, that the new myGov access for doctors to be able all the stuff into your My Health's record, Defence need to be looking at that as well. When a member discharges, their health records need to be transitioned over to a doctor as well because our civilian doctors don't know what our Defence doctors know about us and there's a lot of stuff that you don't remember if you've had an extended period of service.

COMMISSIONER SPENCER: Richard you raised a very important issue and that is the impact of military life on families, both during service and when the member's transitioning. So well, what more should be done, both, during service and during the transition period do you think, to support the family as well as the member?

MR SALCOLE: I think during service it's more about educating the members to get their families involved in community. A lot of spouses – I do say spouses so it's gender neutral - because we have that issue now of who's the stay at home parent. It could be the husband, it could be the wife that's a stay-at-home. But to get them actively involved in some form of community activity so they're not isolated, so that when the member deploys, if they're from a unit where it's just the individual that deploys, that family is looked after because the units too busy; it gets on with its daily life. But the family itself is, then, isolated from service connection, so they feel on their own. That's a cause of a lot of the distress in families and separations while a member is deployed; they come home to a wife and kids that are no longer there which, then, adds to the member's own personal mental health.

There is a lot of consternation outside of how much help direct service organizations need to give the families as well, because as a member transitions out, they might go to their local RSL or Mate's Mate, Soldier On; 3,200 ex-service organizations out there to choose from, which is also an issue. There is - all these organizations have grown up because the major providers of assistance weren't there to support them.

There's a changing mentality at the moment that if a member needs support, they'll get everything thrown at them and, again, that sometimes complicates the matter; and the spouse doesn't know who to turn to. So if the schools are aware through the (indistinct) system, the education and housing officers are informed, "Okay, this family's transitioning out of Defence into the local area. The member's been posted in." One of things I advocate is that the member gets put in touch with an ex-service organisation in the area. It may not be the RSL because we don't have RSL sub-branches everywhere. But it could be that they're put in touch with them and said, "Okay, here is a point of contact for you." That organisation, then, assists that member in saying, "Have you got somewhere to live? Have you got somewhere to work. Have you got kids? Are they at school? Can we support them in making sure that they are accepted in the school that they're coming to?" Because of that transitional nature of Defence, the families are the isolated factor.

COMMISSIONER SPENCER: Well, Richard, we are conscious of that. So I mean that reinforces some of the recommendations. When you have a chance to look at our report, you'll see that engaging the family members earlier; being thoughtful about what they're going through and how best to support them. We're certainly under the banner of the Joint Transition Command - really concerned about that.

Coming to the ESOs because you raised an issue and we've commented on it several times this morning about the important work that ESOs do. It's a - it's a hidden asset; a terrifically valuable asset and to us, we often hear that veterans are most comfortable dealing with people who know what their experience is like.

MR SALCOLE: Correct.

COMMISSIONER SPENCER: So that is uniquely within the ESO space. So, and you been familiar with some of the initiatives that are underway to form hubs - - -

MR SALCOLE: Yep.

COMMISSIONER SPENCER: We have seen examples of that in Townsville, in Darwin and elsewhere. What ESOs do is essentially up to ESOs. That's not, you know, for anybody else to say. But we think it's important to look at the potential for government to leverage the services or the opportunities for veterans for ESOs to do the kind of support you're talking about.

MR SALCOLE: Yep.

COMMISSIONER SPENCER: So how would you - I mean from what you're saying, there seems to be great potential for that.

MR SALCOLE: There's one of those things - - -

COMMISSIONER SPENCER: Would that be helpful to do that?

MR SALCOLE: I'm a firm advocate of hubs. I saw effective operation of hubs in Canberra and the way the community is coming together to support veterans. It doesn't matter which organization you belong to, you can be part of that hub and the member has freedom of choice as to which organisation they want to go and talk to. They may have had a bad experience with one specific ESO or one person in a specific ESO, or one person in a specific ESO. So that they then taint that ESO, they can go and talk to someone else. Again we don't know what we don't know.

If there was an ability for - the classic example is here in Wagga. We had a DVA, an office established here. They then disestablished the office here and said, "Oh yeah, there is one at Wodonga, it's only an hour and a half away." That hour and a half is all right, if live here in Wagga. If you're out at Hay or Deniliquin, and you were coming to Wagga for treatment, because this is a major medical hub for the region, you could

have access that facility while you're here. But now you could go another hour and a half away.

It's all right in major capital cities, because a lot of infrastructure is built around human services. In the bush, it's not. The regional impact is that it is a large distance to travel. And for yourselves just come here today, you've seen, okay, there's some people in the room that came, an hour and a half, two hours, to actually come and listen the commission. We have that issue where, if you have a central hub, you know that, "Okay, I can go there, I can get my shopping done, I can go and do this, I can do that, and go and speak to whoever I need to speak to."

One of the initiatives, and Pete Robinson's in the room, one of the initiatives he's pushed for the last few years is that we have a central location where all veterans can come, regardless of their background. They have the ability to get in and do things, like similar to the defence shed in South Australia, give them tactically, give them something to do with their hands. A member who has mental health issues can be aided so much by having that tactile interaction. If it's just someone sitting there talking to them, or talking at them, it's not going to sink in.

But through Peter's interaction, he managed to get a welding course up and running through TAFE, as an interaction between the RSL and TAFE, we had members actually transitioning from Defence. We had members who'd been out of Defence for a number of years, and there were members that were still serving. All able to come together to complete a course of training, because they all speak the same language and that's the big thing about the ESOs.

COMMISSIONER SPENCER: No, thank you for that Richard. I just want to go back to this, we've mentioned this word "outsourcing" several times and with your 30 year career I'm just wondering if you've got any comments on something we've observed. And that is that, it seemed to us, there's a history going back several decades, of people who were - had medical issues and injuries, there were alternate roles for them within the military.

And we've heard stories about many people are quite happy to go to a role where, you know, meeting the physical requirements is no longer possible. But, it seems with the outsourcing and many different roles, security, catering, all kinds of other roles around the services, that those opportunities are not there anymore.

MR SALCOLE: Correct.

COMMISSIONER SPENCER: If you look at the modern - well, contemporary veteran, as you know, the length of service is typically now about seven or eight years. So maybe the times have changed, and people don't see a lifetime career. But do you think that issue of, you've got to be fit or you're out, you've got to meet the standards or you're out, do you think that's been exacerbated by this not having the opportunity to find other roles for people within the military? And as sort of a supplemental question, do you think that's changed the culture of it?

MR SALCOLE: Yes on both. The Defence family that we used to have, where members did 20 years plus, a lot of that was centred around superannuation schemes, DFRDB.

COMMISSIONER SPENCER: Yes.

MR SALCOLE: As well as, even in community now, the average length of a career is four to six years. So they've seen their friends transition around outside, and all of a sudden they've gone through school, they've gone and done a welding course, they're working up in the mines, they've come back, they're doing - so, the culture within Defence as well as just replicating that, it's still a slice of community.

What we do see more of now though, is that there is a lack of opportunity to stay in Defence, if that's what you choose to do, because of the downsizing, the reforms that we had back in the 90s, the lack of funding to Defence Force salaries has said that we, okay, we have essential services, then we have non-essential services. Essential services we need to be able to deploy, that's where the money goes. If he can't be deployed, then you can transition across and become a civilian, and work in the nonessential services, or even separate all together.

But, that culture then also changes, because that family that we had no longer exists, and it's just another workforce now. So that then exacerbates the seven year career, because people don't see it as a long term venture anymore.

COMMISSIONER SPENCER: Thanks Richard. Robert?

COMMISSIONER FITZGERALD: We're just going to run out of time, but I hear your comments about all medical expenses being funded when a when a member of the ADF leaves. And as you've heard from us, we're looking at all of these issues. The Gold Card at the moment covers a number of matters beyond just health.

MR SALCOLE: Correct.

COMMISSIONER FITZGERALD: Well, depends on how you define it. It picks up some aged care stuff, home care stuff, oral health, lots of other things as well. Is the issue that you're raising - you probably don't draw a distinction, but do you draw a distinction between meeting the medical needs of people in a very narrow sense, as distinct from the Gold Card which is much more expansive than that?

MR SALCOLE: Okay. The basic level of healthcare, I suppose that Medicare provides to people on the outside. Probably could be extended to the White Card to enable that transition to occur, without it affecting the Gold Card. But the Gold Card also picks up on those aspects of service that are unique to service life, the fact that your body is going to be broken and damaged a lot more than what has been counterpart is.

COMMISSIONER FITZGERALD: And just in relation to that, can I ask a question: have you got any views about the ability to access mental health services in this region.

MR SALCOLE: Mental health services in this region are pretty poor. And I've been fairly lucky. I was referred to a couple of mental health practitioners. That ranges from a tertiary trained counsellor, through a psychologist, to a psychiatrist. We have, as it was stated before, we had two psychiatrist in town that do see Defence members, and the rest are all - you have to get to Sydney, Canberra, Melbourne, which then again, if you have anxiety, the last thing I want to do is go and jump on a plane by myself. So then that means that then I've got to organise meetings and stuff around when my wife's available to go with me.

If I drive myself, if I have an anxiety attack halfway, I tend to turn around and come home, because home is my safe space. So again, that mindset of how far the veteran can actually travel on their own and the support available to the veteran forces other health issues onto that member as well. Because all of a sudden, they'll get a niggle in their back, and they'll go, "Ah, look, I can't travel two hours to go and see a doctor, I'm just going to not worry about it." Or, "I'll just go to me GP and I'll get more painkillers." So mental health is no different. If you can't get the access to the service regular and readily in the area, you're not going to worry about it.

COMMISSIONER FITZGERALD: Good. Thank you very much, Richard, for that.

MR SALCOLE: Thank you.

COMMISSIONER FITZGERALD: Is there anybody else who wishes to make a brief statement before we conclude. So, even if you're not prepared, we've got some - a few moments. Anybody? Sir. Just come across. So, if you can give us your full name and any organization that you represent, and if you'd like to make a brief statement.

MR HOGARTH: Peter Alexander Hogarth. I'm representing and assisting Mr Bob Back for the Integrated Service People's Association.

COMMISSIONER FITZGERALD: Sure.

MR HOGARTH: Just a brief history on myself. I have just recently separated the Air Force, after 39 years' service. And I've seen everything from the Deseal/Reseal program back in the late 70s, early 80s, up until current deployments in Iraq, Afghanistan, and locally with border protection, looking after asylum seekers. And it's good to see you again, Commissioners, of course we had dealings at RAF base Wagga last year, if you remember.

COMMISSIONER FITZGERALD: I do.

MR HOGARTH: I just want to talk about a couple of things that were raised by the previous presenters, and just to talk about what they said in in regards to some of the draft recommendations. If I may.

COMMISSIONER FITZGERALD: Just briefly, yes.

MR HOGARTH: Yes, very briefly. So, the first one is I want to talk about what Professor Pope brought to the table with draft recommendation 5.1, and that is to do with Sentinel. Sentinel has been in vogue with Defence for the last few years. The big thing we found with Sentinel, and it's still happening, it is not a complete tool for capturing events, as you're probably well aware. The latest ones, and I can only talk about Air Force specific, the latest ones they're looking at finalizing with Air Force is risk management, to do with risk management, and that is the implementation of risk registers, and they'll tie analysis into that.

So, the issue with Sentinel, and if the Commission is looking at providing Sentinel as a tool to assist DVA. The biggest thing we found in Defence was the lack of training, for the tool. So, currently there is only specific people at Air Force bases that are conversant with the tool. That is unit safety advisors, wing safety advisors, and RAF safe advisors, at particular establishments. So, the problem is that a person on the - on the hangar floor has a safety incident, which is called an "event" in Sentinel.

They are not trained up on the tool to input the data. So then, they go to a unit's safety adviser, to assist them in inputting the data. What is lost there, on occasion, is the context of which that data is inputted in relation to the incident. So, training has to be looked at. So, Professor Pope then talked about the Defence Injury Prevention program. Known as DIP, DIP data.

So about 10 years ago, and this is only locally, RAF Base Wagga, the DIP team, with the physical training instructors, was disbanded. So now the safety data is inputted by these specialist people, into Sentinel. That is rolled up, and that data is extracted, at the Defence Flight Safety Bureau to be inputted into the top board safety board, the Air Force Safety Board which, currently is held twice a year. The issue is the extraction of that data, allows Air Force Safety Board members to look at things they're going to target for audits, in the in the forthcoming year.

The only issue is, and I'm - I left on 13 January, this year - I was the secretariat for the Air Force Safety Board dealing directly with the Chief of Air Force. So the issue is that this data once discussed at Air Force Safety Board, is not disseminated down back to the force element group commanders, which then comes back to the unit. So, there may be cases where the units are dealing with an issue, right, it's fed up, but it's not brought back. So there's no, what do they call it, improvement. So that's the first thing.

So I'd like to now talk about what Richard Salcole brought to the table with regards, what's the difference. And I'll link what I said previously to now. The catch cry for Air Force, at the moment, is "Mission First, Safety Always." So let's now look back at the Deseal/Reseal program, where the catch cry back then was, "Platform First." The point I'm trying to make is where do people fit into that?

So it's often viewed, locally, as capability first, safety always. But what I've said to the commanders, up to and including the Chief of Air Force, never forget people are your capability. Because without people you will not be able to bring that capability to the frontline. You look at our values statement for Air Force. See if I can remember it, "Respect. Excellence. Agility. Dedication. Integrity. Teamwork." But you then overlay that on Defence values. The missing element, with Air Force values to Defence values, is loyalty. So people are pushed aside.

When I transitioned, sorry, when I started to transition, I started January last year, the transition, and it was only via word of mouth that I was told to start looking at getting my claims together for DVA. It certainly wasn't delivered at the transition seminar that I attended. So I started doing that.

The first thing was to get my medical documents, and then to go through them painstakingly, and over three Acts, it becomes very confusing. So I had to go, and with the assistance of Mr Bob Back, sit down and go through the claims. No other person was able to assist.

But before doing that, and I did that off my back by the way, before doing that, I went to the transition officer, at the time saying, "Where can I go for - to get assistance?" The transition officer is a civilian who had no idea of military aspects of service, and where to direct me. So they're just a few things.

The last thing I wish to say, and it wasn't brought up, we've talked about it, is accessing the DVA website. Now, Commissioners, I want you to put your hats on an early veteran trying to access local I.T. Whether it be a laptop, hasn't got a clue, would not know, and this is a generalised statement, would not know how to turn it on, let alone go to a site to access MyService, myGov, to assist. So they're just some of the things.

COMMISSIONER FITZGERALD: Thank you, Peter. I will be brief. But can I just go back a bit. This issue about people are your capability,

MR HOGARTH: Yes

COMMISSIONER FITZGERALD: As outsiders, complete outsiders, we would have thought that that is completely uncontested, that is that is what we would see it as. As we've been going through the inquiry, there is a view that within Defence, people are not necessarily seen as the most significant asset, and it does seem to vary between Army, Navy and Air Force, and I don't want to give a commentary on that.

MR HOGARTH: Yes.

COMMISSIONER FITZGERALD: But it does surprise us from the outside that people are not seen as the most important assets. You know, capability within the three defence services. So why do you think that is, if that is so? I mean, I don't want to overstate it, but it is very clear to us that there is a view within the three services, by serving personnel, that they are not seen as the as the - as the key asset to credibility. So why do you think that is?

MR HOGARTH: Because the focus is on obtaining platforms. For example, the F-35 that is coming into service. The two jets those that have landed in Australia, right? At 125 million apiece. We've obtained 72 of them, right? What thought was given into the maintaining of that platform? What thought was given into training the people? So the

platform becomes first, and I relate it back to the F-111 Deseal/Reseal, right? It was to get the jet in the air at all expense. And that's why we're still dealing, and I can say from the Air Force Safety Board perspective, the Deseal/Reseal Action Items are still current, to this day.

And the incident happened back in the late 70s. So, again, I say what have we learned? Our focus is on capability, the platforms we bring to the table. People are a distant.

COMMISSIONER SPENCER: No, no question. That is very helpful. Thank you Peter, and particularly those last comments, because that's something that has struck us, that - where are the individuals in all of this.

MR HOGARTH: Exactly.

COMMISSIONER SPENCER: And sometimes it's not clear, what the priorities are.

COMMISSIONER FITZGERALD: Thank you very much.

MR HOGARTH: Okay, thank you.

COMMISSIONER FITZGERALD: Is there anybody else that would want to make a comment before we conclude? Last chance.

UNIDENTIFIED SPEAKER: I just want to declare (indistinct).

COMMISSIONER FITZGERALD: Do you want to be on the record. We can do it after then, that's fine. Any other comments? Well, all it leaves is for us is to say thank you for your participation today. We very much appreciate it, and to adjourn the public hearing until we meet in Canberra tomorrow. And then as I indicated, later in the week we have Melbourne, Hobart, and then subsequently Brisbane and Townsville. So thank you very much.

MATTER ADJOURNED UNTIL
TUESDAY, 12 FEBRUARY 2019

Australian Government
Productivity Commission

PRODUCTIVITY COMMISSION

COMPENSATION AND REHABILITATION FOR VETERANS

MR R FITZGERALD Commissioner
MR R SPENCER, Commissioner

TRANSCRIPT OF PROCEEDINGS

AT 4 NATIONAL CIRCUIT, BARTON
ON TUESDAY, 12 FEBRUARY 2019 AT 9 AM

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COMMISSIONER FITZGERALD: We might start just a couple of moments early. So thanks very much for participating, thanks for being here. I'm sorry this room doesn't have any light in it, natural light, but it's the way of the world. I'm just going to make a formal statement and then we'll get on with our first participant.

So firstly welcome to the public hearing for the Productivity Commission's 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 fellow Commissioner is Richard Spencer and we've met many of you previously.

The purpose of this round of hearings is to facilitate public scrutiny of the Commission's work and to get comment and feedback on the draft report in order to complete the final report. So far we've held hearings in Adelaide, Perth, Darwin, Wagga Wagga, and following today we will have hearings in Melbourne, Hobart, Townsville, Brisbane and Sydney. We'll then work towards completing the final draft to government which will be provided at the end of June, having considered all the evidence presented at the hearings and in submissions as well in other formal discussions.

Participants, and those who have registered their interest in this inquiry, will automatically be advised of the final report's release by government The Commission produces and publishes the draft report but the government publishes the final report. However, they are required to do so within 25 Parliamentary sitting days after the completion and presentation of the report to the government. So governments have to publish our reports in full within a specified period.

We like to conduct all hearings in a reasonably informal manner, although some people may say this isn't very informal, but I remind participants that a full transcript is being taken. For this reason comments from the floor cannot be taken, but during the proceedings and at the end of the day I'll provide an opportunity for any persons wishing to make a brief presentation, subject to time permitting.

Participants are not required to take an oath, but they are required by our act to be truthful in their remarks. Participants are welcome to comment on the issues raised in other submissions by other participants. The transcripts will be made available to participants and will be available from the Commission's website following the hearings. Submissions will also be available on the website.

And just for occupational health and safety reasons, there's only two entrances out, those two doors, and just follow the signs past reception, and also all of the facilities unfortunately are outside past the reception so you have to go out of the actual offices to access those.

So I'd just like to start today with Liz Cosson, Secretary of the Department of Veterans' Affairs as our first participant. So if you can give me your full name and the agency you represent for the record.

MS COSSON: Certainly. Elizabeth Cosson. I'm the Secretary of the Department of Veterans' Affairs.

COMMISSIONER FITZGERALD: Good. Liz, if you can give us an opening statement.

MS COSSON: Thank you. So the Department of Veterans' Affairs welcomes the Productivity Commission's Inquiry and its draft report and the opportunity to present at today's hearings. We are very grateful for the efforts that the Commission has made in understanding the complexities of the veterans' support system and the many part of the system.

DVA has a long history and is proud of its support of veterans, but we also appreciate that some veterans have at times not had the best experience with the department due to the system being difficult to navigate, confusing and difficult to engage. The complexities of legislation and systems and how they interact has been challenging for veterans and their families, DVA staff and for our veterans' advocates.

We acknowledge that much of the complexity in this system stems from response to the needs expressed by veterans and their support organisations over many decades. We have now a system which does reflect a wide variety of veterans' circumstances and needs but which is complex because each iteration and improvement has been layered upon the previous one.

We also recognise that one of the most significant causes of the frustration to veterans and their families results from the time lag between an injury and the acceptance of a claim. This aspect is where much of the ambiguity in the system lies. We are continuing to work very closely with Defence to improve the determination of liability to make it clear where an injury or an illness is related to service and to do that from day one.

Improving this aspect alone would introduce much greater certainty, immensely improve the claim experience of veterans and their families and ensure continuity of care where needed, but reforms needed to the

system are much broader and go to legislation and policy, structure, culture, delivery, engagement with ex-service organisations and with the veteran community that this system supports.

It is worth briefly discussing how the broad veteran community is supported and the challenges for this support. We estimate there are more than 640,000 living veterans from all conflicts, including peace time and reserve service since the Second World War. DVA has around 282,000 clients of which 165,000 are veterans, 117,000 are widows, partners and other dependants. Our clients also range in age with 18 per cent over the age of 90, 67 per cent over the age of 65 and 9 per cent under 35, so of the 640,000 veterans, DVA knows 165,000 of them as clients.

The veteran community is very broad. There are more than 3,400 registered charities in Australia that have veterans and/or families as beneficiaries which includes 500 or more ex-service organisations. The advocacy services that ex-service organisations provide, overwhelmingly through volunteers, support veterans and their families with compensation claims, predominantly with compensation claims.

Newer generations of veterans are not stepping into advocacy roles as the previous cohorts of veterans age. Younger veterans are not members of these ESO's, and potentially advocates find it difficult to deal with the complex legislation that was less significant for previous generations of veterans.

There is a challenge across the veteran community which includes DVA and ex-service organisations in how to respond to the needs of veterans and their families into the future how to build capability to ensure the model is sustainable. I welcome the Productivity Commission's draft report observation that through our veteran-centric reform methods DVA is streamlining and improving the claiming experience, but we don't have a good track record for change and we know that more can be done.

Some three years ago DVA commenced a significant transformation program to deliver improvements in the way DVA assists veterans and their families. It commenced this reform on the basis that the veteran and their family are at the centre of all that we do. Our program of veteran-centric reform is now well under way. We believe we are on a path to a better system, but we are not there yet and have several more years to go.

I have available to table our ICT road map which sets out this program of transformation. It is a multi-year program and I must say that it is still dependent on government investment through budget process. We acknowledge the areas of DVA services which the Commission has been

critical of in its draft report. However we do have some of our reforms that are addressing these shortfalls and we have made significant improvements to our services for veterans and their families, and I'd like to offer our thoughts in six of these areas.

Firstly, the fundamental principle which is the unique nature of military service of being different to workers' compensation system and we note the Commission's views on military compensation compared to workers' compensation schemes and I'm pleased that the Commission has accepted that military service is unique.

The requirements of military service include elements which are best dealt with by remuneration and there are others that should be considered through compensation. To observers of the veterans' support system these issues are often considered to be interchangeable. For example, while many aspects of military service involve long hours, on-call requirements, interstate postings and the like, these are not unique to military service and are already dealt with through remuneration.

The key unique elements of military service which distinguish it from civilian activity are as follows. It's the authority to use lethal force; the inability for the risk of injury or death to be managed or mitigated in operational engagement with a hostile enemy force; the requirement for all those who put on the uniform to be subject to military discipline and to commit to the potential for operational engagement.

A fundamental aspect of workers' compensation schemes is that the employer is required to take reasonable steps to safeguard the wellbeing of their employees. However, in military operations the risk to wellbeing cannot be managed in the same way to the extent that injury or death can be a reasonable expectation held by members of the Australian Defence Force participating in armed conflict. Our submission will expand on these issues.

The second area. Structural recommendation in the draft report. A key aspect of the Commission's draft report is its series of recommendations concerning the structure and governance of veterans' support systems. Our comments on these recommendations today will be relatively limited given that these recommendations are best considered and responded to by government.

We understand the rationale for proposing these recommendations and we offer some observations including veteran-centric reform is still under way, hence there is a risk of disruption to the current reforms through early changes to the governance structure. We suggest that some roles

and responsibilities need further consideration as to their best fit, such as veterans' policy and defence and relocating the commemorations and war graves' functions.

We do agree there is potential to consider how services are delivered and how delivery fits with or is separate from veterans' policy. DVA will be working with Defence to develop a range of options and new thinking against the analysis and recommendations in the draft report.

The third area, commemorations and war graves. I'd like to touch on the Commission's proposal that DVA's commemorations function and the Office of Australian War Graves be relocated to the Australian War Memorial. My observation on this recommendation is that commemorations are generally considered to be integral to recognising and valuing military service and can be an important contributor to veterans' rehabilitation and mental health.

DVA plans and delivers international commemorative services and engages with foreign nations to conduct these services. DVA also shares this role with the New Zealand Defence Force in Turkey.

The fourth area. Reforming the schemes of compensation and support. DVA supports the need for the legislative reform and would add that work is already under way on some elements of harmonisation. The nature of simplifying and harmonising legislation is far from simple. Much work needs to be done to examine the legislative detail, the effects of any changes and the transition arrangements.

It is critical to understand the implications of all elements of harmonisation and simplification, especially if they affect veterans' entitlements, so might carry a high cost to government. Throughout this process, and certainly over the next several months, we will be keen to understand the views of veteran community on these important issues.

The fifth area on claims and reviews and changing the Veterans' Review Board. We consider the Veterans' Review Board to be working well. The introduction of alternate dispute resolution was first implemented by the Veterans' Review Board as that presented the most logical and efficient point in the existing review process to test that arrangement. We realise that one of the factors that has contributed to the success of the alternate dispute resolution by the VRB is that the VRB can still rely on its determinative powers should the ADR process not reach a resolution.

I am pleased that the Commission has acknowledged this initial success of ADR processes at the VRB and these need time to work through the

system. DVA is focussed on reforms at the primary decision level which might include ADR methods at the primary and internal review level as well.

The final area I wish to address is the health care, transition and rehabilitation. DVA fully supports the wellness model articulated in the draft report. We are mapping our existing programs, sub-programs, initiatives and activities against the seven domains of the Australian Institute of Health and Welfare Wellness Model and we are also exploring effectiveness measures and data requirements for each of these domains. We would be happy to share our findings with the Commission in the coming few months.

A critical element of this approach is to separate treatment from compensation. Continuity of care and early intervention is core to this model. We also support the importance of transition and the transition support needs to commence from the point of enlistment until well after the member leaves the Australian Defence Force and this is needed with DVA involvement throughout the process.

DVA, along with Defence, Joint Health Command we continue to invest heavily in work across government to improve timely access to critical health, rehabilitation and service history data. These efforts are enhancing continuity of care and rehabilitation throughout transition, while at the same time building the evidence base for early, proactive interventions which prevent injury and illness in the first place. DVA would be keen to understand the Commission's further views on health care in its final report including provider fee arrangements and we are happy to provide further information in the coming months to assist you.

Timings. DVA has noted the timeframes proposed in the Commission for reforms. However, the timeframes are generally very ambitious. For example, setting out considerable activity to be undertaken this calendar year which may not be realistic to achieve. We would need to work with government to seek endorsement and resourcing for a reform program beyond our current veteran-centric reform. Some elements such as legislative reform are complex and do require consultation, design and drafting which may take several years.

In concluding. I can advise the Commission that DVA is actively undertaking further work to understand options and to determine resourcing against the number of key parts of the draft reform. We are working across government to prepare some more detailed costings which will be made available to the Commission around mid-April.

I would like to thank you for your time today and wish you the best in future hearings and I'm very happy to take any questions of clarification.

COMMISSIONER FITZGERALD: Good. Thanks very much, Liz. If I could just start with the numbers that you've given us of 640,000 living veterans. As you know in the draft we were unable to establish any figure. Your level of confidence in that figure?

MS COSSON: So the Australian Institute of Health & Welfare actually came up with their figure in working closely with Defence records on who's actually served since World War II, so I have some confidence in that figure, and it has been a published figure.

COMMISSIONER FITZGERALD: And you've indicated that 165,000 veterans are currently clients of DVA. Can I just understand the notion of a client of DVA? Would that include anybody who is simply accessing Gold Cards and White Cards as well, all of those would be clients?

MS COSSON: Absolutely. Anybody that has registered a claim with DVA for benefits through our system would be registered as a client.

COMMISSIONER FITZGERALD: So given that DVA is well-known and the scheme, the veterans' scheme in one way or another has been around for 100 years, what interpretation should we place, if any, on the fact that only a minority of veterans are seeking services through DVA? On your figures two-thirds are not. Are we to interpret that that most veterans are living well and are able to integrate back into civilian life or should there be - have another interpretation on that?

MS COSSON: I'd interpret it a couple of ways. One is most veterans do transition and live well and don't need the services of the Department of Veterans' Affairs. That would be a majority who transition. I'm a registered client but I'm not accessing any services through the department. I don't need to, but there are also some veterans out there who have had a bad experience with the department and they have not been able to enter into the system, and so therefore have not been prepared to re-engage with us.

There is also a third element of that question. There's not a great awareness of DVA and the services DVA can provide after you leave military service. You often hear the stories that when they leave the Australian Defence Force some don't even realise that there is this department that is available to them that they can register, so that's the work that we've been doing with Defence, to raise awareness of the department and the veterans' benefits and veterans' schemes, and that's

why everybody on transition from January 2016 now receive a letter from myself and they receive a White Card so that they are introduced to the system.

Similarly what was introduced at that time is, everyone that now enlists in the Australian Defence Force, we have visibility of, so we now know everyone that serves. We didn't prior to 2016.

COMMISSIONER FITZGERALD: So has the department got any sort of expectations as to what the trajectory will be in terms of its clients going over the next five, 10, 15 years? So of that 640,000 do you have any particular projections as to what percentage of those will actually become clients over time?

MS COSSON: I don't know whether that work's been done but I can certainly have a look at that to see if we can give you some further advice.

COMMISSIONER FITZGERALD: Sure.

MS COSSON: But we have actively - we have had an active outreach program over the last two years and I haven't seen a huge increase other than with the recent announcement of the veterans' identification card or the veterans' card where we have had an incredible take-up through the MyService channel, and once again I'll need to get that number for you.

COMMISSIONER FITZGERALD: Just explain that, a veterans' card, what's the purpose of a veterans' card?

MS COSSON: The Prime Minister announced a covenant and a recognition package, and so what we're doing with the veterans' health card is using that as an identification card. It won't have a photograph on it, but veterans will be able to use that so that people can recognise them as a veteran. Similarly they'll get a pin so a veterans' pin. That is about helping them reconnect with communities. As you asked your question before, most veterans do integrate well back into their communities, and this pin and this card is to help those that perhaps find it a little bit more challenging.

COMMISSIONER FITZGERALD: Sorry, can I just ask a question. I don't want to go into the health area yet. Richard may have some questions, but in relation to the White Card which is effectively almost automatically given to somebody that leaves military service, can I just ask, at the present time people have to apply for that card, and do they have to identify any illness associated to get that card in relation to mental health?

MS COSSON: No, they do not need a diagnosis. They are eligible for treatment with that White Card. They have to activate their card to get that treatment.

COMMISSIONER FITZGERALD: In the future is it likely that when a person is discharged from service they will automatically get a White Card or do you think the process will need to continue to be one of applying for, and as you say, activating that card, and the reason why I ask that is, if, in the first instance, they were suddenly automatically granted a card, everybody that leaves military service would become a client of DVA overnight, whereas at that time because people have to apply, and in some circumstances show some sort of eligibility criteria, the clients are obviously a lesser number, but I was just wondering what's the intention with that card?

MS COSSON: Ideally what I would - what we have been aiming for and working closely with Defence on is to try and separate, well, get rid of the lag between your military service and then seeking medical support, that's separating that treatment from compensation. I would like to think that everyone that leaves will automatically receive that White Card which has already loaded on to the White Card any condition that they have that has been deemed to be service-related so that they do not have to apply for access to medical treatment.

The aim with that is the preventive health; proactive intervention; get into treatment the minute you leave; have that continuity of care. And supporting that program would be, how do you connect with clinicians; how do you connect with general practitioners? Can I use an example of myself?

COMMISSIONER FITZGERALD: Sure.

MS COSSON: After 30 years, not being able to find a GP in Canberra, and there was a gap between that continuity of care. Not that I needed a lot of medical care, but getting into a GP that you can then continue to enjoy some medical, universal health system that we have in this country, and so that would be where I'd like to land, that that White Card is loaded, go and get treatment. If you would be seeking compensation for any injury or illness that would be a separate process that you would then have to have further evidence that it is related to your service, and then apply the SOPs.

COMMISSIONER FITZGERALD: And if that strategy were to be fulfilled, then obviously, going back to my point, the number of clients of

DVA or whatever organisation it would be, would in fact be substantially greater than that which we have today, going forward.

MS COSSON: Given our client numbers are considerably reducing as it is with the aging nature - - -

COMMISSIONER FITZGERALD: They get back up but.

MS COSSON: Some of them go up, so we have about - so one of my Defence colleagues might give me a hand with the enlist each year, but I know 5,500 roughly leave per year.

COMMISSIONER FITZGERALD: Just to go to the veteran-centric reform, the veteran-centric reform has been in for three years and we've acknowledged the report and we've acknowledged some of the benefits arising from it. Can I just raise two questions.

The first one is, part of that is to almost automate or make easier the ability of people to be able to put in a claim and whilst we've acknowledged that has many benefits, in the hearings that we've had so far, at the last I think four hearings we've had, some people have raised the question that the veteran is still at - may be disadvantaged by inputting inadequate information, wrong information, categorising their illnesses for ill health in different ways, and so people have cautioned us against enthusiasm for that mechanism, not because it's more automated but because the burden or the risk actually rests with the veteran and inputting the appropriate data, and then of course the second point they raise is if they do in fact input the wrong data and a decision is made, the only process is then through a review process. So I'm just wondering whether you have a comment on that.

MS COSSON: My preference is the automated approach and having our system better at the back end so that it does actually look at what is the best outcome for the veteran and looking at the - applying that legislation without the veteran having to know what legislation they come - they fall under in relation to what they're seeking in response to their illness or their injury.

I think there is greater benefit through that automated process. I respect that some of our advocates think that we still need to have an advocate involved and I support that as well when you have complex needs of a veteran, or if the veteran has been out of the Defence Force for a period of time. You still do not potentially need an advocate to help you, but in my case where it's quite simple, I've got a diagnosis. I can upload it. I was very happy it went straight through and noting that we have streamlined a

lot of our conditions so that a veteran doesn't have to go through all of that evidence building and reaching back into Defence. So I think there's benefits, greater benefits outweighing the risks that may have been raised, but recognising we still need advocates to help those that have complex needs and have been out of the system for a period of time.

COMMISSIONER FITZGERALD: And just in relation to the advocacy report by Robert Cornell, is there an indication from government as to when that might be released publicly?

MS COSSON: So the Minister asked me to have a detailed look at the report noting the Productivity Commission had also made some references to it, and I think we've provided the report to the Commission now. There are some sensitivities in the report that we need to really understand how our community will respond to that; what are the costings associated with that; what are the implications. So I've given an undertaking to the Minister to give him a full brief very soon, over the next couple of weeks, so that he can make an assessment, but importantly he's very conscious of the Commission's report as well.

COMMISSIONER FITZGERALD: And a point from a Commission's point of view. while we've got a copy of the document, we can't comment on it unless it becomes public.

MS COSSON: Right.

COMMISSIONER FITZGERALD: So there is a necessity for us to receive a public version at some stage.

The second point, can I just raise this, there has been a discussion in relation to the outsourcing by the department, and as I understand it, but you might clarify this, is in relation to the veteran-centric reform part of that does require outsourcing to different agencies, and that's clear. Can you just tell me this, in three years' time, ignoring our recommendations completely just for a moment, where would the department be likely to be, say in three years, in relation to the range of service it provides directly and those that are outsourced if you're able to give us some sort of understanding of what that would look like on the current proposals.

MS COSSON: So noting the current proposals that we have under our veteran-centric for year based on - - -

COMMISSIONER FITZGERALD: Yes, I understand that.

MS COSSON: Yes, government decisions every year, so that the future operating model for the department has been refined over the last couple of years but it is on a pathway where we need to build a capability that has a greater focus on veterans' policy; better commissioning of services; better measuring of outcomes for veterans; better measures of the services that are being delivered to ensure that veterans and their families are getting the best outcome. The department needs to build that capability and building that operating model around that policy our programming and commissioning has been important. Also case management model, having a look at the unique requirements of our veteran cohort, so building that capability, but importantly, as you reflected, is partnering with other agencies where it makes sense.

Where, for example, our ICT, Department of Human Services had a multi-billion dollar program under way with ICT in welfare payments, and improving their infrastructure, so we're leveraging off that ICT build to make sure that we are modern and we are digitally capable, and we're into the second year of leveraging that major program.

At the moment we've got 16 veterans' access network shopfronts, I think it's 16, around the country where we have a small presence in a lot of communities which sit alongside our open arms facilities but also sit alongside a Department of Human Services government services shopfront.

In some cases it may make sense, as it did in Geelong, and we also did that here in Canberra, where we partnered with the Department of Human Services for veterans' services, but what I do know in some areas that's not working well. Some veterans have reported a bad experience with going into a human services shopfront, and potentially we're not measuring that as effectively or as well as we could be, so we need to get better at that partnership if that's where we think we should be going on our - as services delivered to our veterans, that frontline service.

But noting the Commission's report on a Veterans' Services Commission, that may be a different model where the services delivered may be delivered through that Veterans' Services Commission rather than the Department of Human Services, so that's why I'm very keen to work with the community to say, well, what does this look like and what are some other options the Commission may consider.

COMMISSIONER FITZGERALD: So if I can just deal with the governance and then I'll hand over to Richard and come back with some others, but the governance arrangements as you've highlighted and others have to us is that we were looking at putting policy within Defence, not -

not, as many advocates have said to us, we were never contemplating that the compensation scheme would be within the Department of Defence. It was only policy, and then having the administration of compensation, incapacity impairment, health and community services administered in a much more contemporary environment which is an independent statutory authority which would have a Board of Commissioners, be veteran-centric and be responsible to the Minister responsible for veterans' affairs.

Can I just raise a couple of issues, and you may or may not be able to comment. In relation to the shifting of policy to Defence, you would be aware that everybody has opposed that so far, and we're looking at why that is, but I do want to deal with this. If policy doesn't go to Defence, how do we get an integrated approach to policy? You've indicated in your opening statement that there's an absolute link between remuneration that is paid to a service person, and the compensation that's paid, yet we've just cut them. We treat this as this and this as that, but of course that's not how veterans live their life and that's now how systems work.

So we raised this prospect because we have a genuine concern about the lack of an integrated policy approach to veterans while serving and not serving and there are significant weaknesses in that, so assuming for a moment the government were not to accept the recommendation, and ours is only a draft and we may well change it in the final, how do we better improve policy-making that travels through the life of a veteran from recruitment to end of life?

MS COSSON: So without commenting on the government's decision on the outcome of the final report. In our submission that we're preparing to come forward we've identified the pros and cons for policy to move into Defence. The key areas from our perspective is that, one, if you have policy sitting in Defence, one of the biggest negatives to that is it's reduced the level of attention. At the moment as the Secretary of the Department of State, I sit with my colleagues, including the Secretary for Defence, and I can argue for veterans' policy and investment in veterans' policy.

To put it into Defence it would be at the level of a deputy secretary who doesn't have an equal voice with colleagues across the Commonwealth, so that's a negative. A positive is that better level of engagement, as you pointed out, on when you're making decisions about deploying forces, and I think over the last two years we've already demonstrated that we are working far better with Defence, and sharing of information.

I think further work and investment in that data-sharing is a really critical part to get that integration. Sharing of our information, particularly in

Defence's Sentinel system and how we can integrate that to see what workplace health &safety and injuries and illness are being reported; are they actually being reflected in what we're seeing in that direct engagement with us.

Joint Health Command have already indicated to me that they have a checkbox on a medical form now that if a serving member reports to a medical officer there's a box there to say, "Is this related to service?". Not accepting liability for any compensation or claim, but, yes, it's service-related, and having that better data-sharing and me providing better data back. What am I seeing in relation to claiming patterns; areas of concern that the CDF can make informed decisions.

COMMISSIONER FITZGERALD: So can I just go back a little bit. Whilst I acknowledge that the current leadership of both Defence and DVA are working well together, yourself and your immediate predecessor have indicated that to us, historically that's been hit and miss. If we look back over a period of time there have been times when DVA and Defence have been in close alignment and there have been periods of time when it hasn't been, and much of the recommendations we've made and also are in the VCR were sort of not novel, but weren't able to be enacted, so a whole lot of that information sharing, the better integration of information more generally and so on and so forth were proposed by many inquiries and by many secretaries, yet there's been many periods of time during the history of those two departments where it just doesn't work.

So we've tried to take a structural approach to that. We say, well, it's not just whether the two secretaries get on. It's actually a deeper seated issue. So why should the community have confidence that the current arrangements would in fact serve well the veterans' community into the future irrespective of who are the secretaries, or in fact, who are the ministers, given the history. Now, as I said, there's been good times and less good times, so why should we be sure that the current arrangement has improved would in fact be different?

MS COSSON: A couple of reasons why I would like to offer some assurance is, we recently - well, two years ago we formed a joint taskforce not only DVA and Defence, but also Comm Super Corporation, to ensure that we are looking at that transition area because that's the key part of making sure that those that need that additional support in transition are receiving that and receiving that continuity of care.

We've also engaged in a special operations forces pilot on Holsworthy, and what those, the joint taskforce report and that pilot are showing Defence and DVA is that we need to be engaged together before someone

leaves so that we don't have that lag after separation, and Defence has already implemented some key initiatives to continue that, reach into the veteran after they leave to make sure, one, they're going into employment; one they're being connected to community; and with the covenant that I talked about before, that recognition package, that's about formalising that commitment that you will be led through transition and you will be connected back into community after you leave.

As the CDF refers to it is that you are a member of the ADF for life, and yes, you leave the Australian Defence Force, but you've got the Department of Veterans' Affairs, and that will be enshrined in the covenant to say we have that joint commitment to actually look after those that have served our Australian Defence Force, and to make sure that we look after those families to help them in their life military service.

COMMISSIONER FITZGERALD: And again, just from what you've said, and I understand that obviously it's ultimately a government decision, is it the case that you would believe that you don't need to move planning necessarily, or policy, into Defence to achieve those outcomes going forward? Now, again, this government's policy, and I appreciate that's not for you to comment on, but generally from what you're saying is that you believe policy, a split between Defence and DVA can be made to work in a coherent manner going forward?

MS COSSON: My view is that there are different options where through that better data analytics, better sharing of information, but also I would offer, give us a couple of years, to see where we land with our reform program because I actually think over these next three years, which the Commission has offered in its draft report, we need for our veteran-centric reform to do another check-in to see that that is now locked in as a formal engagement between Defence and the department. Once again, that's my observation.

COMMISSIONER FITZGERALD: No, no, that's fine.

COMMISSIONER SPENCER: Liz, I just wanted to explore with you the future as you see it of ESO's and how that can be better leveraged, but before doing so you mentioned earlier on there's a number of areas where change is being considered and looked at and you mentioned culture. One of the things that we hear, and it may be more historical now, but we continue to hear it is the view of some veterans of a - their experience is one of an adversarial relationship with the department, and we've had veterans acknowledging that the benefits under way by the department to make much more information available in some of the ways that you mention.

But a feeling that it's overwhelming, so, "Where do I go with this information and how do I utilise it? What are SOP's?", and that kind of thing, so what struck us, when you look at other areas providing similar type services, and if you look at sort of best practice workers' compensation schemes, what you see there is a very rapid engagement with the individual to work with the individual to help them work out what their entitlements are.

So there is a bit of a sense, I think this perhaps goes to culture, but you may want to comment on how to deal with this, that the system at the moment seems to rely on, "Well, if it's complicated you need an advocate", whereas some people are saying, "Well, why doesn't the department help me? Why do I need to go to an advocate? Why aren't I helped?". A bit of a sense as Robert said before, the experience is, "I didn't know what the language was or what the particular issue was, and I didn't name it, so I get rejected, and then I go to an advocate and they tell me, 'Ah, you didn't put that in the right way so this is how you should do it'".

So that's just an example perhaps of a broader cultural issue, one of, you know, really engaging and finding out how best to assist veterans. I mean, in your thinking, and in the next few years, how do you see a shift within DVA or whichever organisation is responsible for this to actually achieve more of, I think what you're already talking about, this cultural shift?

MS COSSON: So since, for the last two and a half years we have been - we've had an active culture program in the department with our staff and we've engaged over 500 staff in different workshops in understanding what is the culture we're trying to build? What is our purpose? And it was quite interesting to talk to someone about, "What do you think we're here for?", and some were focussed on the fact we are here to process workers' compensation and pensions. The culture wasn't about putting the veteran at the centre and the family at the centre to actually understand, "What's the outcome we're trying to achieve for our veteran community?".

We have a unique place in the Commonwealth where we have a cohort of really special people, in my mind, veterans and families who have served, and we need to build a culture around respecting that service to our nation, and the sacrifice that families make for those that serve. So we've had so many workshops. We've built cultural champions; we've built staff reference groups to talk about how we need to change to actually flip why we're here; what are we here to actually make us proud of; and what is the legacy we want to leave? So we've invested very heavily in that.

But also I look back at the year 2012 I think it was when I was last in the department. DVA used to be paid by Defence to do transition management services, so anybody that was transitioning out of Defence, they moved straight into the Department of Veterans' Affairs to help them with that transition management, and that ceased in 2012 or 2013, and we built around major bases what we refer to a non-based advisory service from within the DVA budget, but I don't think it went far enough in that we didn't have consistency in that model, nor did we have appropriate training of those on-base advisers. Some are brilliant, absolutely brilliant and you hear nothing but glowing reports; how that adviser sat down with the veteran and helped them fill out their claim form.

If that had been heard of back in Canberra it would have stopped because most of those advisers were told they can't help a veteran because there's a conflict of interest. So we have started to shift that through our special operations forces pilot where we have an on-base advisor and Defence and ComSuper sitting down with the individuals before they leave helping them put all their paperwork in, know what paperwork they need when they leave. But that said that's what we need to do, but we still need an ex-service community which goes to your first question.

As I mentioned we have got over 500 organisations out there, 3000 organisations that claim to be looking after the interests of veterans and their families, but I think it's ad hoc and sometimes some of our veteran community and families don't know who to go to. I'll use my husband as an example. He's a veteran. He's been trying to find an advocate here in Canberra to help him with his situation. He doesn't know who to go to. The person he went to said, "Oh, no, I can't help you. You need to go to this other advocate". The mother of a veteran who died in Afghanistan, she didn't know who to go to.

So just a snapshot from Rob Cornell's report is to say you need to have some way of capturing all of the accredited applicants out there so someone knows where to go to, because in some instances a veteran doesn't want to go to a department. They may be angry with the fact that they have been asked to leave military service. They're angry at the Department of Defence and they don't want to come to Department of Veterans' Affairs, so they may need to go to an advocate. But importantly it's not just about pension advocacy, it's about that welfare, and that's about the building capability I mentioned to help the ex-service community not only understand our legislation and help our veteran navigate it but how to take them into community and welfare, give them - not welfare, wellbeing to help them make that transition if they have had a bad experience.

COMMISSIONER SPENCER: Yes, I'm interested in thoughts about how that might happen, because what struck us as we've been travelling around Australia and speaking to the ESOs is that in some ways it can be described as a huge hidden asset of the complete system.

MS COSSON: Absolutely.

COMMISSIONER SPENCER: And what ESOs choose to do and how they choose to organise it is up to ESOs. It's not for government or anybody else to tell them what to do. But the leverage that government can have quite often is to be very clear about what range of services would be helpful and funding to go with that frankly. So what struck us, we've seen terrific examples which you'll be very familiar with in Townsville, we were down in Wagga, to the Hume Centre, so there are what I would describe as terrific green shoots of a new model which is service oriented to meet the informal needs and to harness the terrific volunteer resources. So in looking for ways for government to leverage that, how do you think that could work? What might be ways in which government can be clearly defining what they're hoping ESOs might be able to do and what they're willing to fund?

MS COSSON: I welcomed the Commission's reflection on other advocacy services that are out there for the aged care and the disability sector, and the fact that potentially we've been under-investing and over-relying on volunteers, but we never want to lose those volunteers, because they bring to the veteran community that lived experience which means a lot to veterans and their families.

There are a couple of models that we would like put forward in our submission. I won't go through them all today if that's all right?

COMMISSIONER FITZGERALD: That's all right. Yes. No, that's fine.

MS COSSON: Because I think they need a little bit more testing, but certainly those that I've seen, such as Oasis in Townsville and Hume and Victoria building a hub, I think there are some opportunities to have greater investment in those types of services. I think you will still need the pension advocates, but that wellbeing focus is really important, and that's where I really value the Commission's insights there about how we can have a greater focus on wellness and move us from that illness model and then, you know, helping reconnect with community and employment and purpose and giving back, so I think there are some great opportunities there to leverage that ex-service community, because we're not doing it now.

I think it was in your report as well that it had actually built up - we'd become quite adversarial with our advocacy services with our ex-service community. They thought it was a fight with DVA, but I'm really proud to say that over recent years the way that we have been working with the ex-service community is seeing some greater outcomes and positive outcomes for veterans and families.

COMMISSIONER SPENCER: Thanks for that.

COMMISSIONER FITZGERALD: So can I come back to a couple of specific issues. Let me deal with the contentious one at healthcare. I just want to - you'll be aware we put forward a number of things we're looking at. The only recommendation that we had was not to extend the Gold Card, and of course that's contentious and we'll hear that.

But there is a reality to this, if there are 640,000 living veterans the notion that everybody that leaves military service gets a Gold Card would be daunting, fiscally almost impossible. As I understand it, correct me if I'm wrong, we spend over 5 billion dollars a year on veterans' health now. So the notion of suddenly granting this universal card, given the figures you've given to us this morning, represents almost an impossible fiscal burden on society. And yet we know the Gold Card is very valued, and our recommendations would have no-one lose that card. I want to be clear about that, and no-one who receives the Gold Card currently would lose it. Nevertheless we are looking at whether it should be extended and whether there are aspects going forward.

Approaching the whole health area, what is the underlying principles, if there are any, that currently inform the way in which governments decide how to provide health care, whether it's through the White Card, the Gold Card, the direct funding of services, is there a set of underlying principles or guiding approaches that the government currently has as distinct from what we might come up with later on? Because to us it looks like an area that absolute commitment to the wellbeing of veterans requires the provision of health care. That's accepted. It's the method by which we achieve that. But is there anything that actually guides this particular area which is one of the most contentious, and of course expensive areas of the system?

MS COSSON: So certainly prevention has been a key theme, preventative health has been a key theme in driving some of our programs and that was what driving the non-liability health care with the White Card for all mental health conditions. What was underpinning that is to make sure you get into treatment early. You don't have to prove that it's

service related getting to treatment. And that was part of a broader mental health strategy. But I acknowledge that the Commission's report identified that perhaps that isn't - it needs a bit of updating, which it certainly does.

What I feel sometimes we've introduced programs and measures based, it's been quite ad hoc rather than a broader strategy. So we have been focusing our efforts on what is that strategy, but it is on prevention, early engagement, early intervention, and working with the veterans to look at the whole veteran and the outcomes. We're not there yet to be honest. We need to do more. But in relation to the cards, if I can offer, we've used an average cost of the Gold Card at $23,000 per card, but as the Commission knows our younger veterans they don't - it's not $23,000. As you age, my father, who's a Gold Card 87-year old, yes, he probably uses quite a bit. And so the higher cost the older you get it's going to have that cost on the health care system. Some of it is offset as we know through Medicare.

COMMISSIONER FITZGERALD: Sure.

MS COSSON: But mainly just GP visits rather than hospital. But if I can, once again, just offer a personal reflection, my father with his Gold Card, that's what takes him to the doctor. He wouldn't be going to the doctor without that Gold Card. He wouldn't be going to have his eyes checked because I just know him.

COMMISSIONER FITZGERALD: Sure.

MS COSSON: He is so proud of it, and to me it's about what is the purpose. It's about getting you into health care. It's about making sure that you're getting timely treatment and response, and that it's appropriate for your needs, and as early as possible; that you're not sitting at home. And it's also keeping him at home. Through that Gold Card he gets the support to stay at home, so I just wanted to offer that.

COMMISSIONER FITZGERALD: No, and we recognise the benefits of the Gold Card for those that receive it, and I think some people think we're naïve about all those. I don't think we are. But we are very conscious that it's a way of providing health care, and there are multiple others. Some completely inappropriate, and we're looking at that.

Can I come to the second issue, and you may again want to comment. We've heard from some veterans groups, and I think this depends on where the veterans are, that the payment arrangements by DVA, that is the payment of a lower price for some services, although you're competitive in others, affects access. We can't get a handle on that. It's people have

different views about that. Do you have any sort of more concrete view as to whether access is being impinged at the moment by the payment arrangements of the department?

MS COSSON: So a couple of things there. We've done a few deep dives into this when we've heard that some veterans have difficulty accessing mental health services. Certainly in rural remote Australia it's not just the veteran community, it's all Australian citizens are having some challenges accessing mental health services, and that regardless of the fees that may apply, but if a veteran, and we've tried to do many studies and get examples of this, what we see that if veterans are having difficulty because of fees they can get prior approval from us to pay a higher fee. We have that in place now if they let us know that they are having challenges in accessing those services, so we do have a fall back if necessary.

But the deep dive that we've done we're not actually seeing all that evidence, and I would welcome any further evidence to show us where that is happening. But in parallel to that one of the initiatives in the department is how we can better engage our clinicians, how we can better engage our providers through a robust strategy. We've never had that in place before. I want to meet with all the peak bodies, but to talk to them about what is the veteran experience, what is the nature of military service, what is the impact that it has on individuals and families so that they can better understand and to be - their literacy in our veteran community because some that are turning them away, turning our veterans and families away it's because they really don't understand the nature of that military service, so that education is a parallel piece to that, just to help where we do have issues where people are turning our veterans and families away.

COMMISSIONER FITZGERALD: Just in relation to health, if I could just deal with mental health for a moment, one of the things we're contemplating at the moment is whether or not the government, particularly DVA, should be more active in the design of mental health services not simply the funding of it. The White Card funds it more or less. The question is as distinct from mental or physical health issues, whether or not there's a more proactive role for government to play. As you know the Productivity Commission is doing a review of the whole mental health system at the moment, but do you have any views about that at this stage?

MS COSSON: Whether we have an active - government has an active role? Probably not, but I do know that what we're investing in is research through a number of institutes to give us advice on what our program

should look like knowing our veteran community and working closely with our Australian Institute of Health and Welfare I think can inform the design, and then make decisions on what that design should be.

COMMISSIONER FITZGERALD: So our initial thinking in the draft, and it may change by the final, is that in relation to physical health issues the general system works. You're in the funding arrangements for that. But the mental health system doesn't seem to work well for some veterans and that's where this issue is whether or not a more specific, more proactive system design or service design is required. But as you say there's research that you're working on.

MS COSSON: So Phoenix Institute are doing that research and similarly the transition wellbeing research project is giving us advice on how to target our mental health and better develop our mental health strategy. But one of the key areas that we have identified through the Open Arms, which I also welcome the Commission's thoughts on how we can better measure the effectiveness of our Open Arms, is to look at this lived experience and peer support. The Canadian model, it was something I was quite attracted to, where they have a formal network out there in helping in that broader mental health strategy, but I acknowledge that we need to do some work to inform that design.

COMMISSIONER SPENCER: I was just going to get the legislation just very briefly because both Robert and I are lawyers by background, and in looking at the legislation, it's putting it mildly to say it's extraordinarily complex, so we empathise with those people that have to really do some very difficult interpretation and we know that's a huge source of stress and confusion in the system, so obviously a perfect solution would be to have one scheme, and some people have obviously said, well, it would be terrific if we could do that, and obviously we don't think that's achievable.

So, as you know, we have developed this two-scheme approach because it struck us that there is a group of veterans who particularly around the VEA and those who have their compensation and benefits under that scheme, value that highly, and obviously a different set of needs more broadly around contemporary veterans. So that's what's informing, as you know, our two-scheme approach.

So what we're suggesting at this stage is that by 2025 we will have moved to that, and of course over time MRCA with DRCA having been involved it would become the one scheme. So, look, there are a number of issues around how that is best done, and you'll have thoughts on that. We'd welcome your input into that as part of your submission. But broadly

speaking you think that's a good direction, a good pathway to try and bring about a simpler, a fairer and a better set of schemes than ultimately one scheme?

MS COSSON: Well, just looking at the pathway that we've been on and the purpose of having SRCA/DRCA come into the one Minister was for a purpose which was to try and harmonise so that we didn't have this complexity because that's where you're going to have mistakes being made as you've pointed out when a delegate is trying to make a decision and they're trying to apply this complex legislation, yes, we do make mistakes. So simplification and harmonisation has been a path that we've been on. It's hard, and Ms Campbell, who is sitting there, who joined the department a while ago, has been helping do that analysis on how we can have greater harmonisation but the biggest challenge is always going to be to what level do you take the benefits. And the veterans community in having a look at the Commission's report has offered thoughts to me that they'd rather the higher benefit and naturally that would be a decision for a government to look at that, but where it makes sense to harmonise the legislation we're certainly preparing that to put forward on how that might apply but we would always do it in consultation with our community.

COMMISSIONER SPENCER: All right. Thank you.

COMMISSIONER FITZGERALD: So just in relation to the timing, so we've got a three-stage approach. I suppose one is to harmonise various elements of the three Acts, so that there's a common review process. All statements of principle apply to all three Acts and a number of other initiatives.

The second stage is the changes to governance and structure, and the establishment of a VSC irrespective of whether the department stays or otherwise, and the third stage was the two-scheme approach.

All of that was on the basis that the VCR, the Veterans' Centric Reform would be rolled out by 2021, mid-2021, so we agree that we don't want to unduly disrupt that process and that's why our timing is what it is notwithstanding that we think some things could happen much earlier including harmonisation.

Obviously we'll sit down with you and talk more fully about the timetable, but can I just ask this, do you believe that you're online, on track to complete the vast majority of the VCRs subject to government approval? It's only annualised I know, at this stage?

MS COSSON: Subject to government approval, absolutely.

COMMISSIONER FITZGERALD: Okay. And so when you said about the timetable I gather it's really the first year that was the problem.

MS COSSON: This year. That's right, yes.

COMMISSIONER FITZGERALD: Yes. No, that's fine.

MS COSSON: Noting that your report, end of June, then government to consider then - yes.

COMMISSIONER FITZGERALD: Yes. No, we can look at that.

MS COSSON: I'm not concerned, yes.

COMMISSIONER FITZGERALD: Can I just ask this question, and again one of the recommendations in relation to the two-scheme is that there be a cut off for new entrants into the VEA at 2025, and there are mixed views about that in the sector although that doesn't seem to be a great concern to many organisations. That notion of cutting off the scheme, you know, by 2025, again, do you have any particular views around that at this stage or not at this stage?

MS COSSON: I was comfortable with that subject to the community's views on it.

COMMISSIONER FITZGERALD: Yes, okay. Can I come to, very briefly, we've only got three minutes left, so I'll just take this, the VRB, so the whole purpose of our recommendations in this report is to improve the level of decision making at the delegate stage, and what we then have got is a four-stage approach which is a formal reconsideration, the ADR being used by VRB, and then the AAT. Well, you know, it's got the three - the first stage and the other three.

The only change we're making to the VRB is removing the determinative issue, and you raised the issue that you believe, or you've been advised, that by having the ability to make a decision it actually aids the ADR. There's a sort of a carrot and stick I suppose taking place. This is a very unusual system. In Australian Government we've got rid of two - this is very rare to have two determinative bodies, a VRB and an AAT. It doesn't exist for most other activities in government, and all of those multiple stages have been got rid of. So, again, I was just wondering why do you think the VRB should retain a decision making process, which is not in fact common at all? I understand where it came from historically. I understand how veterans have a very strong favourable view of VRB, and

we're not saying it doesn't do a good job. But we are saying why do you need two independent bodies making decisions: that is the VRB and the AAT?

MS COSSON: So the principal member I think will be talking to this a bit later but from my perspective when the VRB was able to introduce that alternate dispute resolution process we were already seeing a huge difference in resolving matters quickly and painlessly for our veteran community. I think it's a really unique, as you said, capability that we have in our veteran support system that I treasure, particularly if they can give back to me what's going on at that initial primary decision level. We've never - I think over the last two years we're using that a lot better to inform what we need to be investing in at the front end. I don't want things going to the AAT. The more I can reduce from the AAT the better, because that's where we're seeing a lot grief and a lot of costs in that space. So I'd like to keep the VRB and that determinative power for a little bit longer, particularly into the future, because we need to invest in that front end as well on the resources to make those - the right decision at that primary decision level and the team have been doing a lot of work in what other decision support tools that you need to make the right decision. And I may take the VRB out of business anyway, but there will always be some that will need to go to review, but my preference is none to the AAT.

COMMISSIONER FITZGERALD: We're on time, Richard. Any final comments?

COMMISSIONER SPENCER: Yes. No, that's fine.

COMMISSIONER FITZGERALD: Any final comments, Liz?

MS COSSON: No, thank you.

COMMISSIONER FITZGERALD: Good. Thank you very much. Thanks very much for that presentation. And if we could have Legacy Australia, please. So could we have Rick Cranna and Philip McNamara, please?

So just to understand DVA had a slightly longer presentation period time. The other presentations during the day will be a little bit shorter. But the basic process is that people are asked to make a short statement, a 10 minute statement and then we'll have a discussion and we will be very strict on time, because we have a large number of participants today.

So if you could both give your individual names and the organisations that

you represent.

MR CRANNA: Certainly sir. My name is Richard Cranna, I am the chairman of Legacy Australia.

MR McNAMARA: And I am Philip McNamara and I am the vice chairman of Legacy Australia.

COMMISSIONER FITZGERALD: Good. Thank you very much. Gentlemen, if you could give an opening presentation.

MR CRANNA: Legacy has now submitted to you a full submission detailing Legacy used on all the points set out in the various chapters of the report. I'd like to highlight some of the points that are of major interest to Legacy and our beneficiaries that we care for. In Sydney on 26 February our advocates will be able to speak on some of the more technical aspects of the report.

By way of introduction as set out in our submissions to the Productivity Commission Legacy began in 1923 in the wake of World War I and has been operating for almost a hundred years. It's the only organisation in the world that has the sole focus of supporting families of veterans who have given their life and their health to service to our nation. It's often said that the three great things that came as a result of World War I was the RSL, Legacy and the War Memorial.

Legacy Australia, the incorporated body of 47 Legacy clubs around Australia and one in London has supported families in each conflict that our country has been involved in and Legacy currently provides caring compassionate service to assist over 58,000 widows and 1800 children and dependents with a disability.

Since our beginning Legacy has worked very closely with the Department of Veteran Affairs where the care and support of the children of these veteran families is of particular importance to Legacy. There are some 4100 volunteers around Australia who act as mentors to widows and their families to ensure Legacy's promise to care for the families of the deceased veterans is kept.

As we advised in our submission Legacy's presentation is restricted to those aspects that have a direct bearing on our beneficiaries and there are some aspects of the report that may affect them, but it's important I believe to discuss one aspect of the Productivity report that has a significant influence in the proposed changes and that is the definition of "veteran".

Legacy believes that the report and the proposed changes as set out in chapter 13.1 is principally based on the government's definition of veteran. As you're aware the government's definition of veteran is an ADF member who has had one day's service. Legacy's definition, and I believe the correct definition, is an ADF member who has served in war or on war-like operations, and the Commission's report appears not to understand this distinction and appears to remove any special recognition, treatment or consideration to those who have served in active war like operations.

When the government changed their definition of veteran I do not believe that the ex-service organisations were properly consulted on this definition change. The Department of Veteran Affairs, I've already mentioned the very close association and support that Legacy receives from the Department of Veteran Affairs, and I believe the report appears to give little recognition to the good work and assistance that the department gives to veterans and their families. For almost 100 years through all wars and conflicts since World War I the Department of Veteran Affairs, the DVA, has developed a very deep understanding of veteran and veteran family needs. With their knowledge and experience in veteran matters the department has worked cooperatively and closely with Legacy and other ESOs in assisting the families and children whom Legacy supports.

In Chapter 16 the Commission recommends that DVA should develop outcomes and performance frameworks that provide robust measures and effectiveness of service to ensure that families have stability within the home, have direct service as they need, and are empowered in seeking meaningful employment and obtaining financial advice and independence. Legacy agrees and commends the Commission for these recommendations. But with only 35 per cent of families eligible to be enrolled for Legacy assistance there are many families enrolled with DVA that are not enrolled with Legacy due to privacy restrictions. However, I can assure the Commission that under the current leadership within the DVA, veterans and their family can and do receive personal advice and help if called upon from direct contact by advocates, veterans or their families and Legacy clubs all around Australia commends and thanks the department for this.

Legacy strongly opposes the Commission's recommendation in Chapter 11 which suggests a new veterans policy group headed by a deputy secretary should be created in Defence, with responsibility for veteran support policies and strategic planning. However, we would welcome the veteran policy group if DVA have carriage of this initiative.

We also disagree that the Australian Government should establish a new independent Commonwealth statutory authority to administer the veteran support system reporting to the Minister Defence, personnel and veterans. We believe that this recommendation would surely create a conflict of interest when separating defence's primary task of defending Australia with providing funding to care for veterans and their families. The current system where DVA reports to the Minister for Veterans' Affairs works well and is practical, but we do agree that DVA should have and remain a close liaison with Defence.

The Department of Veterans' Affairs may have received criticism from some veterans or veteran groups who perhaps consider that DVA owe them a lifetime of unrestricted open-ended debt. However, most do not share this view and understand that governments have a clear responsibility to compensate veterans in areas such as health care, rehabilitation and some financial wellbeing.

This report infers that veterans who are currently in receipt of entitlements are excessively compensated. We do not believe this to be the case. Most consider that DVA do an excellent job in providing a wide range of services for veterans and have veterans' needs close to their heart. If this report is adopted and DVA is abolished or their current DVA responsibilities are diluted or spread over numerous government departments this level of expertise will be lost and veterans and veteran families will suffer the consequences. DVA is a good vehicle that we need to retain and government needs to give it financial support it needs for them to do their work with maximum effectiveness.

The Veterans' Review Board, Chapter 10 sets out recommendations for changes in the procedures of the Veterans' Review Board. We agree that VRB decisions should be communicated to senior management especially where decisions are set aside due to errors in the original decisions made by DVA, so that the appropriate changes are made to the decision making process. However, we have concerns that the VRB are moving from a written to an oral communication. If they reject a VRB case it should be a matter of process to publish the reasons for rejection. Legacy strongly disagrees with modifying the role of the VRB and is very firm that it remains independent of the DVA commissions.

The Veterans' Review Board has been very successful in the past, and it's a three member board, which I understand includes veterans or a veteran and we see it as a retrograde step for veterans and their dependents changing the makeup of the board to a one person panel.

Gold Card, Legacy rejects the Commission's suggestion that the Gold

Card is not needs based, wellness focused, and encourages an incentive to remain unwell, encouraging over-servicing and is inefficient. Legacy believes that the current system of offering Gold Cards to dependents where the partner has made a successful application to receive a war widows' pension of compensation can be discriminatory, and in fact recommends that the recipients of a Gold Card should be extended to all dependents whose husbands or partners served in war like operations. Those who have not been successful and being granted a war widows' pension do not enjoy the same social or health financial benefits as those who do have a Gold Card. Partners of those who fought in war all went through the same difficulties managing their families at home while their partners are away with no certainty of them returning if ever.

Many medical reasons for widows now being granted a Gold Card perhaps in the past may not have been eligible with some of the return veteran health problems, such as PTSD and mental illness, now acceptable for receipt of a war widows' pension and Gold Card. But many veterans, particularly from World War II, and including my father who served in that war, all colleagues of mine or Phil's who served in Vietnam, a lot are too proud to apply for a Gold Card. As our dependents age health costs increase and where a dependent does not have a war widows' pension, Gold Card, Legacy needs to step in and fund those costs. Last year Legacy spent over $16,000,000 to assist widows' health costs in assisting those families who are not eligible to receive the benefits of a Gold Card or whose death cannot be related to the veterans' service. We believe that where veterans over 70 years who have had war service when they pass away their Gold Card should be passed on to that dependent, spouse or partner. We firmly reject the statement made in the report that the Gold Card is treated as a prize. It is not. It is needed and it should be expanded to include all families of deceased veterans who have served in war.

Ex-service organisations: there is no doubt that the number of ESOs has grown substantially which has, in many cases, diluted the voice of veterans. As part of the ex-service organisation round table Legacy meets with other ex-service organisations at the Department of Veterans' Affairs on a quarterly basis. It's Legacy's view, however, that the members of this round table committee need to be reviewed and strengthened to include those within the ex-service community organisations that really understand the issues and have direct contact with veterans and their families. The ESORT committee is and should be treated as the peak ESO body and the government should treat the matters raised at the ESORT committee with respect and importance. The round table committee meetings should have direct involvement and communication with the Minister of Veterans' Affairs, who should be in attendance at the ESORT meetings.

The Commission briefly mentions the introduction of ESO hubs, which is now happening randomly in various States around Australia. This provides a one-stop shop to veterans and their families seeking advice and support following or during their ADF service. We believe that this hub system is effective and a great benefit to veterans. This is shown to be the case in South Australia and Queensland and I believe that the hub system should be set up and coordinated within the Department of Veterans' Affairs where veterans can have one place to obtain advocacy assistance, family assistance, medical or health assistance, financial assistance and, very importantly, financial advice.

You have Legacy's full report where all areas of recommended action is set out in the Productivity Commission's report have been addressed. But if I could close my presentation with the conclusions as set out in Legacy's report. Legacy Australia stands by its 60,000 beneficiaries and those in the wider veteran community who deserve recognition, care and compensation for sacrifices made by partners and parents in the ADF. Legacy Australia will forever champion the needs of families and dependent children who bear the brunt of these sacrifices. While Legacy Australia supports a reinvigorated DVA and the harmonising of legislation Legacy will not stand idly by if the entitlements of veterans and their families are eroded away with the rationalisation of elements across the relevant pieces of legislation, Legacy implores the Commission to consider the highest common denominator be applied for compensating veterans and their families.

Legacy Australia encourages an evolutionary approach to addressing these matters raised in the draft report. The knowledge, expertise and capacity to build a more strategic approach to improving the wellbeing of veterans and their families resides in the leadership of the DVA and the collective wisdom of ESOs. Again, Legacy congratulates the DVA for the success they have achieved so far with their veteran centric reforms.

With respect to the government's definition of a veteran Legacy urges the Productivity Commission to clearly differentiate between injuries, illnesses sustained in war-like service compared to those in non-war-like and peacetime service, and that level of compensation afforded reflects the level of risk in which the veteran has served. Legacy is confident that the ongoing modernisation, upgrading of current IT systems and the data sharing capabilities between DVA and Defence will revolutionise care and ensure wellness support for the veterans and their families.

And, finally, sir, Legacy Australia is very grateful for the opportunity to respond to the draft recommendations and looks forward to working

closely with government, the DVA, and other ESOs in order to care for veterans and most importantly for Legacy their families and dependent children. Thank you.

COMMISSIONER FITZGERALD: Thank you very much. And thank you for your submission. Can I just deal with a couple of issues to start with? The issue, as you - the definition of veterans is that of the government, not of the Productivity Commission, so some advocacy organisations have rowdily criticised us for the definition, but it's not ours, so - - -

MR CRANNA: No, I understand.

COMMISSIONER FITZGERALD: At least you didn't do that, so thank you for that. If I can just look at the modern veteran coming through, we've seen a very strong view by modern veterans, contemporary veterans, that an injury is an injury is an injury, whether it's in training, peacetime, war-like or non-war-like, yet we see in the older veterans a very clear view that they are different, and it's night and day. So when we looked at this we decided, as you know, to keep the VEA and for most veterans that are over 50 years of age that's the scheme that would continue on undoubtedly.

But in relation to MRCA and DRCA we have taken a policy stand that an injury is an injury is an injury is an injury, and so MRCA and DRCA should be combined and what we have to do is to work out what the level of benefit is. So do you have an objection to that, or is it some of our recommendations, for example, if I can go to it, the statement of principles has two tests in it, as you know, the balance of probability beneficially applied and the reasonable hypothesis. So are you objecting to us treating an injury as an injury in say that second scheme - - -

MR CRANNA: Yes.

COMMISSIONER FITZGERALD: - - -or is it actually some of the other recommendations that we've made?

MR CRANNA: Yes. No, we reflect that an injury in peacetime operations is different to an injury when you're serving in a war. In a war you go to war perhaps with the expectation you might be killed. If you fall off a truck in Australia you don't have that expectation, and so we think that the separation should be clear.

COMMISSIONER FITZGERALD: In relation to that, can I just deal with this issue, but to what extent? Again if I can just use the

contemporary veteran for a moment, the remuneration system within the Defence department actually should acknowledge deployment, and at some stage there'll be a review of that, so you can't look at as we currently do remuneration there and compensation there, it's an aberration which we have. We're saying you can't do that. You've actually got to say that serving personnel should be well-recognised for the dangers and risks including those associated with war and the compensation deals with other issues. Now, that wasn't the case in the past and many veterans of my generation would not have been well-remunerated for that war. So how do we deal with that? Do we actually say to Defence, remunerate service personnel better for what the risks are that they're incurring, and don't leave all the heavy lifting to the compensation scheme?

MR CRANNA: Yes. I spoke with advocates in Sydney yesterday and they are very informative on those, and I'd like that question - - -

COMMISSIONER FITZGERALD: Sure.

MR CRANNA: - - -if you don't mind to be put on notice for our advocate, because they have a clear understanding of that. But I just want the Commission to understand that war like service is different to peacetime service.

COMMISSIONER FITZGERALD: Look, despite what people may think, we do understand that. The question is, how do we recognise that?

MR CRANNA: Yes.

COMMISSIONER FITZGERALD: And there are different ways of recognising, so whilst neither Richard nor I are veterans in any way, shape, or form, we do understand that. The question for us is, then, how do you deal with that issue? Can I go to of couple of other ones that you've mentioned? Of course our questioning of the Gold Card is contentious.

MR CRANNA: Yes.

COMMISSIONER FITZGERALD: And I want to make the point, again, that nobody who currently receives a Gold Card would lose that, and we're not intending in any way to do that. But we are looking at alternative ways going forward for people. Can you just go through, again, the logic of extending the Gold Card to a new group of dependents, and you're not the only group that's putting it to us, but I'd like your explanation again. Why do you believe we should extend the Gold Card, or some healthcare benefit to a new group of dependents?

MR CRANNA: Certainly. Yes. Well, as I mentioned, we have 58,000 widows, Legacy widows, that we care for, and probably - I don't know the exact number, but I would say probably 60 per cent of those widows have got a Gold Card. Now, as far as Legacy is concerned, we look after all the widows, those with Gold Cards or those without, but those without are suffering because they don't have the benefits, health benefits mainly, that the Gold Card widows or partners have.

So - and we, as I say, we spend considerable funds trying to help those dependents who don't have a Gold Card, and I think in a lot of cases those widows, who went through the same experiences as a widow with a Gold Card, who was left at home while the husband was away serving, should have the same benefits health-wise, and these numbers are dropping down too. We're losing a lot of widows each year and - but by - I think by 2025 we'll still have somewhere around about 40,000 widows that Legacy would care for. But it is a clear distinction, those that have the war widow's pension and those that don't, and those that don't - a lot of cases are in a lot of need, and I would like, therefore, that be extended to all widows of veterans who served in war.

COMMISSIONER FITZGERALD: Some advocacy groups have put to us that the White Card, in relation to mental health, is a more important issue because of the stress, as you've identified, of living with veterans that have come back from war and other circumstances. So they've taken a more narrow approach, to say yes, they'd like the Gold Card, because everybody does, but they actually think the (indistinct) area is in mental health. Would you have a view about that?

MR CRANNA: Well no. We experience mental health with veterans. Legacy now cares for families where the veteran has mental health problems or other injury problems and cannot manage their family. We have probably 240 of those families throughout Australia, and a number of children attached to that, and a lot of these cases, they do have mental health problems, and it's difficult for, say, us as legatees, who are not trained in mental health, but by knowing where we can get assistance in mental health is how we would go with that. So any help to veterans to help their mental health aspects is very much in favour.

MR McNAMARA: Could I just make a comment there, because I had quite a concerning experience just two weeks ago, because for the first time I had to go and enrol. I've been in Legacy since '84, so I've involved lots of widows over my time, but I had to enrol the wife of a defence force member, 20 years' service, including offshore on operations, who'd lost his health, and I found that really a quite concerning experience because

not only was I interested in the wife, but the veteran was there in the room, and he is no longer able to work because his PTSD has caused him that - so much concern that he can no longer able himself in the work environment, but it is a considerable challenge, an it's really been hard on the wife. She's been so worried by his situation that she's lost her hair. She now has to spend lots of money on wigs, but for me it was an overwhelming experience that I'd never had before, but it's something, because of the PTSD out there.

My son is a 17-year-old - is a 17 year contemporary serving soldier, and I'd have to say that one of the things that does cause me concern is the mental affect that I see amongst his cohort. It is much more considerable than what we had from Vietnam. People said "Yes, the poor old Vietnam generation, you're real screwed up". No. These young people who've served in Afghanistan in particular, but in other places as well, have had mental strains put on them that is really evident and is really of great concern.

MR CRANNA: Could I - if you wouldn't mind, if I could just give another case. I have a family - I live in the Central Coast of New South Wales. I have a family there. The mother - the father served in Afghanistan. He came back with mental problems and has spent time in mental institutions, et cetera. They have a little boy, but he was given a large payout in compensation when he first came, and being a young veteran spent most of those funds. Now the family don't have a lot of money, the husband's estranged, and they've got to bring up the little boy, which we help with, but that can be something that perhaps the Commission could have a look at.

COMMISSIONER FITZGERALD: Sure, well I'll just deal with that, then Richard will have some questions up. Under MRCA/DRCA, which we were looking at merging, which seems to be - most people think that's a good idea, although it's complex, under one of those acts there is the capacity to take a lump sum or a periodic payment. Under the other one there isn't; it's a lump sum. So we're looking at that at the moment. Just your comment on that, we're aware that some people receive lump sums through all sorts of schemes, Workers' Compensation schemes, common law cases and so on, and society by and large says that that is a matter of, you know, their choice, their sovereignty.

MR CRANNA: Their choice, yes, sure.

COMMISSIONER FITZGERALD: So when we come to the veteran sphere we understand that some veterans will make unwise decisions, as we, in civilian community do all the time, but our point, I suppose, at this

stage, is to say it's really up to the veteran to choose whether they take a lump sum or they take a periodic payment, whereas under VEA it's a pension.

MR CRANNA: Yes.

COMMISSIONER FITZGERALD: So there are down sides, but the question is, are the down sides so great that we would deny people the right to be able to take a lump sum, which they'd be entitled to in a common law damages or a civilian?

MR CRANNA: Yes, sure.

COMMISSIONER FITZGERALD: I was wondering whether you have a view about that, because it's tricky.

MR CRANNA: Well my view is that if a veteran returns from active service and has PTSD diagnosis he needs care with respect to advice with respect to his funds, financial advice particularly, on how - on what they should do with their funds, and I'm not sure the level that that now takes place, and whether or not - I know you can't make somebody take a periodic payment for the rest of life, but with mental problems that he may have there may be some direction that perhaps we should bring in more care with respect to their financial advice.

COMMISSIONER SPENCER: Yes, thank you.

COMMISSIONER FITZGERALD: Richard, you've raised the issue of the world of ESOs, and so I'd just like to explore that a little bit with you, and also, in particular, the role of Legacy. You began by reminding us of the rich and very impressive history of Legacy over 100 years. Some of us still remember, when we were schoolboys, out there selling Legacy badges, so it's a very important longstanding part of community engagement and looking after each other, so - and raising $16 million a year to - I would think in a very targeted way, because you know where the need is and you know how to use those funds very wisely, and I think it's very difficult for a large system, sometimes, to respond to some of the situations you've shared with us this morning.

So, as I commented earlier when we were talking with Liz, we're trying to think of ways in which, from a government perspective, they can leverage the work you're doing, and you've given a very positive description this morning of your relationship with DVA and the assistance they give you, but if you're looking to the future and how you can best support the needs of families and partners, with the knowledge that you have through your

volunteer networks and the work that you can do through that network, how could government better assist you to do that?

MR CRANNA: Well one thing is that - I mentioned privacy restrictions not enabling us to receive information about who are DVA clients. If we could get that - we've got, as I say, 58,000 - I think Liz mentioned 165,000 veterans out there who are. Well, if we could get the information on those other families Legacy could then go out and bring them into the Legacy family and assist them. One of the things that we do is, as I mentioned, those that don't have DVA support we support as best we can, but we look after all those widows, so it's more contact with all our widows, whether they've got a DVA Gold Card or not. But if we could get more information from DVA on the clients that they have, our 48 clubs around Australia could go out and bring them into the Legacy family and give them care and assistance.

COMMISSIONER SPENCER: So privacy legislation is the big blockage at the moment?

MR CRANNA: Yes.

COMMISSIONER SPENCER: Right, and as we commented earlier, Robert Cornell's report has been shared with us but we can't comment on that.

COMMISSIONER FITZGERALD: No.

COMMISSIONER SPENCER: It is not public at this stage, but we indicated, I think in our draft report, that we certainly want to give more attention to this issue around both advocacy, but advocacy just beyond assistance with compensation, obviously around welfare, but beyond that into what other ways in which, you know, government could leverage the resources you have.

If I come back to your comments on ESORT, you mentioned that you feel that should be the peak body (indistinct) contact with Minister. Do you want to comment on how it's operating at the moment? Because I thought that it's not an official peak body, but in a sense - and frankly we're not sure how you get a peak body with a number of organisations and how you go about that.

MR CRANNA: Yes, true. Yes.

COMMISSIONER SPENCER: But out impression has been that, so far, that it's a pretty good way for the voice of significant ESOs and a diverse range of ESOs to be heard.

MR CRANNA: Yes.

COMMISSIONER SPENCER: But you're indicating you think there should be more to that.

MR CRANNA: Well maybe the ESOs that are not involved in the ESORT round table, that have particular skills, say, with mental health or other issues, might be able to be invited into that quorum, and I think it is important that the Minister - I mean, I guess the ESO round table report goes to the Minister, but it would be very good to see him there, that he could them get personal advice from those that are actively involved in veterans and their families. But I think it just needs to be looked at to see if there are any ESOs out there that are doing particular work with - in a particular field that perhaps could be involved in the ESO round table.

MR McNAMARA: Could I just make a comment there? Because I had the experience in February last year with Rick asking me, as his vice chairman, to go to an ESORT meeting -never been to one before - and I went to Canberra, and in fact the meeting was chaired by Liz, but - in fact no, it wasn't. No, Simon Lewis was still - and it was chaired by Simon Lewis, but I had never seen this organisation before, but sitting at the table I was just so impressed in the scope of the experience and the groups around the table, and I came away from ESORT with a really very, very - well, I was enhanced by the fact that we had this organisation sitting down there discussing all the good things that they could do for the veteran community and their beneficiaries, and it was just a really impressive experience to me.

MR CRANNA: And maybe I'm just saying that that is strengthened by some who may be out there in the ESO community who may be of particular help to veterans and their families.

COMMISSIONER SPENCER: Just one further question. One of the things we've noticed is that there's obviously a history in Australia of organisations that have been for, if I put it this way, older veterans, and the membership model.

MR CRANNA: That's us.

COMMISSIONER SPENCER: But you have a very unique perspective, and that is around the families and the widows, but the format

of those - some of those other ESOs was more around a membership model, comradeship, getting together. We hear that the younger contemporary veterans as not so interested in that. They're more interested in services, what can assist them, and frankly we're experiencing a bit of a disconnect in our hearings. We're hearing from the well-known well-established ESOs which relate perhaps more to older veterans - once again, you're different from that group - but we're not so much hearing the voice of the younger veterans, and the - and we all know about social media, we know that there are some very interesting organisations like Soldier On, Mates4Mates, that are - - -

MR CRANNA: yes.

COMMISSIONER SPENCER: And we'll be hearing from some of those organisations, but it's been interesting to us. So when you look at an ESORT, do you think the voice of the younger veteran is around that table as well, and their needs?

MR CRANNA: I think it could be strengthened, and I think that's one area that I was thinking could be strengthened, in the younger veteran space.

COMMISSIONER SPENCER: Sure, okay.

COMMISSIONER FITZGERALD: Just following from Richard's question, then, is we've recommended a ministerial advisory council, and it - we've talked about it having veterans and people that have a knowledge of Workers' Compensation, other schemes. So one of the difficulties, I think, at the moment is, we've got ESORT which adequately represents the views of much of the veteran community, but not the young. But actually, what's missing from the table are people that have expertise in alternative schemes.

DVA knows exactly what veterans think, but there's a whole world of improvements that have now happened in the space we're dealing with, the way in which you compensate people, the way in which you fund and deliver health services, the way in which you provide community services, and Richard was on the Productivity Commission's review of human services. Now, that world has changed, yet when you get to the veteran space it's like that world doesn't exist. So a lot of our thinking is in fact - veterans are finding very difficult, and they assume it's because we don't veterans, or they don't understand the unique nature of military. Actually, it's we understand that there are better ways to deliver some services, but that voice is missing.

So one of the issues for us is, how do you have a peak body for ESOs, and that's fine, like in every other part of what Richard and I have been involved in community services, but then how do you have an expert advisory group, including veterans, to the Minister, actually informing how you run, you know, a $13 billion system, which is going to blow out. There's no cost savings in what we're recommending, none. None. In fact, it's all going to increase. So the question for us is, how do we get a blend of expertise and experience together that actually informs policy, and we're not getting that at the moment? We're getting a view of certain organisations, which is very important, but it's an incomplete view. So that's really what we're looking at. I don't know if you have a comment about that.

MR CRANNA: Yes. Well, I think I might have indicated that in my talk that I think the ESO group should be the group, and that should include the people that you mentioned, so that it is a collective and proper spread across all.

MR McNAMARA: Could I just make a comment from my own experience, and that is with my son, who's a five time Afghanistan veteran and two time Timor, still serving, but his cohort are the people that you're talking about, the contemporary veterans, and I'd have to say that they are very - they are different and I'm not sure anybody has worked out just yet just how to reach them, and I think it's something that we should all be challenged with, because along the way, as I was indicating, they've got a lot of PTSD, they've got a lot of challenges, but they are a different group, and they don't necessarily want to join the organisations that are there. What organisation that they will join, I don't know. My son can't tell me, but they are different.

COMMISSIONER FITZGERALD: Well we've experienced that, because we actually ran round tables on bases with existing service personnel, and I just repeat, it's night and day. The ESO community represents different people at different stages of their life, and that's perfectly fine. Can I just go back to two things? One is in relation to the policy area, and you clearly don't think sending policy to Defence is a good idea, and you want to keep DVA. We have a very clear view about how you could improve the administration of the scheme, and there's lots of other things DVA is apart from that.

Can I just ask this? In New Zealand, for example, defence is in place - it does have veterans policy, and in other countries around the world that happens as well - not many, but some. What is it about putting policy in Defence that's so repugnant? We hear nobody likes our recommendation.

We'll look at it, but what is behind your concern? Apart from DVA being good? Is there a fundamental concern with Defence?

MR CRANNA: Well I think that the veteran and the veteran's family would suffer if that happened. I mean that, because I think that Defence - my mind is that they defend Australia and they look after defending Australia. If another conflict occurs - hopefully it won't, but if it does the money will go into Defence and the veteran will suffer if they're in the one department, so I think having the two separate is absolutely vital.

MR McNAMARA: I was 35 years a soldier, and do you know what being a soldier is all about? You're serving your nation and getting out there and doing the dirty work, and that's not what DVA is about. DVA is about looking after the people that have stopped doing that and focusing on them, and that - Defence must continue to have its focus on the serving soldier, the serving navy, the serving airman, and getting them doing the right thing, and looking after them while they're in the service.

I think that there's a lot - and we - the word was used, and Liz used it, what we've got to do in the future a little better is look about the transition when someone stops serving and becomes a veteran, making sure that in that period we do that a little better.

COMMISSIONER FITZGERALD: Yes.

MR McNAMARA: And I think, I'd like to say, DVA are getting much better at that than they have been in the past and it's great to see. There's still a lot of work to do.

COMMISSIONER FITZGERALD: So you'll just be aware that we believe that that's the primary role of Defence, with DVA's involvement and others, and we've got a model that we're looking at, because it is that transition that is - the modern day veteran is obsessed, rightfully, about transition. The second thing in my last comment, Richard made the comment that younger veterans are about services, not entitlements so much. They're no unrelated, but there's about that.

The issue of the hubs: yes, they're growing and there are models in WA, Victoria, Queensland, I presume in New South Wales. What do you think the role of government is in the promotion of those hubs? Government certainly, at the moment, says "We don't want to own them, we don't want to control them. They should be ESO run", and they're also saying "We don't want to fund them 100 per cent".

MR CRANNA: Yes.

COMMISSIONER FITZGERALD: But are there elements of the hub that the government should in fact fund?

MR CRANNA: Well I think so, because I think there's got to be a coordination of the individual hubs that are all springing up around Australia, and I think that's the Department of Veteran Affairs' job, in my view.

MR McNAMARA: But they've got to be funded for it.

MR CRANNA: And they've got to be funded, yes.

COMMISSIONER FITZGERALD: If they weren't going to fund the hub itself but they were going to fund certain services inside the hub - you may not have a view about this.

MR CRANNA: Yes.

COMMISSIONER FITZGERALD: We would welcome any thoughts you have about, what do you think the government should provide within a hub that is operated by an ESO or a consortium of ESOs?

MR CRANNA: Being an accountant by trade, finance is my point, that I think the government could certainly assist with finance advice to veterans when they leave the military, and that's one aspect.

COMMISSIONER FITZGERALD: And your organisation is reappearing in Melbourne, is that right?

MR CRANNA: Yes.

COMMISSIONER FITZGERALD: So it might be helpful if those delegates - - -

MR CRANNA: Well I'm not sure, sir. I think they are in Sydney and Brisbane.

COMMISSIONER FITZGERALD: In Sydney. Fine, that's okay.

MR CRANNA: Yes.

COMMISSIONER DOOLAN: Well at some stage we'd welcome your view about whether you think the hubs are a good idea, which you do, but more importantly what you think government's role could be in the hub.

MR CRANNA: Sure.

COMMISSIONER FITZGERALD: If I'm right in my presumption, which is governments don't want to run, own, or fund the totality of the hub, which I think it's pretty clear they don't.

MR CRANNA: Yes.

COMMISSIONER FITZGERALD: Any final comments?

MR CRANNA: No. Sorry, sir, but I was just going to say, in a hub where perhaps mental illness could be one area that is a specialist area. Finance, as I've already mentioned. So, those are areas that could be funded and assisted in a hub, but thank you very much indeed for your - - -

COMMISSIONER FITZGERALD: Any other comments? No. Thank you very much. We appreciate that. Could I just ask, are the representatives of the Vietnam Veterans' Federation of Australia present? So if we can do a 15 minute break, just only 15 minutes, no more than that, and then we'll go straight on to your presentation. So we'll be back by five to 11.

SHORT ADJOURNMENT **[10.44 am]**

RESUMED **[10.54 am]**

COMMISSIONER FITZGERALD: Okay, we might start to resume. If you want to grab your tea and coffee and come back we'll just keep going. Okay, thank you very much. So we have James and Jules; is that right?

MAJOR WAIN: Correct.

COMMISSIONER FITZGERALD: So if you can give your full names and the organisations that you represent.

MAJOR WAIN: James Wain. I'm the immediate vice president, national president of the Vietnam Veterans' Federation of Australia.

MR WILLS: And it's Jules Wills. I'm part of a research group working for VVFA.

COMMISSIONER FITZGERALD: Terrific. So if you could make an opening statement, that would be terrific.

MAJOR WAIN: Well, the way we've structure this, Commissioner, is that Jules will do the first bit and I'll come in in the second bit.

COMMISSIONER FITZGERALD: Terrific, thank you.

MR WILLS: Right. Well, we're pleased to appear before you again and present details of our latest submission to the inquiry. We certainly, with others, acknowledge your efforts in preparing the draft report. Seven hundred pages is something, and we really appreciate the effort you've done in killing another forest and incorporating a very wide range of suggestions in the best interests and better support of the veteran community.

Being a part-academic, or used to be an academic, we're looking - I'm looking at - more at the strategy and structure elements of what the Commission has looked at. We see some of the basic issues as follows: certainly continued recognition of the unique nature of military service, and I know that's continuing issue and a major theme of what the Commissioner is looking at, and certainly as the bedrock of any issues that relate to veterans' situations; also identifying and accepting improvements to the relevant beneficial legislation to support veterans through rehabilitation and compensation; harmonising the existing veteran support legislation to reduce conflicts and inconsistencies. We put in a proposal during our last submission that identified terms of reference about how that could be done, and unfortunately we didn't see that reflected in what you had told us in your report, but Jim will be talking more about the harmonisation issues that we consider interesting and important.

Also, obtaining government acceptance of your recommendations as vetted and consolidated by public submissions and debate, which is carrying on here, and we see as being valuable. Retaining DVA to implementation processes flowing from accepted government recommendations and acceptances, improving governance, as Liz was talking about, which is a continuing issue, and of course service delivery, and also to continue and expand the VCR program and other infrastructure in continuing consultation with the veteran community. That's done through ESORT, and it's also done every day in terms of advocates appearing before the BRB and AAT, we suggest.

There's also the issue of periodic reporting on implementation progress to the government through the Minister for Veterans' Affairs. The evidence that we provided, we hope sufficiently in our submission, talks about six or so major issues that we can raise as part of our executive summary, and they relate to: the unique nature of service; the restructuring of veteran policy and administration; veteran legislation and policy; Joint Transition Command, which we support; the compensation premium, which we don't; and the non-liability health card for spouses. Those tend to be foremost in our thinking and appear as part of our executive summary, as I suggest.

I should note that we have actually supported 27 of your draft recommendations. However, we also disagree with 23 others, so it's in the balance, I would say, but I'd like to hand back to Jim to talk about some of those issues, particularly relating to harmonisation.

MAJOR WAIN: Thanks Jules. What I'd like to suggest to you, gentlemen, is that harmonisation is the opportunity to take the bad bits out of the legislation and replace them with good bits. And in fact if we do that we're going to make the option of having one piece of legislation much easier to achieve. Once that harmonisation is there, somewhere along that path it may become blindingly obvious that we can have one Act.

Now, first and foremost, we recommend removing the requirement for a condition to be permanent and stable from DRCA and MRCA. It's not a real problem getting acceptance of liability by DVA. With the current processing through - doing the processing on line, they've managed to - I think their record was two hours to accept liability for a claim. Now, with the Veterans' Entitlements Act once liability is accepted the rest of the processes flow from that. Now what is holding up the process for perhaps the younger veterans is that the stable and permanent takes so long to occur. It takes a lot of specialist appointments, rehabilitation, which in some cases is good, in some cases it's not. But if you didn't have that requirement you could get the whole thing, the claim finished much earlier. And in fact we put it to you that the requirement for being stable and permanent is part of the Civilian Compensation Act. It came from the old SRCA and it was transferred into MRCA. It is not in VEA. Why? Because VEA was a veterans' compensation.

Now we also recommending using GARP 5 [Guide to the Assessment of Rates of Veterans' Pensions, Fifth Edition] in all Acts, which would standardise impairment ratings, remove discrimination between war-like, non-war-like and peacetime service injuries or diseases. Just one. You have written it or you noted in your report that the GARP 5 military or

GARP 5M has two separate tables, and I know my colleague, Norm McLoughlin, has written about that, where you've got Table 23(1) and 23(2). Now we could get rid of that so you don't have problems with it, so we recommend just GARP 5 so everything is the same across the board.

DVA has done a good job with streamlining a lot of their SOPs, about 43 to date we think, but they should be extended to all Acts. Now at the moment a lot of them are not extended to the VEA, which to me discriminates against the veterans who have eligible service under that Act. So we say they should go right across.

In terms of SOPs, which have been discussed earlier today, we recommend adopting the reasonable hypothesis SOPs for all Acts which would simplify claim decisions for the veterans, the delegates and the advocates. Just the one SOP.

In relation to SOPs, at the moment we believe that the delegates treat SOPs as though they're chiselled in stone and there's no deviation from them. Now in fact I don't believe that was the original intent when they were brought in. My understanding from my 21 years is they were brought in to stop doctor-shopping between DVA and the veteran. Well it certainly stopped that, but it's gone too far the other way. Many of the requirements are not up to date. The repatriation medical authority is longwinded and it takes a long, long time to get a SOP changed. The appeal process through the specialist medical review council has got to be seen to be believed. We still believe, as in our original submission, that a deeming period of 60 days is reasonable and greatly reduces a veterans' stress while waiting for claims to be determined. And if in fact the requirement for that permanent stay to be deleted from the Acts, you wouldn't have any trouble, DVA wouldn't have any trouble meeting the 60 days because they're already accepted liability, assuming you have accepted liability, 60 days is plenty to get the rest of the processes in action. This might sound like a very drastic step but I believe it is really cutting the Gordian knot and this will free up so many other issues.

Compensation benefits should be adjusted and standardised across all Acts to reflect the most beneficial allowances available. Which goes back to my earlier comment about taking out the bad parts and putting in the good parts in all the Acts. Now, the other thing we recommend is a non-liability White Card for dependants; in other words, for the wives of veterans who have come home from their operational service, and like their fathers and grandfathers and great-grandfathers before them, have made their lives, the lives of their wives absolutely fraught with anxiety,

danger in some cases and it rubs off on the kids as well. The whole household is affected.

Now that's the end of our little bit, so we're over to you.

COMMISSIONER FITZGERALD: Thank you very much, and look forward to the submission. Can I just deal with a couple of these specifically. In one sense it's easy to say we have one Act that takes the very highest benefits and applies it, except it comes at a great cost. The second part of that is, as you know, in 2004 the government decided to move in a very different direction and that was to move to an Act which was very much about a proactive rehabilitation and so on, which was MRCA and DRCA. So for a long period of time now we basically as a government, not the Commission, has said we believe that younger veterans effectively need to have a different system and older veterans the VEA, and we've gone down that path.

It seems to us that your proposal, whilst it would simplify the system unquestionably, potentially comes at a very high cost and it redirects in some senses the system away from where we were going with the MRCA and DRCA and so there's a fundamental difference and I suppose it's a philosophical and principle based decision but it's also a financial decision. So that's what we're grappling with. So I understand simplification is fine, but then what's the cost of that? And that's the challenge we're trying to look at the present time, even with our recommendations. Some people in the community have said this is a cost-cutting exercise and I've said over and over again our recommendations will actually cost the government more, especially with the DRCA/MRCA, just by taking those two together and changing the benefit arrangements.

But can I just deal with a couple of things. The permanent and stable, we've recommended that that process be sped up. We've recommended that if within a period of time it's not dealt with, then in fact it's deemed to be permanent and stable. And I think, and correct me if I'm wrong, it may be two years I think we've indicated.

MAJOR WAIN: Two years.

COMMISSIONER FITZGERALD: And effectively what you want to do is to do away with permanent and stable and then you're linking that to your deeming of 60 days. Why do you think it's not reasonable for a system to wait a period of time, not years, but a period of time, to see whether or not the condition is in fact likely to be a longer lasting condition, which effectively is what permanent and stable is; it's a is it a

temporary condition or is it likely to persist into the future? And most schemes have that sort of notion, as you've identified. DEA doesn't, I acknowledge that. What's fundamentally wrong with actually saying - now whether it's two years or a year or whatever it is, we can argue, but that notion seems to me to be reasonable, rather than just assuming that it's going to be long-lasting.

MAJOR WAIN: It depends what it is. For instance, physical injuries. If for argument sake someone breaks a leg. The bone knits together again and it's fine and off they go. It's not a permanent injury. But if someone comes back from operation service, and the gentleman before us talked about his son having six tours of Afghanistan, and he's diagnosed with post-traumatic stress disorder, that's permanent. There is no peer review of medical evidence that says that bad PTSD is ever cured. Now, if the PTSD is diagnosed early and the veteran gets treatment early there is a chance that he'll get better. But if he does get better he will want to go back to work. No veteran wants to sit on his bum at home, annoying his wife and kids, if he can be out working. Work just gives you that sense of self-worth. It gives you the sense of responsibility for your family. No veteran sits there because he's sick because he wants to be.

COMMISSIONER FITZGERALD: But let me just test that. I don't want to disagree with you entirely but there are in fact conditions of anxiety and depression and so on which are episodic in nature and in fact people can move into recovery, not cured but recovery. So even in the mental health space it's not universal; whether or not PTSD is curable or not or you simply move into a better phase is contentious. But again you're dismissing the notion that an injury, be it mental health or otherwise, could in fact stabilise - could in fact improve, and you're saying that shouldn't be taken into account.

MAJOR WAIN: No, I wouldn't say that. I would say that if it improves we suggest strongly that the veteran concerned will ring up DVA and say, "I'm feeling good, I've got a job, I'm starting next week", and they stop that particular payment because he's proven that it's improved - proven it's improved.

COMMISSIONER FITZGERALD: So the other element that we've added is because some of the Acts allow for lump sum payments, we've suggested that during the period of permanent and stable that there is an interim payment, a periodic payment, and then that gets adjusted at the end of that period either into a lump sum, if that's what the person wants, or into a permanent periodic payment. But your suggestion is that in the case where they take a lump sum they'd have to repay that.

MAJOR WAIN: Well unfortunately they would, but if you're on the periodic payment that you mention, and I think that's a good idea by the way, and they say to DVA, "Look, I'm starting a job next week", then in six months - and he stops the periodic payment, right - but in six months' time his wife rings DVA and says, "He's in a mental health facility, he couldn't cope". It starts again.

COMMISSIONER FITZGERALD: Can I just move to the second issue about harmonisation of the SOPs. We agree with you, we've adopted what you've said, that is the statement of principles should apply to all Acts, we agree with that. The issue that you've mentioned is what's the burden of proof, you know, what's the test. We have sought feedback. You are saying reasonable hypothesis and that's been put to us by a number of organisations. That has obviously a cost because there will be more claims put through that.

So just explain to me your reason for going to reasonable hypothesis. Is it simply it's the most, you know, the easiest one to meet, or do you have a principle behind that? I am not disagreeing with that, we're looking at that, and many other advocates have said, "Well we're happy with one test but it's got to be the reasonable hypothesis". Some are saying that's simply because it's the easiest. Others are saying that because there's a logic to that. Do you have a view as to why you think reasonably hypothesis is the right test?

MAJOR WAIN: We think it's the right test because it doesn't take away anything from those that have operation service. They're on that anyway.

COMMISSIONER FITZGERALD: That's true.

MAJOR WAIN: Right, so it doesn't take anything away from them. But the timeframes involved in the reasonable hypothesis, like it might be three years instead of five years for some of the factors within, are also more reasonable and we've used the direct example of the 1986 Townsville disaster. You try and tell a wife that her husband who died in a helicopter crash in Townsville is any deader than a husband who dies in a helicopter crash in Afghanistan. You can't do that. Now, why shouldn't the veteran - and I agree with the earlier speaker about what is a veteran, it's not a person with one day service - however, why not give that same, more beneficial standard of proof to someone who served in Australia.

COMMISSIONER FITZGERALD: So can I just deal with that. You would have heard that some advocacy bodies have said that we need to keep the two standards proved because they believe we should recognise war and non-war-like circumstances as being different from peacetime or

training, whatever it might be. Is it your organisation's view that subject to it being the reasonable hypothesis test, that distinction should go?

MAJOR WAIN: No. These days, you know I talk about me going to Borneo in 1966 and my colleague being in Vietnam, we got some tax benefits, you know we didn't have to pay tax on the money we were earning up there, but the modern, the contemporary veteran gets, I think, very good allowances. I wish we had them in our time.

COMMISSIONER FITZGERALD: Yes, we're aware of that.

MAJOR WAIN: But I mean I think that they're well rewarded financially for their overseas service, the operational service. They get the ribbon to show that - recognise their service. There's now talk about other sorts of medals and so forth. I think that the recognition of their service is being recognised over there, getting good allowances and they don't have to put up the crap that we did coming back, that the Vietnam veterans did.

COMMISSIONER FITZGERALD: And as a consequence the compensation scheme going forward, not in relation to what we've got at the moment, doesn't need to recognise the distinction between different circumstances in which the injury arises.

MAJOR WAIN: I don't think so. I think an injury is an injury, a death is a death.

COMMISSIONER FITZGERALD: I will ask Richard for any questions, but can I just go back to one other issue. DVA itself. We understand the relationship that you've described with DVA. I presume from your position that you clearly oppose putting policy into defence.

MAJOR WAIN: Yes.

COMMISSIONER FITZGERALD: We were never going to put the compensation scheme into defence, but nevertheless. If DVA stayed with policy and a number of other functions, would there be a strong objection to the establishment of a contemporary statutory authority for the administration of the scheme, with its own border commissioners, its own advisory bodies that reports to the minister, but it actually takes best practice from all of the other contemporary schemes. And I'll put this to you. I understand why veterans want to control the policy and influence that. I understand why it's all about benefits, but that's all policy. I don't understand at all why veterans would be opposed to establishing a much more contemporary better practice administration scheme, which we've done in every other area. It has nothing to do with uniqueness of veterans,

it's actually in running a scheme. If policy were left elsewhere. I was just wondering whether you have a view about that?

MAJOR WAIN: You lost me when you wanted to put some insurance executives on that council.

COMMISSIONER FITZGERALD: Well people don't understand compensation schemes.

MAJOR WAIN: Well, insurance executives are a little bit like criminals, I believe. The only difference is that they don't carry guns, whereas Ned Kelly did. I mean to even - - -

COMMISSIONER FITZGERALD: Can I quote you?

MAJOR WAIN: To actually say that you want insurance executives on, after the Royal Commission, no thank you. And bankers, no thank you. I would agree that there are some benefits in contemporary civilian compensation schemes. And in fact when our veterans were under SRCA they got better benefits than people under MRCA. Now that suddenly changed when DRCA appeared and in fact when I was - I was at a Senate hearing and I said, "Guess what they've called the new scheme?" I said, "DRCA", the senators had a good chuckle about it, you know, they drew the distinction between the dirk and the DRCA.

Now, I would not be at all opposed to some of the good parts of a civilian compensation scheme being brought into veterans' compensation and rehabilitation.

COMMISSIONER FITZGERALD: So we agree on that. The question is then what is the right structure for that? Which is what we are looking at.

MAJOR WAIN: What I'm concerned about is when the harmonisation goes on, for instance in MRCA there's a chapter at the end, I think it's 342, which in fact says that if any veteran has a claim that he'd made, say on an SOP last year, and a new SOP comes out this year which may not benefit him, the new SOP is the one to be applied. Now that's entirely different to the court precedents won by veterans in the VEA. You'd know, as lawyers, about that. Now it seemed to me, and of course we know, that because DVA have put that section in, we can't object to it legally because it's in the legislation. Now, that's one of the bad things I want to take out.

COMMISSIONER FITZGERALD: So that's currently in the legislation.

MAJOR WAIN: It is, currently, and that's what I'm talking about harmonisation, I'd like to be able to input to take it out.

COMMISSIONER FITZGERALD: But the quid pro quo with that is that you would have to then go back and reference every statement of principles that apply at a point in time. So instead of being able to look at the current SOP, you would endlessly having to be archiving those SOPs and going back to that date, so the system becomes inordinately complex.

MAJOR WAIN: No, just the - it comes in the assessment period, which is the date the claim's put in until the date of the last appeal submission.

COMMISSIONER FITZGERALD: Not the date of the injury.

MAJOR WAIN: No, no, no. No. The date the claim's put in.

COMMISSIONER FITZGERALD: All right, let's have a look at that.

MAJOR WAIN: So the SOP that is on foot at that time is the one that he's claimed on.

COMMISSIONER FITZGERALD: Well we'll have a look at that, yes.

MAJOR WAIN: Okay.

COMMISSIONER FITZGERALD: If it was the date of injury I could say we would oppose that.

MAJOR WAIN: No, no, no, no, no. I'm not suggesting that.

COMMISSIONER FITZGERALD: Okay. Richard?

COMMISSIONER SPENCER: Yes, just going back to that insurance label. I think we moved on a bit from that to where our thinking is at and I think you're agreeing with us, but I just want to confirm that. Because what we've observed in talking to a number of people who administer schemes, workers compensation schemes, it's not just the inherent nature of those schemes, and I know there are concerns about people that we're just going to "civilianise" a military scheme. It's about what are the practices which actually get terrific results. Which show how departments track injuries, track, you know, what happens and how do you improve that. And I think your comment is, well, it's to bring back best practices into the way this operates.

One of the reasons behind the Veterans Services Commission is we think that is much more fit for purpose to do that. You know people have said to us that, well the department is getting better. The department is addressing some of these issues, we should not, you know, change the department, it's just got to do a better job.

I suppose the thing we wrestle with, and I'm just interested if you've got any thoughts on this. This has been going for a long time, a long time, and there have been endless reviews about what the Department does. Some people might say, and some people have said to us, well, what – why would we expect – and this is no comment on the current leadership and their good will and the intentions, but is there something about the inherent structure of the department that really gets in the way of being able to operate a really effective best practice based on evidence scheme? We see this in other areas of government services, it's no longer done through departments, it's done through a dedicated statutory corporation with the sort of board management there. So that's what's – that's what's behind our thinking. But then, we come back to this constant view, sometimes, that – well, not constant view, but a view that some people have. No. The Department's just got to get better at doing it and it will be okay. So what gives you the confidence that this is going to – if it stays within the Department Structure, this will be part of the solution?

MAJOR WAIN: I think you've got to put the issues that you want fixed in the legislation.

COMMISSIONER SPENCER: Yes.

MAJOR WAIN: Now, I think that will be head-lighted by the covenant. Now, we recommend that the covenant should be the first paragraph in the Act itself, not sitting apart from the Act. Every Act, you know, or the three Acts at the moment. They should, when we're doing the harmonisation, the covenant should be there first, and that, I think, gave some moral authority to the rest of the legislation. It commits the government to looking after its veterans. In other words, they won't be just walking the walk, they'll be talking the talk.

I believe that will constrain them to stop them changing things. And if we get the legislation right, and simplify it, it'll make life a lot easier. May I just add to that comment? We have nothing against rehabilitation. Nothing at all. If someone's going to be rehabilitated to get a job, that's wonderful. But I point out to you gentlemen that ADF has a rehabilitation program. Some of the veterans are on that for up to two years, and then they can't find them a job, because they're – they've had it, they're worn out, you know, they're cactus.

So is another lot of rehabilitation under DVA control going to do anymore or should we in fact, look at the ADF rehabilitation and say what do you think, fellas? And if the ADF says "Look, we can't find him a job and we've got lots and lots of jobs we could put him in, or her in", don't you think he's probably had enough rehabilitation?

COMMISSIONER FITZGERALD: Sure. But just taking that point, neither MRCA nor DRCA force rehabilitation where it would be – where it wouldn't serve any purpose. It encourages rehabilitation on the basis that most people, as you've said, want to actively reengage in both employment and/or active society. But for some people, that's not possible. And we understand that. So I appreciate that. But neither Act actually forces people to rehabilitation than is going to be useful, well, that's not its intent, is it?

MAJOR WAIN: No, but they're not forcing them, but if DVA say to someone, you've got to start rehabilitation, don't forget these ADF people are used to being told what to do. You know, they're in a structured hierarchical organisation. They've been taking orders for as long as they've been in the military and when DVA takes over and say you've got to do rehab, they do it. You know, I'd suggest, kindly, it's not enough to say they don't have to. We'd have to make sure, they're not forced to, when really it's of no benefit. And that's where I hark back to the ADF rehab.

COMMISSIONER FITZGERALD: And the other thing that flows from that is why do we support the transition command arrangements, where all of those bodies that are losing and gaining a member have full records that are going from one to another? We also make the suggestion that if someone is deemed to be a medical discharge that they remain in the service until DVA actually gets that information. That then, would smooth the way for the veteran as well as reducing administrative nonsense.

MAJOR WAIN: It's in our full regiment.

COMMISSIONER FITZGERALD: Yes.

COMMISSIONER SPENCER: Yes, and we've commented on some of the initiatives that are underway and some of our recommendations going to – if that is getting good results, they should be rolled out.

MAJOR WAIN: Absolutely.

COMMISSIONER SPENCER: Across all services. Can I bring you back to the SOPs, I mean, you made the comment that the way they've been administered is chiselled in stone, so - - -

MAJOR WAIN: (Indistinct) quote me on that (indistinct).

COMMISSIONER SPENCER: Well, (indistinct words) there we are, but if I just explore that a bit further, because you know, clearly issues say there was a view that this helped to eliminate a source of great frustration and stress to many people through this notion of doctor shopping. We have made some recommendations there about how to update and actually put in more resources. This is one area where we're saying further investment is needed, so the period of time for an SOP to be informed by best evidence and contemporary views around certain conditions should happen, well I also made some comments about, as you did, about the review process and about what should happen there. We think it can be done in a much faster way, more effective way. So having said that, and we've – you know, we've talked with other military systems in other countries, and some of which – some of them have adopted the SOPs.

MAJOR WAIN: New Zealand?

COMMISSIONER SPENCER: Yes, exactly, and they give it a big tick. They say, this is terrific and they work with, as you know, our defence around those issues. So when you say chiselled in stone, what should be done about that? What is your concern? We've made recommendations to try and speed it up, but beyond that, do you have other suggestions or thoughts about improvements as to how that's going to be administered or those principles?

MAJOR WAIN: We think that the SOP should be a guide. Not chiselled in stone. Now, it says that DVA have gone part of the way by streamlining these SOPs. Nowadays, as we said in our submission, if someone's an infantry soldier, by the time you've finished recruit training, you've matched all the lifting and bending and twisting and so forth for muscular skeletal injuries. Now, that's fine. Now, I think they could probably go further with that. Now, of course, once they've streamlined, the veteran doesn't have to prove that he's lifted 150,000 kilos over 10 years. Plus Cattenburg makes that a nonsense anyway.

You know, if he's done a substantial amount, it's enough. So why not recognise existing situation and make them less structured and rigid? Because they're a tabled instrument in Parliament, they sit on the table – I've forgotten the term at the moment – but it's got the authority of law, I

think that's too, makes it too rigid. We could come back to that later and make further the recommendations.

COMMISSIONER FITZGERALD: I think the thing we're wrestling with, and if you could, that would be great – the thing we're wrestling with is the SOP's have the advantages of giving a lot of certainty.

MAJOR WAIN: Yes.

COMMISSIONER FITZGERALD: Most people would say they're very beneficially determined. We've talked about the standards (indistinct) put to go with it. If one is going to then open up to and straight through processing and streamlining as you've suggested? Good. It seems to be a very good improvement, but if we're going to start to open up questioning the SOPs through the process, I think there's a degree of nervousness about, will we sort of slide down the slope of all of these things, sort of - finally being, you know, brought into contention, which the system was designed to eliminate. So you know, you may not have any comments on that at the moment, but it would be helpful, you know, and any further comments you make to us. If you think this - there are adjustments beyond what we're recommending, what do you think they should look like?

MAJOR WAIN: They would certainly be marginal. I'm not talking, you know, really, really big changes.

COMMISSIONER FITZGERALD: No.

MAJOR WAIN: Okay. It's something – sometimes we've had cases, and I'm sure all the other advocates in the room would agree that someone said, no, you don't meet that particular factor, therefore, it's finished. It's over. Now, when you look at it and you put a further information to the Veterans Review Board, even on an ADR process, they'll say, you know, no, I think you're quite right. And they'll tick it. Mind you, we do lose some. But we tend to get them (indistinct).

COMMISSIONER SPENCER: Just one follow up question to that, because it goes back to something I mentioned earlier and that is a view that we've heard that in the situation you've just described, the claim gets rejected, somebody looks at it and says "Well, you've got this, you didn't mention that if you had," and it goes back in, you've got to go through a review, which seems very unnecessary. So and this comes back to the earlier comment I made about the expectation the department will be more helpful. As it is in other areas and on the basis that it is your entitlement.

And the department or the vehicle that's handling all of this should be proactive about assisting you in your claim and pointing that out.

So I mean, from your experience, do you think that there can be improvement in the way the department will handle this by being more proactive about helping veterans initially, in their claims?

MAJOR WAIN: They could. Quick sketch of the dog fight, when I first joined up 21 years ago, with the Federation, if the advocates in those days were mostly ASO6 category public servants, the majority of them were veterans. Now, if they were going to make a decision to reject the claim, they'd ring the advocate up, say, you know, listen Jim, I'm thinking about so and so, and I really think that if you go down this path, you're probably likely to get a better result.

So you'd have a chat and then you'd put in further evidence to do what that person suggested and it gets a tick. Why? Because you put the correct evidence in front of you. Now, we find that there's contractors doing the advocacy work. And I believe it was up to 40 per cent of advocates are contractors.

COMMISSIONER FITZGERALD: The delegates, you mean?

MAJOR WAIN: I beg your pardon. Delegates. You're quite right. Thank you. My age is showing. So if the delegates have 40 per cent of the newer contractors and they turn over, there's a constant cycle of training to try and get the next delegate up to speed.

Now my understanding is this come about because of the 2 per cent efficiency dividend the Government opposes – sorry – imposes on all departments. I've got no argument, that's a Government policy. But I think we should be able to have a core of delegates who are permanent and experienced. I mean, the experience only comes with time. Rather than this churn of contractors.

COMMISSIONER SPENCER: Okay.

MR WILLIS: And the other point to add to that, of course, is to take away this nonsense about a conflict of interest that if the department is actually helping you, good grief, we really should have an adversarial approach, rather than – or rather it could be a devil's advocate's approach when any claim goes in, rather than saying, well, let's sit down and talk about this one. And try to sort out whether you really have a claim or not. That would create a much better atmosphere between the department and also any claimant.

COMMISSIONER FITZGERALD: And we would see in any new structures that would be a critical element in it. But even in the current structures, we've looked at this – what we call this reconsideration stage. So try to improve the delegates' decision immediately followed by a reconsideration in which, in fact, that conversation happens. So instead of waiting til you get to the VRB, you bring that forward. We've discovered with the VRB, the very positive element of the new alternative dispute resolution is that they actually talk to the claimant.

MAJOR WAIN: Yes.

COMMISSIONER FITZGERALD: And they extract information early and we believe that that should come forward one step, so – and in fact there is legislation that allows that already, but it's not activated very often. So I think we're on the same path about that conversation.

Can I just go to the "one" one, and it is a difficult one for us, is your recommendation in relation to non-liability health care for partners' independence. I mean, we are – this is a generally difficult issue for us, and we understand that many of the submissions will encourage us to extend these benefits. So I just need to understand from your point of view. Firstly, precisely, when you say non-liability health care, are you talking about the Gold Card, the White Card, or a variation of that?

MAJOR WAIN: White Card, we're talking about.

COMMISSIONER FITZGERALD: Yes, that's what I thought.

MAJOR WAIN: Yes.

COMMISSIONER FITZGERALD: So I just wanted to be clear.

MAJOR WAIN: Yes.

COMMISSIONER FITZGERALD: And that's in relation to mental health and anything else that the government so deems is a non-liability health - - -

MR WILLIS: Can I refer – excuse me. Can I refer you to page 9 of our submission?

COMMISSIONER FITZGERALD: Yes.

MR WILLIS: Where we talk about some of the history of the NLHC [Non-Liability Health Care] and the Gold Card and the number of the times it's been raised, the number of times that the benefits of that have been raised, but had been dismissed at other levels, for financial or other reasons.

And our friends in the Partners of Veterans Australia have also raised these points many times. As to the value of having a partner or spouse or whatever that relationship is, in terms of gaining support and also perhaps medical assistance, if their veteran husband or wife is given that on the way back, these days, we would actually prefer a Gold Card, regardless of what your previous comments were on that. So anyone who's - - -

COMMISSIONER FITZGERALD: But I want to be clear, you're not recommending that? You're recommending the White Card?

MR WILLIS: No. It has been recommended in the past.

COMMISSIONER FITZGERALD: No, no, but I know, I just want to be clear about your recommendation is currently the – a version of the White Card.

MR WILLIS: Yes, indeed, because it would then provide some assurance to that spouse or partner that they are being looked after as well as their spouse is or partner is.

COMMISSIONER FITZGERALD: So putting that many people have indicated to us that it's often the – I'm sure there are some physical aspects to this, but largely it's about the stress of (indistinct) that the veteran who may not be well, both mentally and physically unwell. So one of the approaches that we've been looking at, is, well, if it's about services, do we increase the services that are being provided through organisations such as Open Arms or do we look at alternative or additional services that can be provided. So that instead of giving a card or an entitlement, you actually look at a service that could be of support to both partners of living veterans and others. So we're trying to look at a range. We're not prescriptive at this stage, at all, about this stuff.

But there seems to be a reluctance to embrace a service delivery model as distinct from a funding model and I just want to get just your views on that. And this is an area where we'll receive many submissions.

MR WILLIS: Sure. We think – and we say, just before I start – the Open Arms we believe is part of the solution. It's not the solution. And in particular cases where you seem to oppose that or develop outcome

measures and then only that, that you would review Open Arms or any other support, so you end up with, you know, stacks of support going on.

We believe that the entry into the best arrangement would be an NLHC card for the partner of a veteran who's already receiving one. It seems to be a better match under those circumstances.

COMMISSIONER FITZGERALD: So, can I just be clear about your last comment. Who – sorry – who precisely would receive this?

MR WILLIS: What, what?

COMMISSIONER FITZGERALD: You said a veteran who is receiving - - -

MR WILLIS: Well, if a veteran is coming back and is given an NLHC card on return to Australia, for example for contemporaries, right?

COMMISSIONER FITZGERALD: Yes.

MR WILLIS: That if they're given it on the basis that they need assistance and they are identified within the range of what NLHC offers.

COMMISSIONER FITZGERALD: Sure. So basically, it's a veteran that has had a successful claim in the first instance through DVA and receives the White Card with certain entitlements.

MR WILLIS: We understand that the - - -

COMMISSIONER FITZGERALD: Sorry, go ahead.

MR WILLIS: Yes, the new idea from DVA is that veterans when they come back from overseas, on operation service, will be given a non-liability health card. White Card. When they step off the plane, virtually. So they don't have to – they can go and get their own treatment when they're ready without having to go to the service treatment. So we're suggesting that that card should be given to the spouse at the same time.

COMMISSIONER FITZGERALD: That group. There's a proposal as you know, that – and in fact, this is now the case - that the White Card is available to anybody that's been in military service with almost as long as you apply for it. So it's almost a universal access card. Would you see that the universal access motion would be extended to all partners and dependents of ex-military service personnel or would you restrict it to the group that you've identified?

MR WILLIS: No, I'd – I'd recommend – mind you this is a question off the cuff.

COMMISSIONER FITZGERALD: Well, you don't have to - - -

MR WILLIS: I don't have the answer. I'd like to come to – come to in a more structured way.

COMMISSIONER FITZGERALD: That's fine.

MR WILLIS: But off the top of my head, I think it should only be for those coming back from active service.

COMMISSIONER FITZGERALD: Okay. Well, if you can give some more thought to that that would be helpful.

MR WILLIS: Yes. Might I just say something about Open Arms? In my time, I've had lots of complaints from spouses and especially as the younger one started to come along, if they wanted to go and see a counsellor at Open Arms who was whatever – VBCS previously, and they had little kids, they couldn't. Now, by definition, most young wives, have young kids and if they want to go and see a counsellor, what are they going to do with the kids? You know, they're usually a state away from their own parents, their own support networks. DVA – sorry – Open Arms won't let them take the kids in there.

Now, there is one way that that service would be improved if they were given access to a child-minding area. That will (indistinct) that into our submission as well.

COMMISSIONER FITZGERALD: Well, just add to that, that you know one of the issues we hear fairly regularly about cards, is it's fine, people want cards, they have cards. But where can you go and get the service? Now, this is not uncommon across a whole range of human services in Australia, obviously in remote and rural and regional areas there's great difficulty and we heard about that in Wagga yesterday, but if there are particularly issues that you're aware of is you know, you've got this entitlement but when you go to get the service, it's hard to obtain the service. If you've got any commentary on that, that would be helpful. Because I think at the end of the day, as Robert said earlier, the principle is to get the right service to the right person at the right time.

MR WILLIS: Yes, sure.

COMMISSIONER SPENCER: Now, we have some thoughts about limitations of cards to do that. But if cards will continue (indistinct) and they will continue to be part of the system into the future, how do we make that (a) that these response of the service system out there can be more effective to make sure that it's meaningful and that people get the right service at the right time?

MR WILLIS: Yeah, well, we do have some examples we can share with you on people having trouble on remote and rural areas which you've seen yourselves. So yes, how to get that – okay. We'll include that.

COMMISSIONER FITZGERALD: So thanks for your comments. I could just say, it's very unlikely that we will in fact move to a recommendation where we have just one scheme. I think we are going to end up with the two scheme approach that we've got and we want to make sure that both of those schemes work effectively. But I understand your opening comments that you would like us to be able to just to move to one and I understand the issues behind it. I just want to say to you that's probably unlikely to be able to be achieved but we'll look at that. But it is important that organisations such as your own then comment on those schemes as we're proposing and how we could deal with each one, and they do have slightly different purposes and they are targeted to different categories of veterans, so they are, to use the word "targeted" in a way that we think better represents the contemporary and the older veterans. We may be wrong in that.

MAJOR WAIN: Yes, but they can be changed. We've witnessed the idea of having SOPs going to do it. They've got to be changed.

COMMISSIONER FITZGERALD: No, it's all changeable.

MR WILLIS: Notwithstanding, and with the greatest of respect, because you are lawyers, - - -

COMMISSIONER FITZGERALD: Former lawyers.

MR WILLIS: Former lawyers, okay, well even better.

COMMISSIONER FITZGERALD: We're much better now.

MR WILLIS: We would refer you to our - - -

COMMISSIONER FITZGERALD: We've improved enormously since.

MR WILLIS: And look where you are now.

COMMISSIONER FITZGERALD: Surrounded by economists. Is that an improvement? With all due respects, of course, to lawyers.

MR WILLIS: The final point is that we would refer you back to our June submission which gave you very clear and a barrister-written terms of reference for having a look at all three Acts and coming to a single point.

COMMISSIONER FITZGERALD: We have looked at your earlier submission and we will go back to that. So we're very conscious of the issues and we - our first starting point was could we get to a single scheme, but there are trade-offs and there are costs and so, therefore, it's not just simplicity, it's actually the costs that are associated with doing that. So thank you very much.

MR WILLIS: Thank you.

COMMISSIONER FITZGERALD: Could we now have the Australian Federation of Totally and Permanently Incapacitated Ex-servicemen and Women. Pat and John. Okay, if we could just resume. Pat and John, if you could give us your full names and the organisation that you represent first.

MS McCABE: Patricia McCabe, and the Australian Federation of Totally and Permanently Incapacitated Ex-servicemen and Women.

COMMISSIONER FITZGERALD: Thank you. John, can you give your full name.

MR REEVES: John Hamilton Reeves.

COMMISSIONER FITZGERALD: And the organisation you represent.

MR REEVES: The exact same organisation.

MS McCABE: It's very long to say.

COMMISSIONER FITZGERALD: It is, but a good organisation, and I might just say we've had people from your organisation present in a number of the previous public hearings and undoubtedly in the future ones as well, I would imagine. So thank you for that. So just your opening comments.

MS McCABE: Okay, just a couple of comments, nothing too in-depth. I just advised the previous speaker that that issue with the - looking after the children while the women are being - going to Open Arms, that's been fixed already, so that was a great step forward.

Our first issue with the Productivity draft report is that we do not want to see DVA devolve into an agency. It would lose status in the community and therefore the veteran would lose that status as well. It would lose impact with ministers and prime ministers being an agency, and we believe that if the Veteran Centric Reform is given a fair go, that has improved things immensely and if you try and duplicate that into an agency that's only adding to costs anyway. So that's the number one point.

The second point is that we were most disappointed that you totally carpeted our idea of the economic loss compensation. You said that it wasn't warranted due to the so-called package. We were under the impression that everybody had agreed that the word "package" was inconsistent with what we were trying to claim for the economic loss of the compensation payment but you've gone along that vein, which is very disappointing, and it seems to be consistent with references to the Tanzer review and going back to 20 year old reviews to me doesn't seem to be looking for the betterment of the current contemporary veterans. So it's a bit convoluted there.

The idea to remove the special rate from MRCA I think is very dangerous. If you get a severely disabled veteran and he hasn't got that capacity to make the choice of having a special rate, that's not doing the veteran any good either.

So we're still continuing to discriminate after a veteran's claim has been assessed. Well, the previous speaker spoke about that. We are upset about the harmonising and normalising of DVA veterans into Medicare or any sort of private insurance company. Veterans are a special people, it's been acknowledged. Why are we trying to get them into the general population through Centrelink and Medicare and so forth where they'll just dissipate and not be that special generation of people that stood up and took the bullet, metaphorically, and they were prepared to put their life on the line. Nobody else goes out and does that, but now the report's trying to say that "No, you're just one of the general population. Now you're discharged just go back into the general population", and we don't believe that's right.

Obviously the idea of removing the Gold Card is detrimental to the veteran as well. The Gold Card enables them to get all the services they

need. Right. If they just walk in with the Medicare card, that might even have the word "veteran" on it, but nobody is really going to see it because it's the same colour and the same concept as the Medicare card, they're going to turn around and say, "You've got to pay the Gap", or "You've got to do this", and the veteran's got to argue with every appointment and say, "No, I'm a veteran, I'm entitled". Whereas the Gold Card stands out and they know they've got full entitlement there and there's no arguments. And there's too many veterans there with mental health issues, but you put that sort of pressure on them where they've got to argue every time they go and see a doctor, they'll stop going. And maybe that's part of the cost cutting, I don't know, but it's not good for the veteran.

Okay, the - we're also upset that DVA has no publically available data on any of the MRCA clients. For example, we don't know how many special rate people there are under MRCA. You've had 14 years to gather this data and we can't get it. Believe me I've tried many times, and they can't keep blaming the computer systems, there's something wrong. Now there's also a tendency that you want to remove allowances, just about all the allowances, that DVA clients get at the moment. We would like to see them examined individually. Find out what the root reason was for having that allowance given and then make a decision on each allowance, not just carte blanche and already remove all the allowances.

And the final one really is we believe that the initial mistake was made in 2003 when MRCA was first discussed, but we believe the VEA should have remained a compensation legislation. Just on its own. And MRCA could have been a standalone rehabilitation legislation. There would never have been any confusion between the two then. That's about it. Have you got anything to add, John?

MR REEVES: Yes, I've only one thing that I think this review or this Productivity Commission on veterans' compensation seems to be just another peg in a hole. I've seen in my time slowly allowances and things like that get whittled away as Acts - when they introduce new Acts things that were in the previous Act aren't there any more, and you find, for example, you know, I'll just give you a quick example now: people who are currently going to an exercise physiologist as of 1 July they'll have to go back to their doctor after every 12 visits. Now, some of these people have got skeletal, or whatever you want to call them, injuries that are never going to get better. The doctor says that, he ticks in the box. You can't do that any more. You can't say, oh you're going, after 1 July. So the doctor believes that it's ongoing, yet not only has the veteran got to go back and get this certificate, it's actually costing the tax payer, because you've got to go back, get this certificate, and the doctor fills it in, hands it off, and send his bill. And, you know, just another thing to me that's just

slowly whittling away things. And what will happen, a lot of people will just say, "Oh damn it, I can't be bothered going every 12 weeks, I won't go.

Now, at the same time DVA is saying we want to make our veterans healthy. We want to keep them healthy. We want them to stay at home. We don't them in nursing homes, you know, that sort of thing. Now, if you take away those little things like that, don't be surprised if these numbers going into nursing homes increase. It just seems to me the government - I think they were a bit frightened by DVA. They thought it was costing too much, so we'll bring something in and they changed it and made it a bit harder and the next one is a little bit harder gain, and here we are again doing reviews and looking again, and yet when there's a ceremonial event on the same people that are asking you to do this will stand up there and tell everybody, "We'd be lost without these veterans. These veterans are really special people". Well, you know, I don't feel like a special person when you can't even get, you know, to talk to the Minister. That's the difficulty I see. It just seems to be - to be quite frank I just think you're trying to make the ADF into a division of the public service.

COMMISSIONER FITZGERALD: Yes.

MR REEVES: That's it.

MS McCABE: Thank you.

COMMISSIONER FITZGERALD: Thank you. Can I just deal with a couple of issues, the major benefits under both VEA, MCRA and DRCA are in fact not being touched at all, and as I've said there's no cost cutting at all. When we merge DRCA and MRCA it is likely that in fact the benefits will increase not decrease.

MR REEVES: Right.

COMMISSIONER FITZGERALD: Well, there'll be no decrease. And so in fact our proposals are going to cost the government more. That is more money for veterans, not less. So the notion that it's cost cutting, it isn't. But it is true, if I can just deal with this, that there are a lot of benefits that have arisen historically, a lot of allowances, you've mentioned that. And we've said are there better ways of achieving that. So the modern philosophy is you put it in the benefits, you put in the main benefit. You don't have a thousand little bits. You actually consolidate them. So you might actually increase the rate of the pension under the VEA or the lump sums, or the incapacity payments, whatever it is, under

VEA, MRCA, but you actually try to rationalise the 20, 30 or 40 little benefits. Now, that's just good design, and governments do that all the time. They try to rationalise the system.

So a number of our proposals, yes, getting rid of the allowances, but actually replacing them with an increase in the benefit, or a lump sum payout to the individual. So when we looked at the list of them we understood where they came from, but some of them don't serve any purpose at all today and better design would say make the system simpler and compensate in a different way. So, yes, it looks like you lose but it's actually just a different way of doing it. So when we were trying to design the system that's what we were looking at.

MR REEVES: Yes.

COMMISSIONER FITZGERALD: And obviously your organisation and a number of the others have great concerns about the loss of those benefits. But we actually were trying to say, how do you do this better, and there's better ways of doing it today. We wouldn't have the system today if you were designing it today. Like all systems, they're part of history, social security, the health systems.

MR REEVES: Yes.

COMMISSIONER FITZGERALD: So that's where that came from. But I just want to go to your point, why are the individual allowances so important if there's a better way of delivering overall benefit to people?

MS McCABE: Well, the better way you're talking about that was described in the current report and you've just described there is to give an increased payment - - -

COMMISSIONER FITZGERALD: In some cases.

MS McCABE: - - -and then you organise your own - - -

COMMISSIONER FITZGERALD: Yes.

MS McCABE: - - -for example veterans' home care, for example. All right. Give you an increase in allowance and then you get your own cleaner and it's up to you.

COMMISSIONER FITZGERALD: We haven't recommended getting rid of home care, but, yes.

MS McCABE: Well, incorporating into HACC [Home and Community Care (HACC) Program] which is virtually getting rid of it.

COMMISSIONER FITZGERALD: Sure.

MS McCABE: It's become non-veteran like all of a sudden and you joined in with the general HACC packages if they're available. There's so many idiosyncrasies with that. But this idea of putting the money into your general payment and you work out how to spend it, that to me is totally wrong too. You get a TPI, because I can speak on behalf of TPIs - - -

COMMISSIONER FITZGERALD: Sure.

MS McCABE: - - -who is not mentally capable and he will spend that money on drugs, grog, whatever and he won't have a cleaner, whereas if he's got the veterans' home care contract he's definitely got a cleaner. He can't spend that $5 he gives her - or he doesn't really have to give it, because they don't chase the $5, but he's only liable for the $5 each time she turns up.

COMMISSIONER FITZGERALD: And yet, if I can just go to this point, when you get your Gold Card nobody tells you how to spend it, so you in fact design what services you'll have. Now, if the person chooses not to have home care or, you know, the equivalent in a medical condition, we give you that right now. All the government does is say, if you're getting it, we'll fund it. But you design it. You determine how you're going to use it.

MS McCABE: Not necessarily. There's a large majority of services that you've got to get prior approval for.

COMMISSIONER FITZGERALD: Yes.

MS McCABE: And they can be knocked back.

COMMISSIONER FITZGERALD: Yes.

MS McCABE: So the option is there.

COMMISSIONER FITZGERALD: Okay.

MS McCABE: You can't just say, "I want every medical service going".

COMMISSIONER FITZGERALD: Sure. But it's largely driven by the

individual in the case of Gold Card. It's a funding scheme.

MS McCABE: It's the GP.

MR REEVES: It's driven by the GP.

MS McCABE: I can't just say, "I want to go to a specialist". The GP says, "I think you should go to this specialist".

MR REEVES: Correct.

COMMISSIONER FITZGERALD: But what I'm trying to get at is in one system we basically fund and the veteran determines how to use that funding. Yes, of course, with approval and through the doctor. And then we've got a whole lot of allowances which are very tight, very prescriptive, very deterministic. You know, they apply to a small number of people, and they are historically based. But what you're saying to us is if we roll those into the payment system itself, whether it's the pension or a lump sum or whatever, you see that as a deterioration, not because you lose the benefit, because you think people may not achieve - - -

MS McCABE: Especially a veteran who has mental health issues. They're the ones that I'm concerned about that will not utilise those funds for the purposes that they were originally allocated for.

COMMISSIONER FITZGERALD: Okay. And so you think targeted benefits/allowances serve that purpose?

MS McCABE: Yes.

COMMISSIONER FITZGERALD: Okay. Can I just come to a couple of other things? The packaging, there are two major ways of paying them: one is for pain and loss. You know, that's the impairment payments, and then the economic loss has really picked up in the incapacity payments, and I know in VEA it's all merged but under DRCA and MRCA.

MS McCABE: Yes.

COMMISSIONER FITZGERALD: So the economic loss is picked up in the sense that if you're unable to work then there are incapacity payments which go through until a particular period of time.

MS McCABE: Until you're 65, yes.

COMMISSIONER FITZGERALD: So in a sense the VEA deals with

it via a merged - you know, it's all together, incapacity and impairments all paid through these pensions, and in DRCA and MRCA it's split, so there are different payment systems. But do you have a fundamental problem with the MRCA/DRCA in that relationship, in that way?

MS McCABE: The difference is that MRCA/DRCA they are based on 75 per cent of the pay that the veteran was getting.

COMMISSIONER FITZGERALD: Yes, they drop down. Yes.

MS McCABE: Whereas under VEA it's a flat rate.

COMMISSIONER FITZGERALD: Yes.

MS McCABE: And it's nowhere near 75 per cent of anything. Right? So the economic loss component I was talking about was to do with the VEA.

COMMISSIONER FITZGERALD: Yes.

MS McCABE: Specifically. And that's the part that is 63 per cent of the minimum wage, and when you talk about package it convolutes that entire argument.

COMMISSIONER FITZGERALD: So can I just understand that so people understand it? What we did is we looked at the range of entitlements that a veteran and/or their dependents would receive as a totality. So previously what's happened in this space is everybody argues about the individual payment, everybody, or the individual benefit, and what we've said is actually what you've got to do is you've got to look at the whole, what is that veteran getting out of the whole scheme, you know, entitled to out of the whole scheme, or the dependent. And that to us actually is a much better way of looking at the wellbeing of veterans. So you look at the totality which, as I think you've highlighted, we may have used the word package, yes. But it's really just saying, we looked at the whole set of benefits that an individual would do, and we did a whole lot of case studies.

MS McCABE: But the problem is a Gold Card will not put bread on the table. Veteran's home care will not put bread on the table. It will if you do your thing about putting it into your main payment, but then you haven't got your veterans' home care, so you can't have both and it doesn't become a package deal. The war widows' pension is not part of the package for a TPI, right? Because that doesn't feed the family and it doesn't pay the utilities, all that sort of stuff. So how can you make it a

package? So you've got your benefits on this side with your Gold Card, and your veterans' home care, whatever, but you've got your compensation on this side.

COMMISSIONER FITZGERALD: Yes.

MS McCABE: The two should never be merged ever. I don't believe.

MR REEVES: And I think there's another way to look at this, and that is a person who's injured in service, once their impairment rate gets up to 80 per cent you're issued a Gold Card. When they get to 100 per cent you can't get more than 100 per cent of 100 per cent, so everything after 100 per cent has got to be compensation. It can't be medical because you're giving me 100 per cent for injuries and you're giving me a Gold Card for it. So that lump sits over there and above that, above the temporary rate or the special rate, above that there's got to be compensation. So we've argued this with - - -

MS McCABE: Economic loss.

MR REEVES: Economic loss.

MS McCABE: Yes.

MR REEVES: It's economic loss, so the problem is we've argued this with the Minister and DVA and they've all come around eventually and said, yes, what you're saying makes sense. Initially they didn't want to hear it, but they've all come around and said it now, because we basically said, look, you know, you're packaging, putting the whole lot together and - not you personally I mean. And you can't put the whole lot together, because if you did that we would - 100 per cent would be the special rate. One hundred per cent isn't the special rate.

MS McCABE: If ever the MRCA fell behind on that 75 per cent of the pay that they get - - -

COMMISSIONER FITZGERALD: For the incapacity, yes.

MS McCABE: Yes, just for the incapacity, we would argue the same thing for them.

COMMISSIONER FITZGERALD: Sure.

MR REEVES: Yes.

MS McCABE: So we're looking - and there are people under MRCA that do get a special rate. You said there were about 10 in the report.

COMMISSIONER FITZGERALD: Yes.

MS McCABE: We got about 200 was the last estimate, real rough estimate. But there are people there that they're sitting on 63 per cent of the minimum wage as well.

COMMISSIONER FITZGERALD: Sure.

MS McCABE: They're not getting the 75 per cent of their pay-off pay.

COMMISSIONER FITZGERALD: Well, there's very few. Whatever the figure ultimately is, because they all come from the department, so whatever we quoted is departmental figures and - - -

MS McCABE: It's definitely not 10.

COMMISSIONER FITZGERALD: Well, we'll get more, but, I mean, we use their figures.

MS McCABE: Yes.

COMMISSIONER FITZGERALD: It's a very small number of people under MRCA in relation to that, but you're right, it's a small number, but we'll have a look at it.

MS McCABE: Well, the government uses what I classify as the criminal lump sum philosophy on these young blokes. They grab this lump sum because it just looks so wonderful. It's like a Lotto win to them. They spend it on whatever, they buy a new car or put it on a house or whatever, and they've got no more compensation, so what happens when they get worse and they need that compensation.

COMMISSIONER FITZGERALD: So can I just go back to that, I mean, it is an issue. I've confronted this issue in numerous different inquiries including the Royal Commission where I was a Royal Commissioner on child sex abuse where we were looking at redress schemes, and it comes up all the time and it's this issue, do you as the State, as the nation, say to a person, "No, you're only entitled to receive something as a pension because we're not sure that you're going to make the right decision"?

MS McCABE: It's not a pension. Pension infers - - -

COMMISSIONER FITZGERALD: No, well, periodic payment.

MS McCABE: Yes. Yes.

COMMISSIONER FITZGERALD: No, that's fine.

MS McCABE: Yes.

COMMISSIONER FITZGERALD: Or do you say to the person, do you say to Richard, "Well, Richard, it's your choice. You can have it as a lump sum or you could have it as a pension or a periodic payment but it's your choice", and it's the sovereignty of the individual. Now, we know that Richard multiplied by a thousand, some will make very good choices, some will make very poor choices, but as the State it is a significant issue as to say, "We're going to actually say, 'No, you can't have the lump sum. It's going to be by periodic payment'". Whereas right through the workers' compensation, as you say, the Common Law, we do in fact give people that right.

MS McCABE: But you look at the mentality of a 20 to 30 year old and they're going to take the Lotto win, aren't they? They're not going to see what it's going to be like when they're 50 or 60 and they need something. It's human nature to do that.

COMMISSIONER FITZGERALD: So I'm going to be hard here and say, why should the State intervene?

MS McCABE: Because you try to do the best for the veteran.

COMMISSIONER FITZGERALD: When we don't interfere in any part of society including redress schemes, Common Law settlements, workers' comp.

MS McCABE: But you're normalising again, and we don't believe in the normalising.

COMMISSIONER FITZGERALD: And some of those have mental problems. So the question is, is it better to put in place a range of services that helps advise the person at the time of making that choice? Is that the better way than actually denying them the right to have the lump sum? I'm not - I understand your arguments absolutely, and I respect them. I've been through this many times. But it's a really big issue at the end of the day.

MS McCABE: Well, the department gives, I think it's about $2500 for a financial advisor to advise them, but you tell me which financial advisor knows all the implications of veterans' compensation, all the implications added to that of the superannuation and what effect that has on their compensation. You're talking thousands of variations to it.

COMMISSIONER FITZGERALD: Sure.

MS McCABE: And people can't find that sort of financial advisor but as the previous speaker said you look at the banking Royal Commission and would you go to a - is it a good prospect to go to a financial advisor? You know, you're putting an awful lot of responsibility on a young 20 year old to make the right decision for a one only decision for the rest of his life that's going to affect him. That's huge.

MR REEVES: You know, and I think it's important that one of the two things we feel about this, is we're very concerned about what's going to happen to younger veterans, because we believe it's not just us, it's people down the track, you know, that are going to come in and the decisions you make are going to affect those people, and I'm sure you're very aware of that. But, you know, we think - we had a case of a fellow who took a lump sum, came back and he had nothing, nothing, nothing. And he was a real mess, and, you know, basically nobody wanted to know him, you know, and this is the problem. This is the problem when you give a young person a lot of money and say, "Off you go".

COMMISSIONER FITZGERALD: So I just want to be clear, we understand fully what you say.

MR REEVES: Yes.

COMMISSIONER FITZGERALD: And appreciate the issues.

MR REEVES: Yes.

COMMISSIONER FITZGERALD: Because, yes, that's absolutely right. That can and does happen.

MS McCABE: The government has got to take responsibility for that, yes.

COMMISSIONER FITZGERALD: Now, that's the challenge.

MR REEVES: Yes.

COMMISSIONER SPENCER: Yes, just a couple of questions to follow up. John, you mentioned before about whittling away and your concerns about what's happening with the current system, and we heard in Wagga the other day from an OT for example who said that, "I just want to get on and be able to deliver the services that are needed for this GP referral". So there are some issues there that we need to further explore and see what's happening. But one of the areas that we've been focused on, as you know, is the outsourcing of health services generally.

MR REEVES: Right.

COMMISSIONER SPENCER: We have concerns that that is being done in a way which almost transfers responsibility to an outside organisation or organisations.

MR REEVES: Yes.

COMMISSIONER SPENCER: Whereas contemporary best practice would say you need to be very focused on what are the specific needs, are you commissioning the right organisations to provide those services. So that's the direction we're pushing in.

MR REEVES: All right.

COMMISSIONER SPENCER: So I just wanted to mention that because I understand that simply putting out there to an organisation or organisations and saying, "Well, they'll take care of it" - - -

MR REEVES: Yes.

COMMISSIONER SPENCER: - - -is a very simplistic description, but we certainly don't agree with that.

MR REEVES: Right.

COMMISSIONER SPENCER: We think they should be much more focused.

MR REEVES: That's pleasing to hear. That's very pleasing.

COMMISSIONER SPENCER: And a service provision network out there. To come back, you made a comment as well about the lack of data and we've obviously said quite a lot about that, because best practice says that if you don't capture the data, if you don't have the information about what's working and what's not, what's producing outcomes, you go right

back to the prevention of injuries in the first place and what helps to prevent injuries. Now, when we look at other arrangements and best practice, you see all of that. We've commented in our report that it is not there. Frankly at the moment DVA, they may be striving to get there, but that's got to be a part of a future system.

So just come back to the last area you mentioned right back at the beginning about your concerns about the department going. I think we've already said this morning, you know, this is not getting a big tick of approval by many people, but you mentioned the status of veteran would be diminished by that. So if policy didn't go across to Defence and there was a DVA that continues with policy responsibility, but in terms of best practice and delivering services we have the Veterans Services Commission, note "veterans" is the first word in that title, to really represent what we would think is contemporary best practice, does that concern you for your issues that you mentioned before, because there would still be a department with policy responsibility and a secretary of the department? So would that model - what would your thoughts be on that model?

MS McCABE: The very concept of what was described in the draft report and the - who would be sitting on that board that frightens me because they're all civilians. They might be learned in their own fields.

COMMISSIONER SPENCER: I think we said veterans in there as well.

MS McCABE: Well, one or two veterans were thrown in on the side, but - - -

COMMISSIONER SPENCER: Well, I don't think that's quite right, but anyway.

MS McCABE: But I don't think they were given too much importance and I think if you've got the expertise of all of these insurance companies or compensation companies, whatever, sitting there, accountants, doctors, whoever, they're going to dominate the situation and they are not going to understand the military concept at all, because they've not been in it, and these couple of little veterans that are sitting on the board as well they're not going to have much of a say really. They'll be shouted down.

COMMISSIONER SPENCER: Well, we were thinking more a blended model. So if that doesn't work, how do you bring in – because we think that there's a danger and there perhaps has been in the past that other systems have moved on and are achieving better outcomes and can show

that for individuals. So how do we make sure that expertise informs what's happening in this space? What's another way – a better way we can do that?

MS McCABE: Well, I think PMAC [Prime Ministerial Advisory Council (PMAC) on Veterans' Mental Health] was a good start for mental health and that looks after mental health for the veterans. They have a good veteran set up on that (indistinct) but they have the civilians as well that are within that hierarchy. But it's a better ratio than what was described in the draft report for the board.

COMMISSIONER FITZGERALD: Okay, sure. So that's your concern that they're - - -

MS McCABE: And they've just started up a counsel of women under defence and that's similar to PMAC where it just hangs off the side and – but it reports directly to the Minister. And you know, the women under defence all have the main say of what information goes to the Minister. So where the ESORT concept - which is brilliant - but it's got to go through the hierarchy of DVA. Now, we don't know what the Minister sees in that hierarchy.

COMMISSIONER FITZGERALD: Sure. Okay.

MS McCABE: So, if that – if his thought was to swing off like the counsel of women and PMAC, and talk directly to the Minister and have input from the Minister as well, that, I believe would be better than this board you're talking about. Because if you've got a subject, for example, insurance. If you've got a subject you want to discuss, you can invite them as a learned speaker. And then they go away and do their normal job. But you've got the information and – that you can then discuss. So it's not necessary to have all these experts there. I don't believe.

COMMISSIONER FITZGERALD: No, no. We hear that. I would have a slightly different view to that, but we are going to look at ESORT. We're trying to look at as Richard's used before, how do we leverage - we better leverage the ESO community, their voice and the services they can deliver? So that's been a constant theme throughout the public hearings.

But we are absolutely certain that I think the system has – it is an extraordinary complex difficult system and nobody could say policy that sits behind it is great. It isn't. Otherwise, we wouldn't have the complexities we've now got. And what's been missing at a lot of the stages has been that expertise, that input coming through. So the question is not diminishing the voice of veterans, it's actually enhancing the voice

of veterans but also with expertise in this area. So how do we best do that? That's the challenge. And we'll look at that.

But ESORT serves a role and you're right, the problem at the moment is it goes through the department. The Minister is not directly advised in relation to any of these matters. We think that's a problem. And then the administration of complex schemes, the world has gone on and there are better ways of doing it. And yet, that's not necessarily reflected in what they're seeing in the department, and I'm not criticism of the department, it's just that it's very difficult to get that body of knowledge impacting on policy. So we're just looking at that.

MR REEVES: A couple of points here. If you go back a few years, when they introduced the worker scheme, we sort of said, you know, what's wrong with VEA and they didn't want to hear that. And then they introduced you to something else and they don't want to hear it again.

Now, we keep moving – we keep moving the goal posts and it keeps getting more complex and now we've reached the stage where we – it looks like we can't amalgamate them. Maybe we could have, years ago. But now we can't. That's one problem. The other one, other problem I see is that this committee or whoever it's made up of, it needs to be an authority in its own right because it couldn't be subjected to, or shouldn't be subjected to political influence, or expediency, clinical expediency. I think that would be a drastic move. And third, and I do say this for the benefit of everybody in this room, although we hear from the TBI Association and we are here for TBIs, we are fundamentally very concerned about young veterans and where they go and what happens to them. You know.

COMMISSIONER FITZGERALD: Can I just go back to one issue that's been raised before. The notion of veteran's hubs and things like that. Have you – has your organisation got any particular views about the ways in which ESOs could be used for service delivery? Not advocacy, not policy, but in the service delivery space? Because that's an area that we're looking at and we're not suggesting the Government should fund 3000 ESOs to provide services, and we're not – we haven't got any clear view about this at the moment, but everyone's talking about veteran's hubs. We've mentioned them, we think there's benefit in them and you will have heard me this morning ask some participants as what elements of that do you think government should supp0ort or fund? You may or may not have a view on that, but - - -

MS McCABE: The biggest expense for a hub, I think, is salaries, and if you've got a hub where there's pension work, you can get salary

subsidisation through BEST. But the biggest work load is not pensions, it's welfare. And you cannot get salaries through welfare. So that, I think would be a huge benefit. Assistance to set up pubs, I can give you the example of Canberra, there's a terrific hub over in Page, I don't know if you know it. The Vietnam Veterans Federation set it up initially. But they've got metal workshops, computer shops, they have regular barbeques and all that sort of thing, and there's people in and out all the time. But the south side of Canberra's got nothing.

So I think that sort of facility needs to – some assistance from Government to set it up. Because there's ESOs on the south side that would benefit from that. Now, that sort of thing would be nationwide, but it's not putting 13 hubs in Canberra. You know.

COMMISSIONER FITZGERALD: Sure.

MS McCABE: It's only the two.

COMMISSIONER FITZGERALD: Sure.

MS McCABE: Whereas, you know – and that other areas can be broken down like that as well. So I think it's salaries is the big thing. And probably the second biggest thing would be the cost of the utilities. But

COMMISSIONER FITZGERALD: No, that's fine.

MS McCABE: But you can probably gather income, yourself, once it's all set up. But the initial set up process is very expensive as well.

COMMISSIONER FITZGERALD: Okay. Any other final comments that either of you would like to make?

MR REEVES: No. No.

MS McCABE: Thank you very much for that. That's terrific. Thank you. Good.

COMMISSIONER FITZGERALD: Thanks very much. I just wanted to – we're a couple of minutes early and I was wondering whether any of the participants from this afternoon are here, just in the room. So if I can just check – is Peter Reece here? And is the Royal Australian College of Physicians here? No? RSL?

VOICE: (Indistinct words.)

COMMISSIONER FITZGERALD: Righto. That's – RSL Woden Valley sub-branch? No? And Connie Boglis and Karen Bird. Any of those? So what we'll do is – three of the participants this afternoon are appearing by phone, so we can't necessarily adjust that, though we'll try a little bit. So we'll just take a break for lunch and we'll resume at 20 past 1 if we can. And there's a café – coffee shop downstairs if you want to use that. So we'll resume at 20 past 1. Thanks.

LUNCHEON ADJOURNMENT **[12.18 pm]**

RESUMED **[1.21 pm]**

COMMISSIONER FITZGERALD: So this next bit - we have got three participants coming in by phone today, so hopefully it works.

(Telephone link established.)

Peter, it's Robert Fitzgerald and Richard Spencer. If you could give us your full name and any organisation you represent that would be terrific.

MR SUTHERLAND: Okay. Peter Sutherland and I'm at the ANU School of Legal Practice.

COMMISSIONER FITZGERALD: Terrific, and well known to many people I am sure in this room. Peter, if you would like to make an opening comment and then we will have a bit of a chat about those issues you raise.

MR SUTHERLAND: There were three things I just wanted to mention. The first is a small one, but I think worth saying is that I really think the ban on legal practitioners at the VRB just doesn't make sense. There's sort of an historical curiosity about it, but it really has no useful purpose. You know, I think the costs rules, the no cost rules at the VRB will prevent the abuse, any potential abuse by lawyers, and also (indistinct) and myself can deal with that (indistinct) behaviour, again he just doesn't sit down and shut up, if they behave like that, but there's all sorts of reasons why (indistinct), you know, community legal standards and people shouldn't be excluded simply because they have a law degree, when other people who don't have a law degree but may be repeat players or even like, you know, even ADR specialists, any sort of qualification can (indistinct). So just a general comment.

The second thing I wanted to mention is just the one big Act. Obviously, you know, I submitted along the lines of what you suggested and I think that the proposal you're putting through is the best possible way of doing it. The two scheme I think is exactly right. The timeline, I think we can achieve some of the integration much earlier than 2025, but some of it will be 2025.

The third thing I wanted to mention is that I am still very worried about the incapacity issue, like really (indistinct) ask for more information about

it. My concern about incapacity and particularly the loading, the $100 plus loading that goes on, it's not that I think it makes the scheme too expensive, I just think that it distorts the return to work choices that people may make, and I think returning to work is the most important element of any scheme, and I just think that there's the real possibility that that higher remuneration amount is (indistinct) into the major scheme objective. I can't give evidence on that, because that's done at the data, but I think it's there.

The other thing that affects this area is of course just how much the department itself imposes return to work obligations. Under the old SRCA I think they were probably a bit hard, but under the VEA there's none of that sort of thing, and under the MRCA I think that so far the department has probably been backing off enforcing return to work obligations, but there's a good middle, there's a sweet spot where, you know, you're kind and generous to people, but you sometimes push a little bit in your own best interests. So that's the impact thing, and then as I mentioned if we are going to reduce or take out the remuneration loading and put in compulsory superannuation, which I think is another necessary thing, then there are pretty serious equity issues in how you do it, because the quicker you do it and the more you do it then of course the more it helps the highest income recipients and has very little benefit to the lower income recipients, which are the ones that I most worry about, the people who have got total incapacity, perhaps injured as - not the vets, but in recruit training, and they will spend their life on the minimum wage and have no superannuation at the end of it and I think that's an unfortunate group.

One way of dealing with it might be to bring in the compulsory superannuation, not as 9.25 per cent of the total compensation package, but as a percentage of the minimum wage so that the people in that situation will get full benefit and it will be a lessening benefit going up to the top of the compensation range. Equally I think equity suggests we should probably have a maximum. You know, I would be suggesting probably 150 per cent (indistinct) to do that, but perhaps 200 per cent (indistinct). It really affects I think probably about perhaps brigadiers above, or perhaps colonels above, and people with very high allowances would also be affected, (indistinct) someone like that.

So perhaps there's some sort of way of doing both objectives, reducing or removing the remuneration allowance, bringing in super and (indistinct) perhaps to 2025 to try and maintain some equity in law. I think that's all I want to say.

COMMISSIONER FITZGERALD: Good. Thanks very much, Peter. You've given us a submission and responding to a number of the recommendations, the draft recommendations. In fact to just pick up a couple of those. Firstly, in terms of the two scheme approach you're generally in support of that, given that we don't believe we can get to a one scheme approach. You indicated that some of those things could happen earlier. We have identified some harmonisation issues that should apply across the three Acts such as the statement of principles, the single review processes and so on. Do you have any particular other issues that you think can be brought forward?

MR SUTHERLAND: Sorry, did you say brought forward?

COMMISSIONER FITZGERALD: Brought forward.

MR SUTHERLAND: Some of the rearrangements I think are complex. One I mentioned is that to harmonise PI between SRCA and DRCA I think would be unfortunate to jump into that without solving the method of assessment, but at the moment the approved guide and the GARP are pretty different beasts and both have their (indistinct), and I don't think you should be trying to harmonise until you've actually worked out how the guide to assessment is going to be harmonised, but basically I think the improved guide is too generous, you know, around about the 10 per cent level. You've got the commute problem with the DRCA. So there's a number of things that just go together. So before you harmonise the PI payments amounts you probably need to, you know, work out what your assessment guide is and fix that.

Some of the things involve money too, in fact it's (indistinct) harmonise the funeral benefits between SRCA/DRCA and VEA, but it's very different money side of things and the point is that the funeral benefit - funeral compensation under MRCA and DRCA is pretty narrow and who gets it while in VEA it's the whole caboodle - you know. That's one reason of the difference between $12,000 and $2,500, and if you're going to harmonise them really what are you harmonising. Perhaps you should be solving the problem of the dependent, the access to dependent benefits in VEA and setting up two categories there and the higher funeral benefit comes into a category that doesn't have such a wide drawdown. But anyway it can be done, but each harmonisation has its own little wriggles. The DRCA (indistinct) is generally a bit easier. Sometimes harmonising the VEA stuff with the other two can have problems, it can introduce significant inequities such as the funeral one.

COMMISSIONER FITZGERALD: Can I just turn if I might to the SOPs for a moment, the statements of principles, and I know this from

your submission that you I think support the SOPs being applied across all three Acts, is that right?

MR SUTHERLAND: Well, personally no, but I think inevitably yes. It's not for me to say the SOPs are probably not the best way of going because that's what it went in '94 and I don't think we can go back. So given there will be a SOP system at least in the VEA and MRCA then the question is, well, yes, we have to go to the DRCA in the long term because we have got to bring DRCA and MRCA together. So that will be in SOPs. In short term - in short term I think you can apply the SOPs to DRCA simply by using them in your initial liability determinations without, you know, just using (indistinct) determinations, it doesn't create a problem. It's only if you reject on the basis that you don't meet this SOP that you've actually got (indistinct) problem.

COMMISSIONER FITZGERALD: One of the things we have asked for feedback on is the appropriate test, whether it should be the current two tests, balance of probabilities beneficially applied or the reasonable hypothesis, or we go to one of those or we go to a mid-point which was recommended in a previous enquiry. Do you have any particular view on that?

MR SUTHERLAND: It would be good to get them together in the end, but the big point I suppose is some sort of funny Briginshaw test. You know, it can actually reverse Briginshaw I think. I'm not sure how it would work in practice, but perhaps in the end we bring - it's very difficult because I'm not sure that the reasonable hypothesis standard is that important. You know, it's actually - it's the holy grail to the ex-service community, but I think in terms of actual liability determination it's not - you know, the difference between the two, it's not significant and it could be brought together by (indistinct) SOPs which - you know. I just don't think that there are actually such big differences, but in terms of service history and where it came from it's absolutely holy grail stuff.

COMMISSIONER FITZGERALD: So we are trying to understand the implications of all of those permeations and to see whether or not your last statement is right, whether or not there's a big difference. So we have heard two views. One is that the two tests are very different and therefore the impacts of choosing one over the other would be significant. The other view is the view that you've just put, that in fact in practice they're not so significant. So I was just wondering if you could explain a little bit further.

MR SUTHERLAND: There will be some conditions where it's very significant. You could probably go through condition by condition and

say here it makes a really big difference and here it's not that close. Just in practice, you know, you don't have that much differentiation, but there's going to be some conditions where it's obviously significant. It's just difficult. Perhaps you go for modified sort of Briginshaw test, but I just - the history we would be better if we put it behind us and possibly can't.

COMMISSIONER FITZGERALD: If we ever recommended a Briginshaw test I will let you explain it to the veteran community, because most lawyers don't understand it.

MR SUTHERLAND: You can think about reverse Briginshaw, but, yes, it's impossible to explain.

COMMISSIONER FITZGERALD: Yes, I know. I have spent considerable time trying to understand it myself in another life. Can I just go to another couple of recommendations. One is in relation to getting rid of the - sorry, we are looking at the possibility of getting rid of the SRMC and putting those review processes into the RMA. You are supporting that recommendation. Do you think there's any unintended consequences of doing so?

MR SUTHERLAND: Independent review is important, and that's why the Senate did it. The question is can you have a sufficient independent and sensible review inside the same body. If you can't do that then you need to have a separate body. My experience is that if you look at the Federal Court essentially the Full Federal Court can review a single judge. You know, it's a bit embarrassing sometimes to be sort of changing the decision of one of your colleagues, but the Federal Court does - on the tribunal I (indistinct), you know, an appeal. Sometimes you've just got your grit your teeth and say you were wrong. Usually it's better evidence is why things change. So I think there might be some - I just think there might be a greater clarity and structural - (indistinct) structural clarity by having either one, but I don't think it's - you know, the biggest issue in the world. I don't know that the (indistinct), you know, the review committee does that massive amount of work anyway. (Indistinct) review as five or ten years, I'm not quite sure. It doesn't seem to be an enormous jurisdiction.

COMMISSIONER SPENCER: Peter, it's Richard Spencer here. Peter, I'm just looking at the bottom of page 2 of the submission you gave us, and you've said there that you think we're being a bit light on with the very different needs of reservists, and you're saying there that you're urging us to consider their special needs in the key reform areas. Could you give us a little bit more background and your thoughts around that as to what we're missing.

MR SUTHERLAND: Look, it's a very generalised statement, but how he spends in the field is that - you know, reservists come up as an afterthought. You know, the scheme is designed for full-time. It's not surprising, and of course a lot of the reservists were in fact full-time and they're now - they're actually putting on the full-time service for their entitlements really, but (indistinct) generally found is that - and I'm talking when I've been working in this field when I was working doing consulting for the department and so on, that often the situation in the reservists was we forgot them, we better work out what the policy is. The stuff was mostly - (indistinct) on the drafting for the full-time members, the people who are now in the reservists because they were in full-time.

The biggest problem in the comp area with the reservists is if you don't have that previous full-time you are basically relying on your civilian employment for your financial support for your family, and the injury in military service can have a massive impact on your private sector capacities, and I'm not sure that the incapacity system deals with that in a fantastic way, or at least you need to think about it. Every time you're looking at a benefit, looking at introducing something and then say, okay, how does this apply. Without any change to reservists we need to - you know, for me it's almost like a tick the box that you (indistinct) the policy proposal and think and how does this play out for reservists. I suppose that's what I'm saying.

Cadets don't matter because what's being done there is they just delegate it. Basically saying cadets are part of the scheme, we'll set up a legislative instrument that works out what they get and so it's very flexible. The reservists is not like that, the legislation says they are there, but particularly the DRCA for example doesn't say how.

COMMISSIONER SPENCER: No, thanks, Peter, that's a good reminder and we will certainly take that on board. If I could just go to another comment you made, it was in relation to the idea of an insurance premium. You thought that could have some impact in concentrating people's minds on the long term consequences of injuries and how that may inform better prevention strategies. You've given us some guidance about how might that actually work across the different Acts. You also commented that there could be some lessons learnt from the introduction of premiums in the SRCA.

MR SUTHERLAND: Yes. Coming to the first thing about the use of premiums the (indistinct) that I think of is I don't think you're ever going to get premiums to affect the operation or commander of a unit. Like, you know, even if you were bringing it down to the battalion level or

something it would be very hard for a battalion commander to say that's going to hurt my premium. So I don't think - it doesn't work at that level, but I think the higher level, particularly when you're talking in joint command and decisions (indistinct) to engage in an operation, like a premium gives you a figure of saying our intervention in Fiji if it lasts for six months will be a 1 per cent increase in premium and if it lasted two years at the level - you know, at a proposed hurdle it will be 3 per cent on the premium, and it's a number that can actually inform the public.

If there is a premium and it's actuarially determined then before you even start a commitment you can say, well there will be - our actuaries say it will cost this much, and nobody talks about the fact that we went into Afghanistan. There's a really large driver in the costs of the decision to go to Afghanistan, but that's not what people talk about, they talk about how many thousand troops cost, and (indistinct) at the beginning this is what it's going to cost and get in early with the rehab and as far as possible (indistinct) to prevent the thing, and that will permeate the higher levels of command I think. The lower levels it can't affect them by premiums.

COMMISSIONER SPENCER: Okay. Thanks, Peter. Just a last comment - - -

MR SUTHERLAND: Sorry, there was a second part to that question - - -

COMMISSIONER SPENCER: Yes, sure.

MR SUTHERLAND: The SRCA.

COMMISSIONER SPENCER: Yes, experience from SRCA.

MR SUTHERLAND: Well, the SRCA did introduce premiums, and that was an interesting exercise. It was pretty quietly done and it was very back room stuff, nobody really - the only people that really got into it big time were the licensees who had to pay premiums, and so they were right across it, but apart from that it was a very quiet thing. There was a decision made not to extend the premium to injuries that were already there and that couldn't be controlled. So in other words they didn't start the premiums until - I think it was November 1990 or something was the date when they started premium, and, you know, the injuries before that were basically cordoned off and put into what is called the pre-premium and so that (indistinct) was consolidated revenue and Comcare is being subsidised to deal with those cases, but the premium cases of those it came after that date, but premiums is a difficult thing. The SRCA scheme and the application of premiums to licensees is pretty broad.

COMMISSIONER FITZGERALD: In your submission you're saying that if there were to be a premium it should be applied to MRCA. If we combine DRCA and MRCA, which was our intent, would it be that you would apply premiums going forward in relation to the combined Act?

MR SUTHERLAND: Yes, but I think possibly date of injury might be relevant. Do you actually introduce premiums over liabilities that accrue 14 years earlier?

COMMISSIONER FITZGERALD: If it's a future looking scheme the answer to that is probably no. You can do it, but there's a question mark about that. But you have been very clear that you don't think the VEA should be included in a premium.

MR SUTHERLAND: Can we really gain the discipline that a premium applies any more in that scheme. I think the main - premiums give accountability transparency in discipline and I am not sure that we can do much about that, the scheme. I think it's going to play itself out the way it plays out.

COMMISSIONER FITZGERALD: Okay, thanks.

MR SUTHERLAND: So what do you think, what are you thinking? What's been coming back at you from that, because it's a bit radical?

COMMISSIONER FITZGERALD: Well, right at the moment nobody likes the premium, but if I could just make a couple of comments. Firstly there is a notional premium already in place. It's just nobody seems to be aware of it. So the government has been raising a notional premium for some time, so our work is not novel. What is important is to try to work out whether it's forward looking the way we've described, what are the costs of the scheme it should cover, whether it should be a full insurance sort of model which covers all the liabilities or only some. So at the moment we are just looking at it and we have put out an information request in relation to that, and I might say we are working with - we will be working with finance, Defence and DVA to put some more flesh on the bones and to see whether or not it is capable of being actually applied. So right at the moment it's a work in progress.

I think it is true to say however the Commission is of a view that a premium applied against Defence actually has some benefits. One is in relation to focusing the mind on prevention, but the other one is actually a better way of funding the scheme going forward. At the moment Defence has no concept of or concern about the costs of injuries that occur in Defence because they don't bear it. So we tried to say, well Defence does

in fact create these injuries in a sense and therefore should have some sort of responsibility for the costs of the consequences, but to be honest - - -

MR SUTHERLAND: Yes, it's a pretty powerful argument, isn't it?

COMMISSIONER FITZGERALD: We think so. It wouldn't surprise you that Defence in its earlier submission prior to our draft indicated that it was not in favour of such a premium, but we await their position following the draft, but it's a work in progress.

I should make the point we're absolutely clear that we don't expect a premium to have much effect at unit level, we understand that, but the point that you make and the point we have made is it does have an impact at the head of organisation level, the leadership of an organisation, and in a sense it does flow through, through better policies and practices and training and so on. So there's not an immediate effect on the local commanders and the local units, but it does effect policy, practice, training and those sorts of things. So it does have some effect lower down the ranks.

MR SUTHERLAND: And you can also draw in it some sort of (indistinct) transition. Like Defence has got to be responsible for the costs of transition, otherwise they will just - you know, they will just walk away from them. Totally (indistinct) and pay for it and pay for it good and solid right through until the (indistinct) transition is finished.

COMMISSIONER FITZGERALD: We agree with that.

COMMISSIONER SPENCER: Peter, just one other question that I have. It was in relation to 13.6, 13.7, the special rate disability pension. You have made the comment that that was a compromise required for the passage of MRCA in 2004, and your suggestion - - -

MR SUTHERLAND: Did I say that or just that it was - perhaps compromise - let me think. It was one of the things - look, there was a special rate in VEA and (indistinct). I think - I suspect - I wasn't involved at all, but I suspect it was a political necessity to have an equivalent.

COMMISSIONER SPENCER: Okay. You're speculating - - -

MR SUTHERLAND: But that's as far as I can go, I think it was just a political necessity at the time.

COMMISSIONER SPENCER: Yes.

MR SUTHERLAND: Logic would suggest that if we've got any people on that pension - it sounded (indistinct) we have got one or two now - like when I was on the review a few years ago there weren't any, but if there are a couple now then the logic might mean that they actually go back to scheme 1, you know, that they stay - that they go back to the VEA or something, go on a special rate under the VEA under scheme 1 in 2025.

COMMISSIONER SPENCER: Yes, we understand there are a small number, so we would need to look at that. Robert?

COMMISSIONER FITZGERALD: Can I just - there's two issues, one of which is very contentious. You're supporting our position at the moment that dependent, that the special rate pension not be further indexed and clearly we have very significant representation from organisations - - -

MR SUTHERLAND: Hang on, hang on, just let me clarify what not be indexed?

COMMISSIONER FITZGERALD: You've got here the special rate pension.

MR SUTHERLAND: In the VEA?

COMMISSIONER FITZGERALD: Yes.

MR SUTHERLAND: I'm probably misunderstanding the question then. What should not be indexed?

COMMISSIONER FITZGERALD: Sorry, you've got here in relation about finding that you have agreed with our position on the special rate pension, and I just want to understand what that meant when you say you agree - - -

MR SUTHERLAND: I will just make sure that - I can't open my submission because I'm out in the sticks and I don't have a copy of it. What I understood you're talking about was something I agreed shouldn't be indexed, but I need to know what it is what you're talking about. Are you talking about the VEA TPI rate?

COMMISSIONER FITZGERALD: I will be precise, just give me one sec.

MR SUTHERLAND: Because I think you have to still index the TPI rate. That wouldn't be fair.

COMMISSIONER FITZGERALD: No, sorry - - -

MR SUTHERLAND: It was one of the - it wasn't the TPI rate, it was something else.

COMMISSIONER FITZGERALD: I can't find it. So that's all right, we will just - - -

MR SUTHERLAND: What recommendation number was it, perhaps look at the recommendation number.

COMMISSIONER FITZGERALD: No, you've said it was a draft finding.

MR SUTHERLAND: With what number draft finding?

COMMISSIONER FITZGERALD: Draft finding 10.3.

MR SUTHERLAND: Having to go to 10.3.

COMMISSIONER FITZGERALD: It's not there.

MR SUTHERLAND: Anyway - - -

COMMISSIONER FITZGERALD: No, don't worry, it's - - -

MR SUTHERLAND: Tell me your explanation, the thing that you said shouldn't be indexed - - -

COMMISSIONER FITZGERALD: Sorry, no, no - I will read - - -

MR SUTHERLAND: I definitely wasn't referring to the VEA TPI pension.

COMMISSIONER FITZGERALD: No, I have got here. It says:

> *Changes to eligibility for service pension and other welfare payments means that the package of compensation received by veterans on the special rate of Disability Pension is reasonable. Despite strong veteran representation on this issue there is no compelling facts increasing the rate of - - -*

MR SUTHERLAND: Yes, that's about the level. I think - it's at the right level now I think, given the various nature of the scheme. Like everybody

can argue for more. You know, like, yes, of course there could be more, but it's sitting as I understand it when you take out tax (indistinct) around about the minimum wage. When you look at what it's doing it is around the minimum wage, that's about right, but (indistinct) should be another $100 or another $200, another $300, and that - you know, it is not a great amount of money to keep a family on.

COMMISSIONER FITZGERALD: All right. I just wanted to clarify what your response was. Clearly we have very strong opinions to differ from that. Can I just go to the health care area for one moment?

MR SUTHERLAND: It's not really my field, but anyway - - -

COMMISSIONER FITZGERALD: No. Just about the history of the gold card; did you ever look in your academic work back into the history of the gold card?

MR SUTHERLAND: No. No, it's not - when I first started in the game I don't think that (indistinct) exist. It sort of emerged probably in the 90s sometime. There was a big - it really became evident in my knowledge when they (indistinct) about the World War II people who had been overseas and excluded the ones who were in Australia, and that's when the whole gold card thing blew up politically, and it was called a gold card at that point.

COMMISSIONER FITZGERALD: So somebody said to us - - -

MR SUTHERLAND: It probably was a gold card, it was probably always gold and white, but the eligibility for that card became a highly political issue when that decision was made to extend it only that way and not extend it to the ones in Australia.

COMMISSIONER FITZGERALD: So somebody said to us in one of the hearings, and I just wanted to know whether you have any knowledge of this, we will explore it a bit further, I am sure there are people in the room that have greater knowledge, is that the gold card's expansion was somewhat related to the decision by the government to move out of veteran specific hospitals and health care.

MR SUTHERLAND: Yes, I read something along those lines. Just recently I was reading about the close of the repatriation hospitals. It might have been even a comment in (indistinct). I was reading - I happened to get hold of a copy that was written in 1990 or something, so it hadn't sort of - it was talking about (indistinct), but contemporaneous then. There was a mention about some sort of linkage with - you know,

part of the thing of closing off those repatriation (indistinct words), the state hospital system, and of course that raised cost issues, and one way the Commonwealth had of doing that was to issue a card which made it possible I presume then for the states to in some way bill that to the Commonwealth. I did mention - I did read about that link, but I've got no personal knowledge of it, because it's not a field I've really ever been involved in.

COMMISSIONER FITZGERALD: Okay, thanks. Just generally in relation to the most pressing issues, just to get your idea or priorities, the secretary of the department this morning indicated that we need to revisit some of our timings and that's clearly the case, and she was concerned about some of the things we had suggested to be done in the first year, but what in your mind, Peter, given your extensive knowledge of all this are the high priority areas that could or should be done within the first year or so, if you've got those on the top of your head?

MR SUTHERLAND: Look, the bigger priorities have got to be improving department administration, getting the veteran centric approach working, taking the complexity away from the applicant and putting it into the department. It was improving the administration, improving the transition, improving the mental health facilities, you know, really going with the non-liability rehab and working out the relationship with Defence. All that administrative stuff is, I think, the really (indistinct), that's the real key priority. Other stuff, as I've said you need to be careful in your sequencing of some of the harmonisation stuff, because you want to make sure that what you harmonise too in the MRCA is what you actually want in the MRCA, because you harmonise to something that exists. The chances of them then sort of changing it to what it should be is bloody minimal. So that's why I said that before we harmonise the SRCA, the DRCA PI and MRCA PI let's get it right, and absolutely the same with incapacity. Don't go anywhere near harmonising until the incapacity section or provisions in the MRCA have been rewritten and preferably streamlined, you know. So that you can pick up some low hanging fruit in terms of changes, but I suspect the really important stuff is behind the front door in (indistinct) interacting with its clients and its IT and its rehab and its OH&S - you know, all that stuff, transitioning; transition, transition, transition, transition.

COMMISSIONER FITZGERALD: So can I ask one final question and that's in relation to Defence and DVA. You have made some comments on our changes to governance arrangements, but I just want to deal with one issue, and that is policy. Clearly we have been concerned that there's been evidence that there's a policy disconnect between Defence and DVA and we put forward a proposition that policy should go to Defence.

Almost nobody supports that for various reasons. But I was wondering from your point of view are there ways in which the policy integration that I talk about or policy cohesion can be improved between Defence and DVA, if you see that as a problem; you may not see that as a problem, and the point that we are making is the remuneration people get paid whilst they're in the service is related to the compensation they receive later on, and there's a number of other issues in transition and that that clearly cut across the boundaries of the discharge of the gate post. So I was just wondering whether you have any views in a broader sense about policy and if that needs to be improved, and if so are there any mechanisms to achieve that.

MR SUTHERLAND: Yes, okay. I think when military comp was moved from Defence over to DVA, and that was in the sort of early 2000s I think, there used to be a military rehabilitation - compensation service inside Defence, but around the SRCA scheme at the time, and it was moved over to DVA administration. There was a lot of coordination lost there, like they lost the opportunity to integrate WHS and military compensation at that point because we built a system that did both, and then when the compensation side was moved to DVA Defence never turned on the computer software that linked the WHS system that had been built with the military comp system, and now we're talking about doing now, but it was there sitting on the shelf, it was sitting there to be done and it was lost because of that policy and administration change.

I don't know that you get where we want to be by actually putting it all back in Defence because it will probably just be ignored as it always has. So we just needs stronger mechanisms to force Defence to think about the implications of what comes after, but also to expect (indistinct) to take on properly both the policy and financial costs of the pre discharge and immediate post charge then transition costs. They have got to be doing the rehab properly. They have got to be doing the transition properly. They've got to be paying for it. They've got to be paying for it after discharge where that's necessary, and DVA picks up essentially a very stable client.

COMMISSIONER FITZGERALD: Any other final comments, Peter, before we conclude?

MR SUTHERLAND: No, no. I think it's a good exercise. You know, it's (indistinct) people, anybody in a policy area says (indistinct) what do they know about anything, you know, but I think it is important to take at least a partially economic view of this stuff and as long as - and I think it is understood how important the veteran community is and how important the contribution to Australia is. I think that's understood, but we have still

got to put reasonable rules - you know, a (indistinct) and policy around that.

COMMISSIONER FITZGERALD: Good. Thank you very much, Peter, we very much appreciate you contributing today and your previous work before the draft. So thank you very much.

MR SUTHERLAND: It gives it a whole new edition of the book too.

COMMISSIONER FITZGERALD: At least we're doing service to somebody, so that's good. All right, thanks, Peter. Cheers. Never say the Commission doesn't do good for anybody. It's good for academics. So we have just got another phone in.

(Telephone link established.)

Gidday, Greg, it's Robert Fitzgerald, how are you?

MR WELLER: Hello, Mack Weller speaking.

COMMISSIONER FITZGERALD: Mack, it's Robert Fitzgerald and Richard Spencer. How are you?

MR WELLER: Good, good. Hi gents, how are you?

COMMISSIONER FITZGERALD: Good. If at any stage you can't hear us please let us know. You go by the name of Mack, is that right?

MR WELLER: Yes. Yes.

COMMISSIONER FITZGERALD: Not Greg. Okay, Mack, if you can give us just an opening statement as to your key points and we would be pleased to hear those, and then we will have a discussion for a short time.

MR WELLER: Okay. Now, is this line still okay?

COMMISSIONER FITZGERALD: Yes, it's fine.

MR WELLER: I've just gone on to speaker, sometimes it does cause difficulties.

COMMISSIONER FITZGERALD: Sorry, firstly you have to give us your full name, I'm sorry, your full name for the record.

MR WELLER: Yes, Elliott Macleod Weller.

COMMISSIONER FITZGERALD: Sorry, now just proceed with the statement. Mack?

MR WELLER: Go ahead.

COMMISSIONER FITZGERALD: Yes, if you just make your statement, your opening points, that would be terrific.

MR WELLER: Well, in general I classify the nature of that minute, email that was sent (indistinct) I would really - - -

COMMISSIONER FITZGERALD: Mack, can you go off speaker and just use the handset.

MR WELLER: Is that better?

COMMISSIONER FITZGERALD: Yes, thank you.

MR WELLER: Yes. Well, my first point is the abolition of DVA and the transfer of the support (indistinct) to Defence, and that of course has been picked up by media and will attract a fair bit of publicity. I just can't quite see (indistinct words) and go to (indistinct) and possibly (indistinct words). Anyway more important I wonder whether (indistinct) changes in organisation is the right way to go about it. Certainly where there have been no (indistinct). I think also those (indistinct) organisations (indistinct) consider are more important than (indistinct) their reputations (indistinct) that the special compensation (indistinct) over the years has been withdrawn, and I just think that's a fairly extraordinary degree of rationalisation that's been embarked to get to that point.

I presume that's correct, that the report is really saying that the trauma of war service doesn't (indistinct) a specific form of compensation beyond what (indistinct) in peace time (indistinct). I would just think that we would definitely (indistinct words) - - -

COMMISSIONER FITZGERALD: Mack, we're losing you on the phone. Do you have a landline that we can ring you back on?

MR WELLER: Yes, (indistinct).

COMMISSIONER FITZGERALD: So if you can give us the landline we will ring you back on that.

(Telephone link established.)

MR WELLER: Mack Weller speaking.

COMMISSIONER FITZGERALD: That's fine. Thanks, Mack. If you just continue on. We have your notes in front of us and you have just been going through them. So if you just continue on. You were up to the point about recognising the trauma of war service, and we will come back to these points when you have concluded. So if you just keep going and then Richard and I will come back to you on some of these issues.

MR WELLER: I'm sorry, I'm just a little unclear where I'm supposed to go from here.

COMMISSIONER FITZGERALD: The fifth dot point. You have a paragraph starting "Apparently so".

MR WELLER: We're referring to your report now?

COMMISSIONER FITZGERALD: In your email to us the fifth dot point starts:

> *Apparently so, because the Commission resorts to a considerable degree of rationalisation that treats all injuries as having the same consequence.*

MR WELLER: I'm having a lot of difficulty understanding or hearing you. Let me pick up - we'll just move on beyond the rationalisation bit and to indicate that to be fair there are certainly some sensible recommendations, and particularly in relation to transition of service people, although I would have to wonder whether it really needs a transition command to drive that wherever it is. It just seems to me that it's - one of the main things that I think coming out of service that a person should have is a certified state, agreed of a person's state, agreed by both Defence and the person about his condition, his or her condition, and what that has amounted to in terms of likely future entitlements for compensation.

It should allow also of course for what I would call a latent arising, something that would arise later in life. We would also welcome any attempt to streamline legislation, but really I'm not sure whether what I see in terms of the recommendations would lead to a large scale change in the complexity and it seems to me that the complexity issue is really the largest issue that was coming out of the senate inquiry and which would have been involving you people. I'm not sure there's any way of getting

around it other than scrap the whole lot of those three Acts and rewrite them.

I guess also I'd like to make the point that a lot of DVA's work is quite effective. The bit that most people find difficulty with is in the claim entitlement processing where - once a person has gone through that, once a person has got his or her entitlement then the ongoing service that's provided by DVA's (indistinct) is quite good. So I just make the point I think we need to be careful what we throw out and what might go out with the bath water.

I was very critical of the DVA gold card. I think that is in contrast to what you say about it being not targeted and not focused on wellbeing. I think it basically has been and particularly built for Vietnam veterans, and in fact to me it seems to me to form a way of looking very sensibly at handling the entitlement process for - or compensation requirements of people with war service particularly.

I guess all the people, veterans wonder why the government persists with this business of what I'd call known as a prudent adversarial approach to prove your case to go through, continually go through with a commission of claims and the ongoing business of examination of claims and the review of claims, the preparation of claims, the effort that goes into advocacy and the support that has to be provided and the costs that that entails. Whether in fact can we move on from that to a sort of more sensible approach and just say for a person of war service particularly we understand what you've been through and we are prepared to accept that you've got entitlements and you've got trauma and we are prepared to support you perhaps in the form of an equivalent gold card system. I just find it difficult to reconcile that with the way society has changed in recent years to accept the public health system, to accept a Medicare system where the onus of proof doesn't exist. The business of overcharging or over-servicing seems to be largely - any hang-ups over that seems to have largely been overcome.

I guess that largely covers my concerns. I just feel that there is some bias against to the serving person with war service. I'm not sure that it recognises the costs of the advocacy that's provided by ESOs in the make-up of the cost structure. I'm not sure that multiple deployment - in fact there are societal issues involved in the current system, and maybe transformation is required, but it seems to me that the culture in society has changed quite a lot. The way Defence manages its people it's changed in recent years. There's quite a preponderance to use multiple deployments. We find veterans who have had seven or eight or nine deployments on active service. It causes extreme difficulties in service

structure, in their family structure. I am not sure really at the end of the day that the issue of legislative complexity is resolved by the way that either report is going about it. So that's about my concerns.

COMMISSIONER FITZGERALD: Thanks. So, Mack, you've also given us an additional submission that goes on for a few pages and we have read that, so thank you for that. If I can just pick up your last point. We can't get to simple solutions quickly in this space because of the complexities, but ultimately what we are proposing is two schemes which eventually becomes one scheme, and everybody would be under one Act, not three Acts as is currently the case. So I'm a bit surprised you don't think we are in fact moving to a simplified system, because by the end of the course it's a radically different system with considerably less complexity, but in the short term it remains a complex system for all the reasons you've identified. So I'm a bit surprised you don't see where we are going as achieving that.

MR WELLER: Yes, I do see where you're going, because at the end of the day where you are going leads to a person with war service losing out on entitlements. In my view the contemporary veteran, the younger veteran out there will eventually be dudded his entitlements.

COMMISSIONER FITZGERALD: So how could you make that statement when the MRCA, which is the government scheme that came in in 2004, recognises war service, and the contemporary veteran - those benefits remain, and the contemporary veterans are saying to us very clearly that an injury is an injury is an injury, and we should respond to their concerns. Whereas older veterans are saying to us they want to maintain the VEA which we have agreed to do for very good reasons, not simply because they want it. So doesn't our scheme actually recognise what contemporary veterans are saying?

MR WELLER: Well, I find that surprising, and I would still be maintaining my position, still arguing my case. Contemporary veterans aren't concerned that they would not have their war service entitlements recognised?

COMMISSIONER FITZGERALD: So the problem I have got with it is what are they actually losing. So they're entitled to lump sum payments or periodic payments, they're entitled to a white card and no liability health cover. They're entitled to a range of benefits going forward. So when you say they're losing it what are they actually losing?

MR WELLER: Well, compared to what exists at the moment.

COMMISSIONER FITZGERALD: And what's that? I'm not trying to be difficult, but I am just trying to say that we have looked at this pretty carefully and they are different benefits. So VEA has a different set of benefits which best serve the veterans that are in that scheme, and the new scheme which the government acknowledged needed to change in 2004 recognises the contemporary needs of veterans. I am not trying to be argumentative, but I'm actually trying to struggle with what's the loss in this. Indeed as I have said many times today our schemes will actually increase the cost to government by increasing the total amount of money payable to veterans. So our changes actually put more money in the hands of veterans. So I am just not sure what they're losing other than some of the things in relation to maybe to the health care system which we are looking at.

MR WELLER: It didn't seem - it didn't seem to me that there would be any difference in entitlement between a person with war service and one without.

COMMISSIONER FITZGERALD: That's correct, because going back again, if I can just put this point to you, younger veterans have said to us over and over again, and we've been on the basis, we have had many round tables on the basis is they don't see that difference, they see that injury is injury is injury. They get compensated through the remuneration for deployments and for the risks they take in the war, but what they say to us is, well if I get injured in training or I get injured anywhere else we should be compensated effectively irrespective of that. So they see the remuneration that they get paid during service. Now, older veterans didn't get those in anywhere near the same extent, so they have a very different view of the world, they see that compensation is the way forward. So I'm just wondering whether - - -

MR WELLER: I see your argument. If I was a younger person I'm not sure that I would agree with them having the foresight of a few years. I just - I'm just not sure that I can accept that an injury is an injury and that the - that the basis of how that injury was made or in the circumstances which it was made becomes irrelevant, and if the younger veteran is saying, well it is because I am paid more then I think the logic is wrong.

COMMISSIONER FITZGERALD: Okay. No, that's fine, and your view is - many people would hold that view, so we have heard that view as well.

MR WELLER: It's a view that in recent weeks I've pushed around at a reasonably senior level in Defence and nobody has - nobody that I talked

to has pressed the view that you feel that you got from talking to younger veterans.

COMMISSIONER FITZGERALD: The only point that I would make is the MRCA which came in in 2004 has a very different focus as you know from VEA. So even 14 years ago, whatever the number of years ago it is, there was clearly a view within a government that a different approach was necessary. So I suppose the Productivity Commission's approach is actually not very dissimilar to where government moved some years ago. There is a continuum of thought in this process. It's not just a - - -

MR WELLER: I think (indistinct) your argument you need to make that pretty clear and extend the logic that you have in your draft report.

COMMISSIONER FITZGERALD: Thank you.

COMMISSIONER SPENCER: Mack, it's Richard Spencer. I just wanted to go to another issue you raised which is about ESOs, and you've made the comment in your paper that what we had said came across as dismissive of ESOs, and I'm sorry if that's the way it's come across. Just to give you a bit of background; because of the Robert Cornell study that you're probably familiar with on advocacy and ESOs in general - - -

MR WELLER: Yes.

COMMISSIONER SPENCER: We were holding back a bit to see his report. His report has been completed, I mean we have seen a copy of that. It hasn't been released publicly, yet, and we hope it will soon be released, but we're going to do more work in that area.

The comments you've gone on to make about potential roles of ESOs, I mean this is very much in line with our thinking. So just to explore that a bit further, clearly – and then this comes back to this issue of the – you know, just to be a bit simplistic, but the older veteran and the younger veteran. The older veteran typically was – well, many of them were more associated with the long-standing larger organisations. With younger, contemporary veterans we see that's not happening. They are much more connected via social media; they're much more interested in services that can assist them. So clearly there is a lot of debate going on in the ESO community about future roles they may play.

Now, just to be clear, we take the view that that's a terrific and largely hidden resource that should be better mobilised for the benefit of veterans. Now, how can that happen? Well, things are happening already with

veterans' hubs and you're probably familiar with those. We've seen some terrific examples of that around Australia. But what ESOs do is largely up to ESOs, but our question is – and you may have thoughts on this – how can government leverage its support of ESOs to help with the range of services that, in particular, younger veterans are going to need? For example, around employment, around sometimes family issues, there's a whole range of issues there.

So we will want to say more about this in our final report and I think from your comment you'd be pleased if we do. But it'd be helpful to have your thoughts and comments, either, now, or in a subsequent submission about how government, in particular, might be able to invest in or leverage ESOs to provide some of those services that we're hearing are needed and to support some of the initiatives that are already underway.

MR WELLER: Yeah, well, I guess at the outset – and it depends a little I guess where eventually your – where government comes to with what system it ultimately develops. But at the moment the – let me – let me be blunt and frank. It is – it is difficult to make contact with younger veterans and it's difficult to maintain that contact and it's not for want of trying. In the past years – I'm a Vietnam veteran – I would say the RSL that I came back to was very much not supportive of Vietnam veterans. I do not believe, today, that the RSL is not supportive of the contemporary veteran, in fact, I know they're not and a great amount of work is done to help that. There are a few bad apples in RSL and we can understand where that's coming from. But, at the end of the day, there are people in the trenches working really hard for the support of veterans.

The one area that would cause us particular concern is the one that Rob Cornell has been tasked to look at which is advocacy where, quite frankly, there are – and this is a social issue I think – there are not all that many volunteers in the business of supporting any volunteer organisation, frankly, but particularly veterans. So that the source of advocacy that was there in the – advocates, rather, to provide advocacy is slipping away there. They're becoming older and basically dying out, so to the extent to which advocacy and its feature is needed - I assume there's always going to be some – is an issue and I think I've said somewhere that – I mean it's the government that has the legislation and it seems to me that there's an obligation on the part of government to help the cost of funding advocacy.

At the moment, interestingly, our assessment is that the cost of advocacy per claim is roughly about the same as the cost of its processing within DVA. So it is costing as much to prepare the claim and submit it as it is for it to be processed within DVA and, at the moment, that cost is largely met by grants out of DVA and also, simply, by fundraising. So there

needs – and I guess Rob is going to address this – how advocacy goes. Whether it'll be a paid for service or not is an issue.

ESOs look to be a lot of desperate – despair organisations – some of them are desperate, but they often – they largely meet different service needs. You know, Legacy looks after the dependant, the VVF came into being simply because the Vietnam veterans weren't being looked after. But to a large extent, a lot of those have now amalgamated, if not in name, certainly in service, where they are jointly working together in veteran support centres and such. So the support of an amalgamated function would be important.

COMMISSIONER SPENCER: Okay.

MR WELLER: I guess the other thing - a point to make is that, yes, I understand that some of the more contemporary ESOs, such as Soldier On and others – no doubt doing a great job in their own area – still an important area in fulfilling what I would see as social need, but haven't been able to support the what I would call the more deeper, intensive area of support such as advocacy. That's largely still being supported by the RSLs and the veterans' federations that are around. Does that help?

COMMISSIONER SPENCER: Yes, no, that's very helpful. As you say, Mack, we'll await the Robert Cornell's report. But he'll obviously be addressing those issues, as we will be, and the need that you've identified with a reducing pool of advocates and how that is best managed in the future, I think that's a very live issue. So we'll certainly be addressing that.

If I can just come back to some of the earlier comments about the – our draft recommendation about the abolition of the department. You're not alone in your view of not supporting that. But, once again, just to go over the background of this, just to be clear about how we were seeing it and your further comments on that, we had suggested that the policy functions of the department go to Defence.

The rationale for that was, from the moment somebody joins the ADF through their service and for the rest of their lives, we believe that there's a continuum there and our view was the Defence should be responsible for their members in service and have responsibility post that. So that was the rationale for policy going there.

Now, that's not – we're not hearing a lot of support, frankly, for that position. So if I can just park that for a moment and go to the Veterans' Services Commission which, I think, you're not attracted to either. The

view there is that if you look at other areas of government in terms of running contemporary based schemes which are operating with the best evidence and the best practice of how to get really good outcomes for the people that are injured, that department structures struggle to do that and I think it's fair to say that that's been a long term struggle for DVA to do that. There are improvements made now and that's terrific, but it does raise this issue; a structural issue.

So our view was that a dedicated, statutory corporation, Veteran Services Commission – Veterans name is the first that appears there – focused on the particular needs of veterans and with the expertise and capability around that would be a much more contemporary model and successful mode. Now, so if I come back to the earlier part, people are now saying they're not attracted to the idea of policy going into Defence. So if the Department of Veterans' Affairs continued and it had responsibility for policy and we brought a veterans' services commission in to be a much more – as along the lines as I've suggested – that was our thinking and I just wanted to clarify that.

So, Mack, your reaction to that, because I think there's been a bit of confusion about all these moving parts, so I'm not sure if that's what you understood from our draft but I'd be interested in your thoughts and comments, just having clarified that.

MR WELLER: No, no, that's not what I gathered from it. So let me just repeat what I think I heard from you, was that there would still be a policy DVA organisation and within that, there would be some sort of VSC. Isn't that right?

COMMISSIONER SPENCER: Well, that's an option – that's an option. I'm just exploring behind it, yes.

MR WELLER: Yes, well, I would certainly favour that option. I just have a lot of difficulty finding – I understand where you're coming from in terms of there should be some obligation on the part of Defence to be looking after or having some incentives to collect what they might be doing to their people, and I think that can be done by other means, but (indistinct) difficulty finding how it would find enough traction within Defence. So certainly I would be leaning more favourably towards a DVA policy outfit, but I guess I'd have to ask in would a VSC then – I'm not sure that I see a whole lot of difference between a VSC or Repatriation Commission and such and is not part of DVA's problem that it's saddled with these three complex legislative acts and, if they weren't that they didn't have that complexity, maybe life would be a lot easier for them.

COMMISSIONER FITZGERALD: All right, well, we'll explore some of that back in the final so that people have a much clearer understanding and we are looking at different options, as Richard's just floated. So from our point of view all of these comments will help us do a little bit more work at fleshing out whatever option we ultimately recommend and, as you know, governments will ultimately make that decision. So is there any final comments you'd like to make before we conclude?

MR WELLER: No. I'm very grateful for you organising the phone patch. That's been good, so thank you for that. A difficult charter that you've got and I kind of saw it. You know, I've had, you know, basically 50 years' experience with uniform and the way it was coming across to me is that it seemed to me that I, as an old veteran, was being looked after and what I have and the entitlements I have, I'll die with that, I'll be okay. But it really worried me that the younger veteran was – you know, I'm not sure that they understand what's happening.

I know you've asked that and you're telling me you've asked that and being getting knowledge about that they'd remunerated successfully, but, boy, I wonder about that. I really do.

COMMISSIONER FITZGERALD: No, no, and we appreciate that. All I can say is that we are very conscious that there are different views, not always aged-related but often age-related – and this is not just specific in the veterans' community. The Commission does inquiry after inquiry and we find different generations have different views and want their services delivered in different ways and so this is bread and butter for us.

MR WELLER: Yes.

COMMISSIONER FITZGERALD: Having said that, trying to find out the best way to do it in the veterans space is the challenge we've got. So, again, thanks very much, Mack, and thank you very much for your fulsome submission.

MR WELLER: Okay, thank you for your time. Thank you.

COMMISSIONER FITZGERALD: Thank you, bye. Thanks. Peter Reece? We rolled. It's okay.

VOICE: (Indistinct response.)

COMMISSIONER FITZGERALD: Well, hopefully some of us are. Yes, good, okay, thanks very much, Peter. If you could give us your full name and if you represent any organisation.

MR REECE: Peter James Reece, I appear in a private capacity, Commissioner.

COMMISSIONER FITZGERALD: Good, and if you could just speak up because it has to go towards the back, that'd be terrific.

MR REECE: Okay, I'll try.

COMMISSIONER FITZGERALD: That's okay. Otherwise, if you sit next to that microphone - - -

MR REECE: This one.

COMMISSIONER FITZGERALD: Just that one there - it picks up on the other one. Strangely enough - - -

MR REECE: I'm sorry I've got a soft - - -

COMMISSIONER FITZGERALD: No, that's okay. For those that can't hear can move forward. It's not a Catholic gathering, so you're entitled to sit in the front seat. So, Peter, thank you very much for your detailed submission. The way this operates, as you know, is if you could give us ten minutes of the key points that you want for us to hear and to put on the public record and, then, Richard and I will have a bit of a chat.

MR REECE: Okay, that's fine, thank you. Well, my background; I was a division head in charge of compensation for quite a few years, up until my retirement in about the year 2000. So I am way, way, out of date. I don't pretend to have any detailed knowledge of the current operations of DVA, nor do I pretend to have any knowledge or information about rehabilitation or in the workings of Defence and OH&S nor the transition scheme as it works, except to say that I think it's been a long-term disaster. So I really speak at a higher level about the policy concepts behind this whole area.

In my experience, one of my key onus when I was division head was to try and get rid of dual eligibility; that is to come to one scheme. That was way back in the 1990s probably and a colleague and I in Defence organised for Ray Tanzer to do that work and he came up with those recommendations which you acknowledge in your report that we should get to one scheme and it should be a fair and equitable scheme and it would come down to getting rid of the more generous standard of proof, as I recall.

That was terrific and then MRCA came out of that. But MRCA did not come out as the way I would've planned it to do. My plan was really to put VEA on ice because it really is an early 19th century monster and it way, way has become far too anachronistic and unfair; and so it went.

My experience in (indistinct) to make a submission to the Senate Foreign Affairs, Defence and Trade Committee in its inquiry and, hence, the recommendation that the work be referred to the Productivity Commission for examination because I couldn't see a parliamentary committee getting to the nuts and bolts of this in any rational way, nor did they, except for that one recommendation; and here we are today which, I suspect, is going to be a life-time opportunity to get some rationale put into this scheme because it is a monster. It's not that it's expensive and, may I say, I don't care what veterans are paid; I don't care what the military's paid; provided that is transparent and fair, and it's not. It is simply not and has not been for a very long time.

But I've come, having read the Commissioner's draft report, it's actually hardened me up a little bit. In fact, in my submission, I said I don't see there's any need for any military compensation scheme at all because I think that's where it comes to. I know of no other industry in this country where there's an occupational health and safety compensation rehabilitation scheme of this kind and issues of transition, where people leave one job for another job, they just don't appear as (indistinct).

We have a huge legacy, a huge industry and, while I'm sympathetic with it, and I'm a great student of military history and I've done all that stuff and I agree that they do the hard yards and (indistinct) we're looked after, I'm not too sure that the regime we have at present is doing that very fairly and it's certainly very expensive.

Now, a lot of the complaints we're getting in the submissions are about unfairness. But from a group of people who are well motivated and I just don't think understand the (indistinct) of where we're coming from in this day and age.

I noticed this morning that the New South Wales Workers' Compensation Scheme has a maximum payout on death of an employee of $750,000; doesn't seem much money. Now, I think that's where we are. Ten years ago, I recall the net present value of a widow's pension was 3 million. Now, I'm not going to comment on that disparity, but I think there's a lot of political guilt money in that, as there is right throughout this, philosophically speaking. Now, I can live with that too, provided the scheme can be simplified and made fair and transparent I'm not too fussed about where the scheme goes at all.

At least we seem to be making some progress with MRCA if we get into one scheme. It would be nice if we could get rid of all the vestiges from the VA and particularly the more generous standard of proof which is just ridiculous and which the Commission had agreed would happen. But, having said that, the Commission's also got to acknowledge the consequences of that because if you get to one common standard of proof which is the balance of probabilities, then all the benefits go with the more generous standard of proof disappear, in theory, and that includes the second level of the statements of principle from the RMA. It is just scientific nonsense. You can have two standards of proof for any medical condition and Ken Donald, I remember actually saying it once.

And the other issue, I must say, with respect to this whole scheme is the culture; the traditions which came up through from Billy Hughes, right through of the whole history and nobody questions this – it's captured in the Commission's draft report. The beneficiality which goes for people who do the hard yards, and in Western France for example; that was three or four years and the worst thing you could ever experience. The guys in Vietnam did it very hard too. Some of the others didn't. I notice air bombed people for example have now got qualifying service for what they call qualifying service.

It was once said the most dangerous thing a person and everyone could do would be riding their bike home from mass at night-time. See, these are the sort of war stories you get that are absolutely no danger facing an enemy at all. To get qualifying service and the higher standard of proof, you actually had to prove that you faced mortal consequences from an armed enemy. Crossing Bass Strait was accepted once, until they were shown that Germans actually didn't have any submarines there at all and from Rottnest Islands. These were a couple of furphies which have been got rid of.

But then it's the nonsense of course the guys were sent out in a 707 to see if they could do some rolls and wondered why the wings fell off, that's pretty dangerous stuff too. Parachuting's dangerous, diving's dangerous; no higher standard of proof for that stuff. They're just ordinary, industrial accidents. I think that is grossly unfair and it's been unfair for a long, long time. So if we could get rid of that that would have to transform military compensation. Doesn't matter whether they go to one act or whatever, get rid of that and you solve an enormous amount of problems and complexity and if we put old DVA at (indistinct) trying to manage these claims because, at the end of the day, people need to understand the more generous standard of proof beyond reasonable doubt – the Department has to prove that their claim is false and they don't have the evidence a lot of

the time to do it. So if you wonder why it takes so long, DVA just can't do it. They haven't got the evidence.

The other big, damming thing that's come out of your report about this compensation scheme which doesn't make it; he actually says, "It's not a compensation scheme at all, it's actually a retirement income scheme", on your figures, only 2.4 per cent of claims result from a notifiable injury. Now, that would not happen in any workers' compensation scheme. If you can't prove that your accident happened at work and there's a report there and treatment and rehabilitation there and then on the spot, the claim wouldn't get up.

The other damming feature of it is that it takes 16 years on average for a claim to be made. That's not compensation rehabilitation; that's income support. I think that's true and simple and they're the facts of the matter. Doesn't matter what all the politics are, what all the sentimentality is; that's all nice and wonderful but, at the end of the day, if you're running a compensation scheme that's publicly funded, there's got to be some discipline in it and there's not; there's no discipline.

The other thing I say there are less than 50,000 people in employment in this industry at present on a daily basis. Their average length of service is nine years, on your figures. That barely justifies having a scheme like this, let alone the health and welfare tale which goes on for years and it's for the rest of their lives, in parallel with public schemes, including the NDIS which, you know, potentially is wonderful for people like this.

We streamlined the hospitals by getting rid of them which was a great hit. People said all the same things, "Oh, we can't get rid of the hospitals." It was a great hit because fellas could go to their local hospital, they didn't have to go the repat. They got better treatment, more locally available and it was terrific. There's no reason you can't do that with a lot of other services, if you ask me, if we only had a look. Home and community care is a classic example for veterans who are in care. They are the same thing; differently funded, differently managed with different systems. In public terms it's nonsense, you can't afford to do that.

Ian (indistinct) made some point about Britain, they went down this track a long time ago. They grandfathered their current schemes and said, "If you have a claim, you've got five years to make a claim. If you make a claim after that for worsening conditions, you're reconsidered under the new scheme and that's it. We'll make a final payment there and then you're off to the national health system or you're off to your local government for housing, you're off to some other streaming service." Very hard and tough but it works and no sporting injuries allowed either, by the way.

So I think we need to come back to a lot of those basic things. Beyond that, Commissioners, I don't think I can add anymore. I recognise though in saying all those things I'm a heretic and you can throw bricks and fruit at me if you like, ladies and gentlemen, but at some stage there's got to be a rational look at this because governments are looking for answers and it seems to me though, the policies and the politics are so closely interwoven that you can struggle to find your way through them and I think that's exactly what we're hearing listening to the previous witnesses, exactly where we are. I think we'll move to put the DVA into Defence, in a crude sense, it's absolutely right. Defence has to take responsibility for its people and you can't have another organisation just to duck shove to unless they have it here.

So for years, if you had, for example, some bad behaviour; a person's playing up whether he's being bastardised or not - it might be worth looking at some of the evidence of the old Foreign Affairs Defence and Trade Committee on military justice, by the way – the abuse and the treatment of personnel brought forward in that is absolutely amazing and medical discharge was the key way of getting rid of bad behaviour and people. In fact the Hoddle Street murderer was serially bastardised and turned out, killing 20 people and he's still in gaol. That's the sort of thing that can happen through absolutely appalling practices on discharge. I don't know whether it still goes on today. I certainly hope not. But having said that, heretic that I am, I'm happy to answer your questions.

COMMISSIONER FITZGERALD: Thank you very much, Peter. Your submission is unusual for the reasons you've (indistinct) indicated. But I'd like to go through a couple of things because you have a history of change. So let me go back; if I can deal with one issue.

You heard right throughout that we've made a recommendation that policy, not the whole scheme, should go to Defence and you'll also be aware that most people don't think that's appropriate. But I was wondering in support of it, you think that that's an appropriate place. Why do you think there's such concern, and I think it is legitimate concern, of putting Defence in charge of policy in relation to the Veterans' Affairs area?

MR REECE: I think I expressed some concern about that though for different reasons.

COMMISSIONER FITZGERALD: Yes, well, please - - -

MR REECE: I think that policy and administration should be separate things as this is a bureaucratic argument (indistinct words) indicates whether policy and administration should be together or apart because policy is fed by administration; that feedback is very important. That's what you have in DVA at present, although I must say in my experience, there's not much policy there, it's very thin. It's large in operation (indistinct). If you were to be very serious about compensation policy at the commonwealth level, you'd have it in workplace relations and employment, where it sits for all other commonwealth employees and that wouldn't be a bad thing because compensation – there's comp and rehab – they're just exactly what they are. They are practical models, every-day models and the SCRA works. It works to the extent that other industries in Australia want to join it. There was a controversy once about whether the transport industry or some other states or whatever could join SRCA. So I think there's a nice little argument about that. My worry that I expressed about policy was that it's like giving the cat the keys to the canary cage for Defence. But the reverse to that is, of course, it makes them responsible for the expenditure and they've got to be accountable for the expenditure they make; you injure them, you break them, you fix them. That's the policy and it's not there at present because they just waltz them all off to DVA and wash their hands of them and why you have this terrible trouble in transition where Defence don't want to know about them and I think that's terrible, particularly if the 2.4 per cent are actually notifying their claims that's appalling. It's just the business about concealing injuries. It is nobody's interest except theirs because they can keep their allowances. So if you hurt yourself on board ship and you were flown ashore, you lose all your see-going allowance (indistinct) you're not going to admit that and you're injured will not get treated, it will not be rehabilitated. You will get worse, your compensation will be higher and so it goes. I think that's a nonsense. Whether the function can be split in Defence, say the policies in say the personnel area with other personnel things, to do with pay and conditions that might be an option. But it has to be separate from the claims administration, as does healthcare. Healthcare and compensation should run together and they don't in DVA, by the way. They're two separate silos, always have been.

COMMISSIONER FITZGERALD: So just in relation to the thing, I think we are quite weathered to the view that policy and administration should be separate and, in fact, that's standard government policy right across Australia at all levels. Smaller jurisdictions it tends not to happen, but in larger jurisdictions that's the way to go forward.

We did look at alternatives to put a policy in Defence and we did look at your suggestion. But in the end our view was, for the second argument that you put, that we saw a continuity, a consistency in policy between the

way you manage personnel in service and the consequences of injury or illness flowing through and - - -

MR REECE: I can live with that.

COMMISSIONER FITZGERALD: Nevertheless, as I said, it's not warmly received. But one of the reasons for that, if I can put it, is that there is a strong view and it's been exhibited by people in Defence that the main job of Defence is deployment to war-like circumstances or war and that this is a misfit; that it just does not fit within the priorities of Defence. Now, I have to say that's come back to us over and over again, formally and informally.

MR REECE: It's a hairy old chestnut. They run that up the flag pole every time and the great contradiction is this that at the platoon, the command level actually do care for their men. They will not send men into danger without good cause. They do and are trained to look after their men and so, in terms of healthcare and those sorts of things, they are a family and you get to the senior level and they don't want to know about it, they don't want to know about OH&S. It should go down to the platoon level. He's responsible for caring for his men. That's where the medical reports should be made. That's where the treatment should happen. So if you're told to jump out of a truck with a 50 kilo ground pack on your back that is stupid. If you send someone out into a 45-degree heat in the Northern Territory on an exercise – there have been two deaths in my knowledge and one quite recently – where's the accountability? They inquire into the inquiry, they inquire into that inquiry and, eventually, they say, "Oh, we've change our procedures, oh, but, sorry. The boy's dead." You see, this is what happens. They don't care up there. They're about fighting battles and it is absolutely stupid and I mean war stories and the history of war is about commanders caring for their men and they cry when they lose them. Why doesn't that translate to head office? It doesn't. The (indistinct) is people in Defence have always been strangled by this lack of interest up top and they say, "Oh, we don't want to deal with this stuff. We are not – there's too much babysitting, too much paperwork, all of this. "We're soldiers. We're tough. We can take it." It's a nonsense, it's a nonsense. If you're in the public service and a manager ignore the OH&S procedures, he'd be in trouble. Not in Defence, they get away with it; it's a furphy, it's an absolute nonsense.

COMMISSIONER FITZGERALD: One of the recommendations we have is the imposition of a premium of some description and, as you know, there's a notional premium raise and it has been raised for some time, although most people don't know about it, even though it is public in some way.

We don't over sell the benefits of the premium, but we think it is important, both, in terms of providing an additional incentive to reduce preventable injury, but also as a much better way of funding a scheme, at least in part. I was wondering whether you think that is a positive initiative or you think it will have no effect on - - -

MR REECE: Absolutely. At the injury level, putting it right back to the local command at the platoon level or company level or whatever that feedback is essential and you say to him, "You made all those fellas jump out of those trucks with 30 kilogram packs on their back. We've got five knee injuries, four ankle injuries." These musculoskeletal injuries in the armies are the biggest proportion of all OH&S injuries. It is enormously costly.

You must make those commanders aware of what they're doing. If I'm going to tell my fellas to jump out of a truck with that pack on their back, there are going to be consequences on this end and they should pay. There should be a premium split up right down the line to them. That's immediate feedback to OH&S people and say, "Why are we having so many knee and ankle injuries in the army?" and make them have a look at it and I think they do, by the way, I think they do. I think this is filtering through.

COMMISSIONER FITZGERALD: Sure.

MR REECE: I think the premium at that level for compensation and rehabilitation is definitely there. Where I struggle is with the health and welfare tail out the end which is as long as a piece of string. I don't know how you actually come to grips with that in a business model because it is massive. I don't know what the health budget is in DVA which probably (indistinct).

COMMISSIONER FITZGERALD: I can tell you. It's just over 5 billion.

MR REECE: Over 5 billion?

COMMISSIONER FITZGERALD: Around.

MR REECE: Well, there you are and the compensation one is four, four and a half billion or something or other.

COMMISSIONER FITZGERALD: Something like that.

MR REECE: Yes, well, so there's income support in that too.

COMMISSIONER FITZGERALD: The total is 13 billion.

MR REECE: Whatever; I find that hard in the business model to cope with the premium on those sorts of things. But, then again, the discipline applies if the Defence are responsible for paying for that they might actually pay some attention to it. They always expressed great concern about the entitlement mentality in Defence. They've got a pile of allowances that high. You can even get an allowance for shifting your cat. I mean this is – and they are concerned about this predominance of people's concern and interest in exploiting their allowances. That's a game, they do it. If they fly to America, they'd work out they could stopover in Honolulu for two days, "Well, let's do it. Everyone else does it." That's the culture and my point is, if you make Defence manage that financial cost, it would – people would otherwise – DVA – it's all out the backend.

COMMISSIONER FITZGERALD: Sure. Sir, can I just deal with two things and Richard will have some questions? I want to deal with this issue; your proposition is, I'm not quite sure to what extent, but you don't believe that there necessarily should be a military or veterans separate compensation scheme.

MR REECE: Well, in pure terms, no. But I accept the realities that it's a political reality you've got to deal with. Other countries have got one, we've got to have one.

COMMISSIONER FITZGERALD: Sure.

MR REECE: But provided it's simple, provided that it's strictly administered, there are proper processes of discipline in the claims process, I don't have a problem with it and MRCA, if it was a modern worker's compensation scheme, would be fine, but it's not. It's an amalgam of a whole lot of rubbish out of VEA.

COMMISSIONER FITZGERALD: So just can I take that second point which you've led me directly to it. You describe it as VEA and, I presume as MRCA and others, has been an unfair system. We've identified certain elements of that and I think some veterans have also identified it, but everybody's fairness is different and everybody's version of what is equitable is different. But can I understand, what do you think the most unfair aspects of the scheme are right at the moment?

MR REECE: Well, the biggest one is the differential end values of, if you like, the scale of (indistinct) if you might call it are that someone who does injury to their knee (indistinct) gets twice the compensation than someone who falls of their chair and does exactly the same injury at Russell Hill and that's stupid. An injury is an injury, I agree with that philosophy. The problem is you've got to get risk out of the system and risk gets paid for and allowances and that's where you come into in your draft report very strongly. If you're consistent with that you've got to follow it through, it's got consequences and that is – if you remove that you have suddenly simplified the system and (indistinct words) people out there who will suddenly understand it, will stop this crazy drive to have (indistinct words) or somewhere upgraded because, "Oh, it was very dangerous," well, rubbish it was dangerous. The blokes in Bekoff in Japan thought it was dangerous. It wasn't. They had someone fire some bullets at them once. The blokes at Baralingara thought it was dangerous. So it wasn't - it was a different sort of danger and that's all been accepted now, despite the Royal Commission, they're now getting benefits for what they were exposed to. That's a danger of a different kind too.

But if you remove those risks adding to allowance then you simplify the system – give the claim assessors – "Oh, well, here's a claim. All the facts are there." I've got to prove this on the balance of probabilities, yes, or no, bang, done, and the injury's reported; it was treated; it was rehabilitated and this is where we are, it doesn't matter how far down the track you are that would simply the system enormously.

COMMISSIONER FITZGERALD: But related to that, can I ask just one point then, Richard – you made a comment – just correct me if I'm wrong – about the British system having a cut-off for the old scheme.

MR REECE: I think so. My memories (indistinct).

COMMISSIONER FITZGERALD: Yes, that's fine and I think you're right. There was a significant cut-off and part of the – and you now have to access national health service. In New Zealand, except there in relation to if it's war-related injuries, you access their national system as well.

But putting that aside, you made another comment and, correct me if I'm wrong, that if you haven't reported an injury and put in a claim within a period of time at X number of years, you don't believe that anything after that is actually compensation. You think that's just income support. Can you just give me the rationale behind that view?

MR REECE: Well, the typical OH&S compensation regime is you're injured at work. You report the injury. You go to the health facility.

They treat you. If it's serious, you get rehabilitation. It's reported. It's on your file. That's a legitimate claim. You suffered some injury.

COMMISSIONER FITZGERALD: Yes.

MR REECE: If it comes down the track 12 months later and say, "I've got a sore back, oh, I did that at such and such." Where's the evidence for that? You know, we get these claims all the time in DVA. The fella, the veteran who was cutting down a tree in northern New South Wales and couldn't get out of the way quick enough and fell down and hit him and he blamed his war service on him not being able to move fast enough.

There's an attitude out there that this is due to my service. Well, who knows? It's a lottery. You know, some of them probably are legitimate. The SoPs give you an actual (indistinct) and say, "Oh, I slept on wet ground in New Guinea for three nights and I got spondylitis." Well, the SoP will tell you, sleeping on wet ground, you have to do it for three weeks, sorry. There is now some science behind it but I think it just gets a bit suspicious. It is on the border of being fraudulent. But that's the name of the game I'm afraid. That's the culture that's round it. But I'm not saying that there aren't a lot of legitimate cases where people have got - - -

COMMISSIONER FITZGERALD: Sure.

MR REECE: - - - have got the – in the course, but there are lots of people trying it on. It's (indistinct) bats and all those sorts of things. If the government runs a program there are going to be people in there to exploit, don't you worry about it.

COMMISSIONER SPENCER: Peter, thanks for that. You're very direct and clear in your written word, so that's good. Thank you.

MR REECE: One chance.

COMMISSIONER SPENCER: Thanks for that. Very clear messages. So, just a couple of quick ones. You've referenced the UK situation. We did look at overseas models and it did strike us how different they are. You've made a particular comment about the US model where there is more of an insurance model and there's an option to purchase higher levels of cover.

MR REECE: And you can here too, I think.

COMMISSIONER SPENCER: Really? Is that possible?

MR REECE: Yes. There was a scheme, I've forgotten the fellow's name. Big Queensland guy, Ken. He worked for some time with Defence when I was at that level whereby a commercial insurance was available for a premium and Defence subsidised it, and you could choose ten, 20, 30, whatever you wanted you could choose for a very modest payment on the day of your embarkation. So if you didn't think your coverage was sufficient, you could – you could increase it, personally, that was your choice.

COMMISSIONER SPENCER: Okay.

MR REECE: I don't know what happened to that.

COMMISSIONER SPENCER: Right.

MR REECE: But it seems to be – me, to be an imminently sensible model and I think that's the way the American model works where the government insures the whole thing, and I think it's actually run by Prudential, I'm not too sure.

COMMISSIONER SPENCER: Okay.

MR REECE: And it's an insurance model, and every GI or whoever out there can take an extra package if they want to.

COMMISSIONER SPENCER: Right.

MR REECE: At minimum cost, and that's their choice.

COMMISSIONER SPENCER: Yes, okay.

MR REECE: And that seems to me to have a lot of attraction in terms of managing premiums but it does rely on that feedback and the processes of claim (indistinct). They've got to be disciplined. Prudential is not going to put up with nonsense.

COMMISSIONER SPENCER: Right. Yes, okay.

MR REECE: So I think that's an avenue to be explored which I don't think your report does.

COMMISSIONER SPENCER: No, we have an information request around that but we haven't heard a lot, I have to say, so – no, thanks for that comment, we'll take a look at that.

MR REECE: I'm sure it's probably history. I think only a few people took it up.

COMMISSIONER SPENCER: Yes.

MR REECE: But they don't – most people who get sent away I'm afraid think they're bulletproof. This is a fallacy and they go for the $200 a day, and you know the HSV ute out of the General Motors dealer at Townsville does great business with all these young guys, and they keep going back and back and back because it's great money, and so what will they worry about taking out extra insurance because the injury rate overseas has actually been very low and thank goodness.

COMMISSIONER SPENCER: Yes. Peter, just another comment. You haven't held back on the Gold Card.

MR REECE: Look, the Gold Card started as a rationalisation exercise with all these cards, they were pink, they were purple, white, yellow, for all these different people and they decided to wrap them all up together and get to two cards, a White Card for treatment for acceptable – accepted injuries and the Gold Card for everybody else provided you had qualified service of course for widows and so on. And that was very generous at the time, but it's actually bred hypochondria. Doctors have signs outside their door saying "Gold Card welcome", and I think it's become an extravagance.

I don't know what the annual cost of a Gold Card is now. It's probably $25,000 but I don't know.

COMMISSIONER FITZGERALD: The Secretary this morning indicated a figure roughly around that.

MR REECE: Well, good guess. Because when I was there it was 20,000.

COMMISSIONER FITZGERALD: It's around that.

MR REECE: And my view was that why wouldn't you get to some privately insured model like top cover in Medibank Private or whatever and whether – and in some cases you've got to have a – you know, a contribution that puts some control on it where you can manage it better in terms of the – some discipline into the system.

COMMISSIONER FITZGERALD: Right.

MR REECE: But I think it's become a political football now. Everybody is working towards the Gold Card, because you get old and over 65, I can tell you medical costs suddenly rocket. I had surgery a few years ago and it was $55,000, the cost of my surgery. People can't cope with that. I was privately insured, thank goodness, and that's why I am. So I mean with a Gold Card, they want a day out, doctors (indistinct words), let's go and have a talk to him, ching ching. So there are lots of problems with the Gold Card to that extent and I - but I don't quite know how you reign it in.

COMMISSIONER SPENCER: Yes. But you made the comment that you – at the end of the paragraph on this, you've said, "So it's just a complete disincentive to get better."

MR REECE: It is. If you pay people more and there's (indistinct) and they haven't got that in action, they'll keep applying until the points rack up and they get there. So if you need – if you need 70 points to get a Gold Card, they'll keep putting in claims for this, that and the other and points rack up, but the whole body – whole person sort of assessment now has probably stopped that. I don't know.

COMMISSIONER SPENCER: Well - - -

MR REECE: I'm a bit rusty.

COMMISSIONER FITZGERALD: Well, that's an issue – the whole person or the individual, you know, condition, yes, we're looking at that at the present time. It's a problem. Any other questions?

COMMISSIONER SPENCER: No, that's (indistinct).

COMMISSIONER FITZGERALD: Peter, we're out of time. I just want to say thank you very much. Thank you for your forthright submission and we value people's opinions and yours is very strong. So thank you again for that.

MR REECE: Well, good luck. I hope the Commission takes this opportunity, it won't come along for a long time and my great fear is Defence, DVA and the government will find this all too hard and just flick it away and that would be tragic. But even if you don't get to a tight rationale as I'm arguing - - -

COMMISSIONER FITZGERALD: Sure.

MR REECE: - - - there's a lot to be done to simplify this system because those people writing in about their claims don't understand and getting rid of those stupid standards with a – the reverse criminal standard of proof would be an absolute godsend to simplifying the system. It would stop so much bad behaviour. Good luck. Sorry about this, gentlemen.

COMMISSIONER FITZGERALD: Thanks, Peter. So, we've got now a telephone call. Can I just check – Colin, can I just say, can somebody turn on the air conditioning before I expire? That's good. Thanks very much, Peter, that's good.

MR REECE: Okay.

COMMISSIONER FITZGERALD: So we just have a short telephone presentation, and then we'll have a brief break and then we have three final participants. If you would like to make a brief statement at the end of the session, there is time to do that. Richard and I have put back our flights, and if you can see one of our staff at the back of the room, we're hoping to take just some very brief comments right at the end of the day, if you would like to do that on the record. But just see one of our staff during the break.

MR FORDYCE: Hello.

COMMISSIONER FITZGERALD: Good day. Jack Fordyce, is it?

MR FORDYCE: Yes, yes.

COMMISSIONER FITZGERALD: That's good. It's Robert Fitzgerald and I'm with Commissioner Richard Spencer. So thanks for doing this.

MR FORDYCE: You're very – your sound is very like it's in a barrel.

COMMISSIONER FITZGERALD: Yes, I sometimes feel like that. It's called a shooting barrel.

MR FORDYCE: (Indistinct words).

COMMISSIONER FITZGERALD: I'll speak up but it's a – I don't think I can do anything about the barrel, it's the sound system in this room. Jack, can you give your full name for the record.

MR FORDYCE: Jack Fordyce, F-o-r-d-y-c-e.

COMMISSIONER FITZGERALD: Thank you, and I understand you want to make a short presentation, so over to you.

MR FORDYCE: Now, you've got my other submission?

COMMISSIONER FITZGERALD: I do, yes.

MR FORDYCE: Now, that all concerns our problem with getting any benefits for the 36 Squadron veterans because the flight authorisation books, the legal record of everybody's flight and every aeroplane and every destination has not been available to researchers or DVA or Defence, and just – so veterans haven't had – the 36 Squadron veterans have not had the availability as other veterans have had.

COMMISSIONER FITZGERALD: And, Jack, do you want to make any further reference or do you want me to ask some questions?

MR FORDYCE: Well, I've written something out here but it might be a bit long. What we – what we need is recognition of the extent of our service because that has never been properly accounted for. We have our air crew log books, which were – we tried to put in submissions before and they wouldn't accept the way that the log books were presented. Now, we need is (1) recognition of our service, the extent of it, (2) an understanding of the lone Hercules crew, which is a five man crew, away from base, and if you took ill the aircraft could be held up until a replacement crew member was obtained from Richmond.

So, the thing is that you didn't go sick. You might have been able to attend a local doctor if you stayed there long enough but – and on a lot of occasions you just battled on with what the problem was and – but they won't believe you because there is no record of it. That's DVA. And (3) we want an acknowledgement of the service through the tense Sumatra corridor, which nobody sort of believes there was any tenseness there. And we want – (4) is an appreciation to the members for dedicated duty in continuing to operate the aircraft on long over water crossings for 11 months with no life raft.

Nobody has ever congratulated, said thank you or anything else. We did that without the knowledge of our passengers. If we'd come down and ditched the passengers would expect to get into a life raft which wasn't there, and that's including senior offices and Medivacs and all – 11 months of it, and regarding flight authorisation books, I have been complaining since 1967 that the information wasn't there, and just recently on 1 May 2018 I received a letter from the office of – office of the Honourable Darren Chester MP, after writing to him.

He addressed me expressing, "I am concerned to hear that some 36 Squadron veterans have experienced difficulties in verifying their eligible service with Department of Veterans' Affairs without access to the flight authorisation books from the 1960s. I have been advised that in response to your letter, Air Force contacted the DVA principal medical officer, Dr Ian Gardner, who in turn has been in contact with you." But I didn't realise what he was talking about, he didn't mention the letter from (indistinct words).

"And I am pleased to advise you that DVA no longer requires flight authorisation books in order for veterans to establish their claim for operational service." That was dated 6 April 2018. Since then I have not been approached by DVA or anybody else to re-put in a claim or anything, and I think all our members should be notified that that is – they can reapply and they don't have to wait on the flight authorisation books. Now, we – what we want is the stages that I just read to you to be satisfied and the claimants should be notified by DVA to try again.

These families also deserve – the families also deserve some reparation for their lost decades of benefits that other servicemen have had automatically, and that's the end of it. Thank you.

COMMISSIONER FITZGERALD: Jack, thanks very much. So, as I understand it, the Minister's letter has dealt with one of those issues. That is that the missing or destroyed flight authorisation books are no longer required. We will draw your submission to the attention of DVA and the fact that you've not heard from them since the Minister's letter of – I think you said, 6 April 2018, sorry? Is that right?

MR FORDYCE: Yes, yes, that's signed letter by Robert Curtin the chief of staff of Mr Darren Chester MP.

COMMISSIONER FITZGERALD: Yes. So, look we'll draw his attention to that. Can I just raise one thing in your letter to us? You said that there were what you've regarded as confrontations in the Indonesian archipelago up there which have never been acknowledged. Is that right?

MR FORDYCE: Yes, we – we carried army personnel and civil police from Malaysia – Malaysia itself across to airfields in Borneo and the Defence department doesn't seem to know about that because these missions were for the British Ministry of Defence and the Malaysian Ministry of Defence I have found out, which we just (indistinct) out orders for, which is what we were told.

COMMISSIONER FITZGERALD: Okay. Thank you very much. We have enough information to provide that to the DVA, and we'll pass that on. Richard?

COMMISSIONER SPENCER: Yes – no, no, that's good.

COMMISSIONER FITZGERALD: So thank you very much - - - -

MR FORDYCE: (Indistinct) Defence - Defence department too please.

COMMISSIONER FITZGERALD: Yes, we'll organise that for you. So, Jack, thanks very much for making that submission and we're grateful that you've (indistinct words) and give us a written submission and a brief telephone submission as well. So thank you for doing that.

MR FORDYCE: And thank you for listening.

COMMISSIONER FITZGERALD: Good, thanks very much, Jack.

MR FORDYCE: (Indistinct).

COMMISSIONER FITZGERALD: So we'll just break for 10 minutes and then we'll resume.

SHORT ADJOURNMENT **[3.15 pm]**

RESUMED **[3.25 pm]**

COMMISSIONER FITZGERALD: If you could give both your names in full and the organisation that you represent please.

DR WESTPHALEN: Doctor Neil Westphalen, the Royal Australasian College of Physicians.

DR HARREX: And Dr Warren Harrex, also from the Royal Australasian College of Physicians.

COMMISSIONER FITZGERALD: Good, thank you very much. Thank you very much for your submission and if you could make an opening statement that would be terrific.

DR HARREX: Good afternoon. We would like to thank you for the opportunity to present to the Commission on behalf of the college. We would firstly like to commend the Productivity Commission for highlighting the usually unseen consequences on individuals which can arise from or following military service. Most illnesses and injuries are not classified as combat-related and hence do not receive a high profile, so thank you for raising that issue. Your inquiry into veterans' compensation and rehabilitation is of particular interest to two groups of specialist physicians within our college, specifically rehabilitation medicine physicians and occupational and environmental medicine physicians. For the benefit of those who don't know, as a broad generalisation rehabilitation medicine physicians are hospital-based, treat people of all ages following illness and injuries and they have a focus on improving the function of these people, especially with the activities of daily living. Occupational and environmental medicine physicians are generally community-based and their role is the prevention, treatment and rehabilitation of people with work-related illnesses and injuries. We also provide specialist advice on suitability for employment for individuals who may have some limitation of function because of their medical or physical conditions.

The college recognises that military service, even in peacetime, is probably one of the most hazardous occupations in Australia and that risks are inevitable. That is why we consider that rehabilitation and compensation cannot be considered in isolation and there is a need to consider work health and safety for veterans as a whole of life systems approach. We note that you are seeking advice on what is best practice in the areas of rehabilitation workers compensation and we believe rehabilitation medicine physicians and occupational medicine specialists have much to offer in this particular area to both ADF and DVA.

We note that many of the areas you have highlighted in your draft report are essentially administrative processes, but we consider specialist advice that can be provided to help design and implement better work health and safety rehabilitation and compensation programs for both ADF and DVA. We consider that improving work health and safety is the most cost-effective approach and, importantly, will reduce the harm on ADF members and have a flow on effect on reducing costs of both treatment and compensation. We consider the return on investment for work health and safety is likely to be substantial.

We have identified a number of areas which we believe could be improved using best practice guidelines. Firstly we note that there is underreporting of workplace illness and injuries in the Australian Defence Force. Best practice indicates not only should there be timely reporting

but there needs to be ongoing population-based analysis of trends over time to identify reported injuries and illnesses, and this can lead to investigation as to possible causation and hence implementation of preventive measures. We note that many companies in Australia report their work-related illnesses and injury rates in their annual reports and also at their annual general meetings, demonstrating both their concern for their workers' wellbeing as well as reducing costs.

Secondly, we note that the mere reporting of workplace illnesses and injuries is not a substitute for determining the legal liability from a compensation perspective. It is apparent that there are often long delays in veterans submitting claims following a treatment for workplace illnesses and injuries. Accordingly, this inevitably leads to costs and delays. If claims were submitted as soon as possible, as happens in most other organisations, legal liability could be assessed using contemporaneous information, thus significantly reducing both costs and processing times. So best practice would be better reporting of illness and injuries and timely submission of compensation claims in order to determine liability.

With respect to causation in determining compensation we acknowledge that there is often a long interval between exposure and the development of some conditions and some illnesses, and mesothelioma asbestos is a very classic example there. Determining causation under those circumstances can be difficult and we suggest this really requires the skills and knowledge and experience of people who are familiar with the work environment and the associated hazards. Our experience is that specialists who do not have military experience or little knowledge of work environments and conditions are usually poorly equipped to provide such advice.

We also acknowledge that veterans often report that their military service has been one of the most rewarding aspects of their careers. There are many reasons for this but military personnel are highly trained, understand they are an integral part of a team, understand their specific role, feel valued and have a sense of purpose for what they are doing. Often those same rewards and sense of purpose is not there in many other occupations which people encounter after and following their military service. So we consider from a mental health perspective there needs to be significant emphasis on promoting and gaining employment following separation from the Australian Defence Force. The College considers this is probably the most effective way of maintaining the mental health of veterans.

The evidence is now that employment is in individuals' long-term best interests, as we know that the health of people who are unemployed or who are employed in poor workplaces, so-called toxic workplaces, is worse than those who are employed. This evidence has only come out in the last decade. In particular, unemployment is associated with high rates of suicides in both males and females, and we gave some figures in our report. Promoting employment and improving working conditions are the basis of the College's campaign called the Health Benefits of Good Work. Given the availability today of antidiscrimination legislation, assisted technologies and rehabilitation expertise, there are now excellent opportunities for employability despite the presence of endless significant health issues of individuals. We therefore consider that the disincentives to employability in the current pensions and incapacity payments needs to be addressed.

With respect to the compensation process, the College notes the determinations are usually long and process-driven. We do endorse the statements of principle as being evidence-based and sound. The challenge is relating the factors that is causation to defence service. Apart from initiating a claim, we note there is little guidance available to either claimants or health professionals as to the requirements and process of compensation and there is reliance on using the advocates who often have more experience than many others.

In conclusion, we are willing to elaborate on any areas we have just mentioned or addressed in our written submission. Thank you very much.

COMMISSIONER FITZGERALD: Thank you very much indeed, and your submission is very interesting. You have given us an extensive set of recommendations, both in relation to the ADF and DVA which will be very helpful. Can I just get a clarification, OEP, what does that stand for?

DR HARREX: Occupation Environmental Physicians.

COMMISSIONER FITZGERALD: The recommendations here, if I can just take a couple of them and what you've been talking about. There's a statement in here in relation to ADF rehabilitation, so let's go to the ADF if I can for a moment. We have been intensely interested in the safety regimes within defence and the preventative strategies that have been put in the place. The overwhelming sense is that we have that since 2011 when the Occupational Health and Safety or Workplace Safety Regulations came into force in a very significant way, there was a significant charge in the culture and practices within ADF. But your statement here, and it's particularly in relation to the navy, but it's said, "One of our specialists has advised there's been a threefold increase in the

number of navy members with medical restrictions and a fourfold increase in those deemed medically unsuitable for deployment since 1996". And your conclusion I think is that you're not as confident as we've been led to believe that there's been an improvement in safety and injury prevention within at least that arm of the service.

So could I ask this just in a general sense. Is it the view of your members that there may not have been a significant improvement in the preventative strategies of ADF?

DR HARREX: I think in the preventative side of things there may well have been some improvements when the legislation come in. Legislation and regulations always improve things. But I said it's again that culture, the conduct of work and the compliance which is an issue. With respect to rehabilitation, I think the military has always done a very good job in treating their people and getting back to work. But I said what we're really saying is it needs to be better reporting, better acknowledgement and better understanding of causation and reduction, and better prevention.

COMMISSIONER FITZGERALD: I get a sense within the ADF, and again I'm paraphrasing, that you don't believe that OEPs, in particular, and the skills and expertise generally of your members are being as well utilised as they should be in the design of those programs, information gathering and then ultimately practice improvement. Would that be right?

DR HARREX: Yes, that's right. In many respects we see our role as being specialist advisors and the analogy we were talking about to other people a few weeks ago, in some ways you know defence are very good at maintaining their aircraft fleets and their shipping over four or five decades, and not many people drive cars that are four decades old. But to do that repair and that maintenance and that scheduling and make sure the proper use of those ships and aircraft, the operators use the expertise of engineers. So we are equivalent to the engineers because we see people from the causation of hazards that they experience, what might go wrong, what can be done to prevent those things happening, treating them, the maintenance and, if you like, the rehabilitation. So we see our role as very similar to the engineers in the big construction of the projects.

COMMISSIONER FITZGERALD: Do you think, and again these are generalised statements, that ADF values that sort of perspective, that sort of expertise, or do you believe that the ADF by and large believes it knows how to manage its own capabilities, including human capabilities?

DR HARREX: Look, I think there's some very good people in Defence and outstanding people, but there's a very high turnover of senior executives in both DVA and Defence. So trying to maintain that corporate knowledge about a strategic approach to the whole of life, about work health and safety is problematic. So you really do need that advice, and that is why we indicated that in all the good companies and big mining companies occupation and environmental physicians report directly to the very senior management and give that advice, because in other organisations people's wellbeing and costs are a major factor.

COMMISSIONER FITZGERALD: And just to give me an (indistinct) for a moment, some of your recommendations go to OEPs or your practitioners having greater expertise and some of the high levels; for example, a service to work health and safety committees and that sort of stuff, so it's right at the top of influencing.

DR HARREX: Yes.

COMMISSIONER FITZGERALD: Can I just go to a second thing and it's related, but it's in the DVA area. You've got a statement in p.5 which says, "We note that the present DVA has not specified either occupational medicine or military skills, knowledge, experience or training as even desirable criteria when contracting clinical advisors in their compensation sections and rehabilitation".

DR HARREX: Yes.

COMMISSIONER FITZGERALD: Can you just expand a little bit about that and what impact you think the failure to recognise those skills and specialities is having.

DR HARREX: I think there's a perception that anyone with a medical degree can give competent medical advice, and I don't think that's the case. You wouldn't go to a cardiologist if you had a broken leg. So there's horses for courses. And certainly in best practice compensation areas there's a lot of insurers' workers compensation organisations that do employ specialist occupation environmental physicians to give that specialist advice because that reflects their training; they get that knowledge and that experience.

DR WESTPHALEN: If I could just add to Warren's comments there. My background is more to do with the defence side - I have far more experience on the defence side than with DVA, but in a past life I've had 14 years of running health facilities ashore and have had a lot of contractors come through, medical practitioners come through. There's no

data but anecdotally the - we get some very, very good medical practitioners performing - treating service personnel but in my experience it takes around about 12 months, if they're working full-time, for them to actually get their head around everything that Defence does. If they're part-time it's inversely proportional to how long it takes, and if they're sessionals that come in once or twice a week it's basically - it's unfair on them and it doesn't do the patients any good either.

COMMISSIONER FITZGERALD: Can I just ask a question about outsourcing. Both Defence and, to a lesser degree, DVA are looking at various models of contracting, outsourcing - I think the term is "partnering with" private sector enterprises in the delivery of rehabilitation services, and as you know the defence force has just entered into a contract with Bupa, which is a national contract, and part of that is rehabilitation, although the majority of that is health.

In the commissioning of rehabilitation services by either defence or DVA in particular, what do you think are the most important things to take into account when actually doing that, and is it a good model anyway? We had a roundtable last year talking about rehabilitation and we will be doing some much more extensive work in the final report. But given there is a propensity to contract out rehabilitation services, and that's been happening for some time, are there any particular aspects that should be carefully considered in doing that, from your point of view?

DR WESTPHALEN: I think that the difficulty is that there's been I think round about three or four of these outsourcing contracts have gone through in the last ten years or so. They've all gone to different companies. The bit that people don't seem to realise outside, for those that aren't intimately involved, is that each of those companies are more or less employing exactly the same people, so one contract finishes, they change their tie colour to the different tie colour and they start again on Monday with a different group. The benefits of that is that at least you manage to hang on to that aforementioned expertise that we're talking about. The difficulty with that is that you may have been a civilian working in the defence environment for an extended period of time but it is hand to mouth and it also leads to - the other problem of course is that unless they're actually ex-service people, and similar to what Warren was saying about DVA, you don't actually have to have a service background to be employed, you haven't got that deployment experience to go for. And I think what's happened is that, yes, we've got lots of very, very good medical practitioners but they're learning off people who haven't been themselves deployed and we're now into the fourth federation with newer doctors starting as the older doctors leave, that's leading to an increasing

amount of people who don't know what they don't know, which is not their fault.

COMMISSIONER FITZGERALD: So does the contracting arrangements entered into either by defence and/or DVA, whatever form that takes, does it need to be more prescriptive as to the nature of the expert personnel, the practitioners, in the way that you've described; are they just sort of too open ended and it's basically effectively rehabilitation providers? Whereas I gather from your submission you think that that expertise and experience is vital and should be better recognised in the system generally, and the only way that can happen is either through case management and/or through the contract arrangements.

DR HARREX: Yes, that's certainly our recommendation. Certainly for general practitioners, if they see someone with chest pain they'll refer off to a cardiologist. If they see somebody with ongoing stomach pain they'll see a gastroenterologist. But when they come to a work-related injury they don't refer to anyone. And when we consider the probably high rates of work-related illness and injury in Defence and also in DVA, when you're dealing with compensation, I think this is an omission. This is a serious omission, not having access to that specialist level of service.

COMMISSIONER FITZGERALD: I will cross to Richard in a second, but do you think that is - what drives that? Is it a lack of understanding of the importance of your members and the practitioners that specialise in this area? Is it a cost issue? Is it something else? Why do you think that lack of acceptance, given this is a long-standing issue, rehabilitation has been a central part of these systems for some time.

DR HARREX: I think there's a combination of reasons. Firstly, one of them is that the Faculty of Occupational Physicians and the Rehabilitation Physicians, the numbers aren't really all that big, so there's a bit of a supply issue as far as that's concerned. But the other issue goes back to people not knowing what they don't know. I shouldn't take these personal examples but I will. For example, what reserve work I've done since I left Defence in 2016 has been looking at things like potable water on ships and things like that. The scope of what they think I do is this big, the scope of what I can actually provide, it's very hard to come up with an area of military medicine that occupational medicine does not go into.

As Neil said, it's a lack of awareness of what expertise is out there and it's also because again, as I said before, there's a high turnover of administrative staff and these are - contracting is seen as an administrative process and not really understanding what may be available in the way of

expertise. I think in your report you talk about ad hoc policy development and again this is reflecting a lack of input I think from specialist services.

COMMISSIONER SPENCER: Just on that last issue, I'm just thinking that if this was where you think it needs to be and most people would agree I'm sure, and the fact that it's not there at the moment, it seems to me if you're really very good in that space, you're highly qualified, you have two drivers: one is, "I want to go where I can make a bit of difference, and I want to be fairly or appropriately remunerated", so a lot of us make those choices in life. So as things stand at the moment you're painting a picture whereas if I had the opportunity to go and work for a major - around, say, a major mining company that is really best practice, really takes this seriously, it goes right to the top level of the organisation and I'm looking at working in the defence area, you're painting a picture here, "That's probably not going to be my first choice". So there's a bit of a chicken and egg here, is there? I mean if you step up the positioning and the importance of this, you're more likely to attract those practitioners that do have the expertise and the knowledge and the skills. Is that a reasonable way to see how people - practitioners would see it?

DR HARREX: I think that's true, but I said you have to define you have a requirement first. At the moment there's no positions available within ADF or DVA where they actually require that skill set.

COMMISSIONER SPENCER: But that would also be true in the outsourcing model wouldn't it, because if you're choosing to be employed in that model and this is the kind of work you're doing, and you're sizing up this against your other options, this may not be the highest option because of some of the limitations you're talking about. Would that be a fair comment?

DR WESTPHALEN: Yes, I think so. The comment I was going to add is that the current career structure for medical officers when they join the defence force is essentially structured around giving them - qualifying them as general practitioners. Your analogy with mining companies is apt. What I would say is that Defence would offer a really good training background for trainees who want to become occupational physicians. That training, once they're through, that expertise can be used within Defence but it also opens up the door to other fields of occupational medicine, such as the ones you're talking about.

COMMISSIONER SPENCER: And you've got to have some experienced people to be able to impart those skills and that experience to a military cohort and make it attractive for them to want to be part of this.

DR WESTPHALEN: Well again, giving myself as an example, I started my training as an occupational physician in 1999 and at that stage there was no access to occupational physicians within Defence. There were plenty of ex-serving occupational physicians but most of what I was getting was actually occurring through my sitting in with occupational medicine peers.

COMMISSIONER SPENCER: Can I go right back to the beginning of all of this, because we've sometimes heard and I've had some anecdotal feedback about "This person should not have been in service". So there's something about the - and I don't know very much about this and you may or may not have comments about it, but the screening process about who comes into service and the selection of individuals, we have heard comments about "How did this person arrive there?" Now, is there any role for an occupational specialist to be part of the screening process, or is that not relevant or appropriate to actually - and I'm thinking in the best interests obviously of the ADF, you know because once you have that person in service it becomes difficult for them, but it's not in the best interests of the individual either, if they shouldn't have been there in the first place, for a range of reasons. So is there something about screening, right back at the beginning of this whole process that needs to be looked at?

DR HARREX: In general, I think the recruiting process is pretty good because - it's pretty good. If there are clear cut medical conditions, and there is doubt about that, in the recruiting process normally they will go to clinical specialists who have got a military background to get some advice. But certainly specialist occupation environmental physicians do have a role in helping define selection criteria. I think the ADF has pretty robust selection criteria already, so there's probably not a great role there because the current system is not too bad. Like I said, they do use people who have military experience in those grey areas. They certainly is a very significant role in transition for people leaving, to really identify compensable conditions, identify what's going on, document it clearly and effectively, particularly when any compensation claim is raised within defence. There is also a role looking at the injury and accident reporting figures and certainly from a population from a view, expertise in that particular role. So I think there's more benefit in those areas, rather than sort of in recruiting.

DR WESTPHALEN: Just expanding on Warren a little bit. I think that the first thing is that the recruiting processes have developed over the last century and that's part of the reason why they're fairly robust. They are needing to evolve as medical technology changes, that sort of thing there. But Warren's basically right in saying that we do have a role with respect

to coming up with selection criteria or amending selection criteria as things change but it's not a big one. The other role is providing input regarding an individual's suitability for service over and above whatever the specialist may be required. Doing that you would need, definitely need military experience as well as an occupational physician. So there's that aspect to it.

DR HARREX: No recruiting process is ever going to be perfect. There's always people who are not going to declare pre-existing conditions - - -

DR WESTPHALEN: Sorry, there is one - - -

DR HARREX: Or don't fit in.

DR WESTPHALEN: Sorry Warren, I do apologise. There is one extra thing to point out in that. You're quite right, that people wonder how people got into Defence in the first place. A lot of it is because sometimes it actually happens because what we - and the psychologists who do the assessments as well - we only provide recommendations. The actual decision is still made by the recruiters, and a lot of the time those decisions can be overridden and - so there's a little bit of, you know, we're not entirely surprised when these people subsequently fall over.

COMMISSIONER SPENCER: Right, okay. Look, I'm just interested, as representatives of the College, does the ADF and the DVA reach out to you as the College; do you seek to engage with them? What sort of discussions do you have around all of this? Because at one level you would think this is all absolutely well known, best practice, you've quoted lots of examples. So do you as the College really proactively engage with them, or do they do likewise, or how does that work?

DR HARREX: To be honest, I don't think there really has been any formal discussions at all between the Australian Defence Force or Veterans' Affairs and the College of Physicians in this area at all. Are you aware of anything, Neil?

DR WESTPHALEN: I'm not aware of anything. I think that the contacts that Defence makes goes to individuals within each of the colleges, of surgeons, of ophthalmologists, et cetera et cetera, but in terms of Defence engaging with individual colleges, there's nothing at that particular level. I will say that the contact with our college with respect to the stuff we're talking about today, is zero, I would say. I'm certainly not aware of any contact.

COMMISSIONER SPENCER: Does that surprise you? Do others reach out to you and are there different sectors that touch upon your professional expertise?

DR HARREX: Well certainly organisations approach the college looking for names of specialists that they can contact who might be of use. The college doesn't formally go and advertise its role. It puts out lots of policy statements and contributions. It's there as an independent authority body of opinion, if you like. But it's not really there to promote jobs.

DR WESTPHALEN: The way to characterise the college by and large is scientific entities with an advocacy role. Not a, for lack of a better way of expressing it, an employment firm for recruitment.

DR HARREX: Its primary role is training the specialists.

COMMISSIONER SPENCER: Thanks, yes.

COMMISSIONER FITZGERALD: Just following on from that a little bit. The Joint Health Command within the ADF is an exceptionally important part of the system and has an overarching responsibility for health and rehabilitation. Just following on from Richard's comment, I presume from what you've said you don't have a great deal of formal relationship with that organisation. Would that be right?

DR HARREX: With the college, no, we don't. Certainly informally that comes up quite a lot.

COMMISSIONER FITZGERALD: Sure. But given the expertise of your college, your members and what you've said today, it would seem to me that there would need to be a much better or closer relationship between your body, or at least your members and that of the Joint Health Command.

DR HARREX: Yes.

COMMISSIONER FITZGERALD: You have recommended here, you've referred in your statement to the Sea King Board of Inquiry and following that there was an introduction of what's called a "Worthiness Management System". You're suggesting that in relation to personnel, that you establish what you call EMAPs, similar to specialist engineering expertise. Just explain what that is, what is an EMAP?

DR HARREX: Expert Medical Advisory Panels. What we recommend is as a person starts, that's what we'd advise him, do that first up. Get

some advice initially. And I think this would be beneficial to the Australian Defence Force.

COMMISSIONER FITZGERALD: The second thing is, could I just understand the scope of an OEP. Many of the veterans, both those serving and those that are post-serving have comorbidities, both physical ailments and mental health ailments.

DR HARREX: Yes.

COMMISSIONER FITZGERALD: To what extent does the OEP, the practitioner cover that field, or do you have a clear delineation between physical and mental health?

DR HARREX: No. We are trained to use a bio-social approach, which is the current best practice, and we've been doing that for over 20 years and it's been picked up by a lot of rehab organisations and workers compensation insurers since that. Our (indistinct) good work, which is very much going on not only from physical safety but it's going on to mental health in the workplace as well, covers those particular issues. So our specialists are really taught how to assess and what are the hazards in the workplace and whether they're biological, chemical, physical, psychological or ergonomic. They learn how to monitor those hazards, how to control those hazards, how to protect people, diagnose and treat work-related conditions, including stress-related conditions, and provide rehabilitation and return to work strategies. So that's the breadth of the things we do. And also from a medico-legal and compensation perspective we also know how to assess the degree of impairment and how to provide advice on causation.

DR WESTPHALEN: Another way of expressing it, the shorter way of expressing it is that we're very much about two things. One is the effect that workplaces have on people's health and on – and how people's health affects their ability to work.

COMMISSIONER SPENCER: Well, in a hearing we had last week, a rehabilitation organisation spoke to us about bio psychosocial approaches. And they had developed a particular program and it had been trialled and found to be successful, but they've had almost no take up. And their view was, and I want to just be careful, that the Defence and DVA had no interest in bio psychosocial approaches. And yet, you say this is the common way in which most worker's compensation and other schemes and arrangements operate. Has that been your experience that the ADF or DVA doesn't value this sort of – well, holistic approach or has that not been your experience?

DR WESTPHALEN: I think the clinicians within the ADF and also the clinical advisors working in DVA, most of them would really have a bio psychosocial approach. Again, it's getting the advice that – the turnover of the executives are getting the corporate knowledge in that this is a good model to actually pursue.

DR HAREX: I think that I'd say it slightly differently. I think there's an interest in a holistic approach to patient care in Defence that it's oriented around primary care by general practitioners, which is not quite the same as what we've been talking about here.

COMMISSIONER FITZGERALD: So just one of the things. There's changes taking place in relation to rehabilitation by DVA, effectively in the middle of the year. There are some changes to the RAP program and I am – I'm not a conversant, but one of them is that after eight sessions with an Allied Health worker, they are required to go back to the GP. And we've heard various views about that. Some positive, some negative. But it goes back to the traditional model that Australia always has, is the GP is at the centre of everything. And I wonder, is – and I don't necessarily, well, I will. Do you have any reflections about that? And there probably are multiple reasons why DVA is doing this and we will look at that. But at first instance, it's a very traditional model that you put the gatekeeper back to the GP and that's what we've done often. But often without very great benefits being delivered.

DR WESTPHALEN: I think it's been government policy for a long time that the entry to the health service is through the GP. Because somebody's got to be able to coordinate all these key – all things.

COMMISSIONER FITZGERALD: Sure.

DR WESTPHALEN: Otherwise, you'd have patients going off and seeing three dermatologists and two orthopaedic surgeons and no one's coordinating the care and they're getting different advice. So that's why I think the GP is really important to coordinate all those additional services.

DR HAREX: With respect to limiting the number of Allied Health services, I suspect this may well be to control over servicing. As I said, in some ways you're penalising the 90 per cent of people doing the right thing or the exceptions. And I think there's probably better ways of targeting the exceptions.

COMMISSIONER FITZGERALD: So if you take that model, let's assume that's introduced and I'm taking a very simplistic approach to the

reforms, you have these eight sessions, you go back to the GP. In that system, it's really up to the GP to refer to your specialists, is it? Who refers to you? So it's the GP?

DR HAREX: Yes, normally, it's referrals from the GPs, yes.

COMMISSIONER FITZGERALD: And if DVA in this instance, doesn't have a very proactive case management of those clients and we've been critical of that in our report, where we don't think that case management system is proactive enough, is it likely that a GP will refer to a specialist such as yourself, or is there a lack of knowledge, understanding of the value or even the role that your OEPs can play?

DR HAREX: I think it's the latter, primarily. Yes.

DR WESTPHALEN: Yes, you know, I mean, there's – in Australia, it's our only relatively new specialty. Especially of occupational (indistinct) medicine. It's only been part of the faculty within the College of Physicians for just over 20 years.

DR HAREX: There's about five or 600 in Australia. There's a lot of registrars being trained. So it's a lack of awareness, I think. And availability sometimes, of specialists.

COMMISSIONER FITZGERALD: So just in that model that I've put to you, where does the single – where does the change have to come? Is it in the case managers that technically deal with the veteran? Is it in the GPs? Where is it? Where does the system have to most fundamentally change to better access the services of your members where that's warranted?

DR WESTPHALEN: Well, in most organisations, most of the demand comes from the insurers with this compensation agency. So in other words, the case management. When somebody – a good rule of thumb – if someone's not back at work within six weeks, that's really when you need some specialist advice as to what's going on.

COMMISSIONER FITZGERALD: And do you have any view about the case management of rehabilitative services, generally, within Defence and/or DVA? Because we're being quite critical.

DR HAREX: I think Neil and I both have some personal knowledge, but I don't think the College has any particular awareness that we - - -

DR WESTPHALEN: Yes, yes.

DR HAREX: - - - can't comment from a College point of view.

COMMISSIONER FITZGERALD: Do you have any insights about how we should improve case management?

DR HAREX: I think if you had – if the administrative staff, the managers, had a requirement to have access to expert medical advisory panels, I think there'd be a change.

DR WESTPHALEN: I think that's the go. I think that if – it would need to be driven from the top down. And I think that what Warren's saying is if you start with the expert medical advisory panel at the senior levels, the requirement for how – to pan this out so that our expertise is used for rehabilitation among other purposes would naturally flow on from that.

DR HAREX: And it'll just (indistinct) over time.

DR WESTPHALEN: Yes.

COMMISSIONER FITZGERALD: Okay. Is there any final comments that you have for us? And again, the submission is very clear.

DR HAREX: We just thank you for the opportunity for hearing our submission.

COMMISSIONER FITZGERALD: Sorry, there is just one question. And I should have asked it earlier. The RACP Health Benefits of Good Work Consensus Statement. I'll look it up, but what in essence, what is the consensus statement?

DR HAREX: The consensus statement is basically that people at work will be treated with respect. They won't be bullied and harassed, if you like, but they'll – if their concerns are taken seriously, it – people will feel some job security. They feel that their work is being valued, instead of being criticised. They're given reasonable workloads to deal with. And in other words, that people feel that they enjoy being at work and they get some value out of it and they feel productive.

So that's, in an essence, so it's very much moving on to dealing with reducing harassment, bullying and those type of negative approaches would work. Encouraging a much more fulfilling workplace. And if you're interested, google did some work for Project Aristotle on the difference between their high performing teams and their lower performing teams. And one of the big factors they found was

psychological safety. People felt free that they could raise concerns about their work and better ways of doing business without being victimised and bullied and harassed. So that's worthwhile looking (indistinct).

COMMISSIONER FITZGERALD: So if I could just ask the following question. The statement, the consensus statement as it stands, the one you've just sort of paraphrased. Could it be applied to the ADF or would it need to be modified, having regard to the so-called unique features of military life that we've heard and accept exist?

DR WESTPHALEN: I'd have to have a good look at it, but I think in general, it could be applied pretty well.

DR HAREX: I think that – I think that the context is important. But I would suggest that the consensus statement, if anything, would be more relevant to the ADF, because of the challenging nature of what its people are expected to do.

COMMISSIONER FITZGERALD: Okay. Well, we'll look at that. Thank you very much. Did you have any further comments?

COMMISSIONER SPENCER: No, no. That's terrific.

COMMISSIONER FITZGERALD: Thank you very much. That's been very helpful. Thank you. So that's good. And could we have Jim and Ross, I think it is, from the RSL Woden Valley sub-branch, please?

MR GILCHRIST: I'm Jim, and - - -

MR THOMAS: Ross.

COMMISSIONER FITZGERALD: Good. Have a seat, please.

COMMISSIONER SPENCER: Good, grab a seat. Thank you.

COMMISSIONER FITZGERALD: Good. So thank you very much. And Jim and Ross, if you can both give your individual names and the organisation you represent for the record, please.

MR GILCHRIST: James Gilchrist, president of Woden Valley RSL, sub-branch.

COMMISSIONER FITZGERALD: Good.

MR THOMAS: Ross Thomas, a pension officer with the RSL sub-branch, the Woden Valley sub-branch.

COMMISSIONER FITZGERALD: All right. Thank you very much. And thank you for your written submission and we have that and we're very grateful for it. And we've obviously had RSL branches or state branches at some of our other hearings and we'll have a few more in the weeks to come. So if you can just give us an opening statement for about 10 minutes or so and then Rich and I will have a bit of a chat.

MR GILCHRIST: Thank you. We've been working together. I've been involved with Woden Valley sub-branch for at least the last six years. We were focussed very much on the service delivery to the veteran community which we broadly call Big W Welfare. It's got lots of funny names to it. And that covers a whole range of things. But the two key issues are claims and appeals and then the follow up from entitlements. Once people get their claims and appeals done, we then have to help them through, those who are most needy, we help them through the process of acquiring those services. And that is a through life process. And the more people need services, we are finding the more they need assistance to negotiate those sorts of issues.

The other thing we're finding through that, in a general basis, is that there are younger folk, but there are lots of people who, as they are aging, they are unable to cope with issues. Physical, mental and emotional, that sort of stuff, particularly while they're active. And that would account for a whole bunch of people who have left the military. As they age and various other things kick in, including normal life experiences, that brings back some of the issues including their physical health. They can get sick, family issues and so on. They change jobs and eventually retire. Those then become speed bumps, which will then bring other issues to bear. And it is then, particularly with the mental health issues, if it hasn't affected them before, it is likely to affect them then. And to that end, we are getting quite a few Vietnam veterans who in their late 60s, early 70s who have been negotiating life quite satisfactorily under various forms of difficulty, until they hit this wall of needs and that brings things forward. They are also getting some serious cancers and the like.

In my time, since we've been there, we have developed quite a team to do claims and appeals, because without that, you don't get to the starting gate. The welfare side of things, has grown from what normal sub-branches have normally done, which are hospital visits and mates helping mates. What we now do is help people through that system and things like, I don't know if you know, but once you get over the age of 65, most welfare is controlled through My Age Care. Everything's done online.

You can't do anything without online. And so there are ACAT assessments or ACAT-like assessments all the way through the process and people who are doing it for the first time who need it have no chance, whatsoever in our opinion of negotiating those systems. So we are now changing into that sort of model.

We also find that when people are coming in to make a claim, it could be for some osteoarthritis, crook leg, crook back, hearing and that's the basic thing. Sometimes it doesn't take much to let – build their trust. And then all of a sudden, they will outline some other more and sinister issue. Particularly in mental health or well-being side of things. That is a building of trust. Sometimes that takes a few visits but even this morning, we had an extraordinary admission from someone who had been seriously bullied through his military career which is something I don't particularly want to talk about at the moment. But it was just something that came up through general conversation. And Ross has been dealing with him for the best part of 12 months.

As far as the report's concerned, we only want to focus on the high level issues. As you know, we submitted a report to the scoping study. We had a good conversation with Mr Cornell and presented our views. And to put it in context, we have dealt with 2000 cases over the last eight years. Our case is any number of conditions a client claims under one legislation. One Act. So it could be three, four, five or six. And you could be two – one or two Acts and eight cases. One of those. We've dealt with 2000 of them, so we believe we've got a substantial number. And as I said, the welfare cases are quite complicated and it's normally at the high end.

In relation to the appointment, sorry, two things I'll make here. A couple of us, myself included, I chair the National Veterans Affairs Committee for the RSL, so I speak from a reasonable degree of experience or interest, if you like, and we have excellent contacts. Our senior welfare officer is now the chair of that committee and he, too, has reasonable contacts. So for various reasons, we have been able to liaise with people and talk with people about issues at a level that is somewhat higher than a sub-branch.

COMMISSIONER FITZGERALD: Sure.

MR GILCHRIST: To that end, the key points we have is that the compensation and rehabilitation system is satisfactory, it is fit for purpose and like any system, it just needs constant monitoring and amending where appropriate.

And to that end, two things come out of it. Firstly, we don't think the way the report is written actually covers this need for life support. And we

said that to Mr Cornell as well. Because that's going to be a never ending story. The second thing is, we have been – I've certainly been involved for six years; Ross, for a bit longer, quite a bit longer - the changes that have been applied in DVA under the veteran centric review have been excellent. And particularly the non-liability health care for mental health is an absolute wonder for just about everybody I ever speak to.

And it's amazing what that produces and how helpful it can be. Similarly, the non-liability health care for cancers takes the immediate stress of having to pay for things at a time when you're most vulnerable. So those are brilliant. We also find, you were talking about case managers before and we can pick the phone up with a client liaison unit to talk about people and we talk down the line to the second level of that as well. And again, given the limitations of numbers, and the information that they're allowed to have, we are finding we're getting very good support. And if we're not, we let them know, and things can be addressed.

That said, nothing is perfect. And I'm well aware of the top level of DVA that are working very hard to get that squared away. And we also make the comment that Defence has a prime responsibility of defending the country. I'm sure you've heard this before. I used to - Warren Harrex was my boss at one stage. I wrote policy and doctrine on evacuation policy and the like. And there's a fundamental issue in Defence of treating – looking after its people, broadly called leadership, which varies – and it also means that you treat casualties as far forward as possible with a view to getting them back to work. It's an integrated rehabilitation system.

When they can't work, you evacuate them as rapidly as possible to a position where they can be treated. At some stage, there's a law of diminishing returns and they're taken out of battle. Or in the case of the services, they are actually medically discharged. This is no more or less than what's been happening for years. So – and I've been part of that and I think that's good.

Prime responsibility of Defence is to prosecute or train and prosecute for war. And that note that we've put on the top, "Go forward, looking backward, celebrate the progress we have made, fight for what is right and remember where we came from", is apposite to those two. DVA's been around 100 years. Defence is doing it and there's always room for improvement.

Specifically, some of the legislative areas, they only cover the claims and appeals. There are several areas, particularly in the VEA that could be fixed with a stroke of a pen, particularly in relation to the alone test, the

age for retirement and stuff around that. And quite seriously, that could be fixed within a week if people were fair dinkum about it. There are others, such as the combining of entitlements or issues under several Acts. And we will talk about this this morning. Particularly under the VEA and the MRCA. And that's going to become more common, but would take a little bit more thinking about. But there would be no reason why a beneficial legislation could not be fiddled with, and I mean fiddled, just a little bit, tweaked, call it what you like to ensure that it is applied beneficially.

The use of the term well-being is another one, which I just was talked about a minute. You can't do well-being in our opinion, you achieve well-being by having a proper state of physical, mental and emotional well-being. And that again, has been a principle of military medicine for years. We apply that when people come in to do claims. Quite often we have to put – help them get into a calm spot before they explain what they're really trying to ask about.

And lastly of the dot points, the family is an integral part of this. The family will be effected by everything the veteran, whether it be a he or a she, comes back home with. Whether it be from war or exercise or anything else. And that family must be part of the – considered part of the potential - potentially part of the problem and part of the solution. And the better you can keep the family together, the better it is and that should – that's why we refer to the veteran community.

The other rather contentious point we put on the bottom. Not all ESOs in our opinion are actually ESOs across the range or type of services they provide. There are some big ones like the RSL and legacy who've got legacy in particular, but specific areas. RSL tends to do straight across the board. Vietnam vets do straight across the board but some of the others have specific focus.

COMMISSIONER FITZGERALD: Sure.

MR GILCHRIST: That said, they seem to have a disproportionate voice on what is wrong with the system and how to fix it. It's a personal opinion as much as our opinion. And lastly, the transition process, which I didn't record in here is the expansion of that evacuation. At some stage, they have to go, "That is improving" and we're happy to help. Thank you.

COMMISSIONER FITZGERALD: Thank you very much. And again, thanks for the submission. And you've also given us the scoping study's submission and I'll come to that in just a moment.

Can I deal with just a couple of issues that you've raised? The role of Defence, if I just start there, because it always starts there. The expression – we fully understand that the primary purpose of Defence is to have force capability, ready for deployment and that's its primary role. But in other jurisdictions including New Zealand, the Defence department actually looks after Veterans policy, not administration, and so it seems to us interesting that in Australia, Defence is very narrowly defined. And veterans such as yourself and others have said that and so have people in Defence.

Whereas we had a view that Defence should be responsible for the impacts of the service that the personnel undertake. And at the moment, it's hit the door, out you go and it doesn't have any responsibility. Younger veterans are saying to us that's not the deal we signed up for. We said, Defence has a responsibility for the well-being, welfare of its defence personnel. We think they're completely compatible. Good capability of personnel is essential to good preparation for deployment or war.

So I'm just wondering. I understand that most people have said to us they don't approve of our recommendation of putting policy into Defence. We've heard that from many people and I'm sure that's what you're saying to us as well. But I just want to understand now. I just want to flesh this out, given your experience. Is it right that Defence in Australia should take a very strict approach to its role? Whereas we would actually think being very attentive to the well-being of its service personnel and acknowledging the impacts that service has is part of the Defence responsibility. Not in total, obviously, as you said, they've got to stop at some point. But we are struck by this very, very tightly framed mission statement of Defence in Australia.

MR GILCHRIST: Well, I've served from 1967 through to 1998 and subsequently been involved, so I covered quite a – a (indistinct) I have never served on operations, but I've dealt very closely with people who have. First thing I would say is leadership is supposed to be an inherent part of defence service and that's looking after your men. I'm not sure if you know that morale is one of the three factors of combat power. Morale is served by exactly what you're talking about. Including the evacuation policy.

And that's inherent in things. And they were talking about the GP before. We convert a GP who joins the military into a medical officer. So the medical officer can apply the medical training into a military environment regardless of what that is. So that's critical. The leaders are supposed to then work as a triumvirate at various levels. With the chaplains, the

medical officer and the commanding officers. If you take that as a basis, they do their best. That said, if they are required to prosecute something, in war, there is no plan B, so they have to keep doing it. You can't just stop doing it. So that would be – you go backwards from that. There are training exercises and activity that try to simulate that. And by all means things can get a little bit untidy there.

Now, that said, I was taught a long time ago, the US Marine Corps has an example, I think, of what you are saying. In that it – from the moment you're accepted as a marine, your discharge plan starts. Now, there would be fundamentally no reason why that couldn't occur and it's regardless of why you're discharged or when you're discharged. So that's – you were a marine for life.

So that shouldn't be difficult. The difficulty is Defence never has enough resources in my opinion and others would share it to do what they were asked to do. If you're asking that they then resource any of that, that becomes difficult. If you're talking about setting a policy that someone else can do, theoretically, that's what we did, with the Repatriation Commission and now DVA. So as long as that link is done, and tidied, you're suggesting.

COMMISSIONER FITZGERALD: So one of the recommendations which doesn't seem too contentious by most people – I'm sure there are some that don't agree it is our – our proposal that Defence takes a greater role in transition for a period of time, a short period of time. And that's an extension of what they're doing. And transition is the biggest issue that has been raised by contemporary veterans to us throughout this whole inquiry.

So you would have, I would suspect, no objection to that. But in relation to the broader issue of the duty of care that Defence has to those that are transitioning out to being civilians, your view is it that it's correct to keep the role of Defence pretty clear and clean and that the long term well-being of people in civilian life should be moved across reasonably soon after discharge to whatever it is, DVA or something else.

MR GILCHRIST: And to use a common term, Defence is almost out-sourcing that requirement to a place called DVA. And the better they can set up the criteria for that in the spec, which is perhaps the policy that you're alluding to and the better, the more smoothly they can transition that, but I suspect part of the tripping point is defining transition.

COMMISSIONER FITZGERALD: Sure. And we'll do that to the best of our – I must say, that you're – what you just portrayed is a desirable

outcome, but I'm not sure we're achieving quite that particular model, but that's fine.

Could I just turn to a couple of other issues that you've raised? You've said that our report doesn't deal as appropriately as you think with what you call through life support for veterans. So we have concentrated a fair bit on rehabilitation, and that's rehabilitation back into the work or back into a meaningful life, whichever term. And in Defence's back to duty or, in fact, you know, transitioning out. How do you think our report needs to be improved or changed to give better emphasis to this through life support? Because we agree with that. We have basically said it's about a lifetime commitment to the well-being of veterans and their families. The question and the disputes are about what does that mean and how do you deliver it.

And we've heard lots of comments over the last few days about that. So what do you mean and what do you think we need to do in relation to what you've called through life support?

MR GILCHRIST: I suspect, to take up from what I've said earlier, is to ensure that that approach is as well-resourced as it can be. And rehabilitation does not end the problem.

COMMISSIONER FITZGERALD: Sure.

MR GILCHRIST: It's like cancer. You don't cure cancer. You don't cure mental health, you don't cure alcoholism. You manage it. So rehabilitation allows you to get to the next step which might be to get a job. It might be to get a job within Defence and they've been doing that for an awfully long time. I can give you plenty of examples of people I've worked for in that regard going back to Korea.

Now, that said, rehabilitation gets you back to a job which is meaningful and is useful within Defence. At some stage, that can't be achieved, therefore the law of diminishing returns means you go out. This is where the transition – how far can Defence go to help you go somewhere else. Some of that somewhere else will be into a deep and meaningful job. Others, by definition, if you're at the far end of the – we'll call it mental health difficulty – which is not only PTSD, you are not fit for another job, in fact, you will continue to harm yourself in any kind of job.

So one of the things that we do as a sub-branch, and there are plenty of others who are replicating this, is to provide support mechanisms, including the camaraderie and what have you. One of the ways we could do that better is if we were resourced better. Now, I'm not here with cap

in hand, but that would be one example. If people - people then have to be rehabilitated back into the civilian world, and this happens to people who are 40 years, and I asked the question of older folk as they are getting out, including senior officers, "When was the last time you were an adult in the civilian world?" and the answer is ,"Never". And that makes generals' and admirals' jaws drop. We are talking about 20 and 30 year soldiers, sailors and airmen and women who have never been an adult in the civilian world.

COMMISSIONER FITZGERALD: Sure. Yes.

MR GILCHRIST: So that is a part of rehabilitation. How do you do that? So, that's what I'm saying, rehabilitation has got to be carefully managed and defined.

COMMISSIONER FITZGERALD: Sure.

MR GILCHRIST: And I'm not sure how to answer your question.

COMMISSIONER FITZGERALD: We have an elaborate, complex and difficult system, but nevertheless we have one of compensation for impairment, compensation for inability to work, and we can argue with that. But just taking your point, what is the role therefore of ESOs in this space? But the nub of that question is this, in the final chapter once we've had a review of the Robert Cornell's work, to which you've contributed, we might want to say more about ESOs but the point here is about how governments can leverage off the good efforts and the good work, and the voluntary commitment of ESOs in providing that through life support that you've referred to, so I haven't yet read your submission in relation to Robert Cornell's inquiry, but where do you think the role of ESOs - what's the role of ESOs going forward in relation to the government and what the government should do in order to use those services, if that' s what you think? You may well think that the only role of government is to give an occasional grant here and there. Others think governments should play a more active role. But I'd be keen on your views if any.

MR GILCHRIST: Yes. If you go back to my comment about ESOs and ESOs, there are lots of organisations, if you like, they can be ships, they can be units, they can be Royal Australian Regiments, you know, associations, SAS associations, they have a terrific job to provide an area or a gathering place, a network of people who have been on similar situations and what have you. So that's a mateship. And they can recall, and they can cry, and they can laugh, and they can punch each other, and do all that sort of stuff, so that's mateship.

If you then take a step forward and actually provide some real welfare support those organisations can help people. War Widows Guild helps people. They in turn get help by Legacy. Without both of those, there are a whole bunch of ladies who would be in deep strife, and they work very closely together, and I suggest they don't get a great deal of support out of government, if that's a part of your question?

COMMISSIONER FITZGERALD: It is.

MR GILCHRIST: If you then go down to what we do, as a sub-branch, and most sub-branches do this, or used to, they do the claims and appeals, then they do the welfare, but it used to be just visiting mates in hospital. We are now going to extend that where we are doing - helping elderly folk and younger folk do their ACAT or ACAT like assessment. That needs resourcing. We haven't got any way to resource that. We don't have any money, and I'm not talking about the RSL, I'm talking about our sub-branch.

COMMISSIONER FITZGERALD: Sure.

MR GILCHRIST: Now, that would be one way. Grants are not the option because you can't get a fair grant system. That's a statement, opinion rather than anything else.

COMMISSIONER FITZGERALD: Sure.

MR GILCHRIST: You just can't design it without numbers and numbers won't work.

COMMISSIONER SPENCER: Could I just pursue that a bit further, because one of the other features we see in government services around human services is to be very clear about what services they want to purchase from, what we would describe as the NGO sector, non-government sector. To be very clear about that, we did a review of human services last year in the Productivity Commission and we said that governments should, we described it as stewardship, be very clear about harnessing and leveraging the value of organisations out there that bring terrific resources, volunteer effort, and a role for government is to really be able to sort of, you know, support that.

We also said in our report last year that the contract should be of a long enough period so that the staff who are employed to do those services have continuity of employment, you have continuity of effort, because typically on grant funding you get it for a year or two, and then it goes away, and it's very disruptive, as you would know, in trying to provide a

service. So as part of our thinking here is, and it goes to what Robert was saying, is everywhere we go we see this terrific resource. I've just been looking through, you know, your description of what you do. I mean, it's a very impressive range of services, and you're constantly trying to work out how to fund that and how to maintain it and the need is greater, I would assume, than resources.

So when we look at this, we think, well, if government should be, we think, investing more in this area, it's not to necessarily fully fund, but just to be clear about what services, who's providing it, and that may go to an issue which you may have been raising earlier. So, who gets funding? I think most of us would agree that the funding should go where it's going to provide right service, right person, right time. So who can provide that? Your organisation, another organisation, but, you know, you tender on that basis.

Is a model like that, moving towards something like that, appealing from your point of view? Dos that give you - can that give you the opportunity to not only continue what you're doing, but to be able to do more of it?

MR GILCHRIST: I'd like to say yes, but I don't know how you'd measure it.

COMMISSIONER SPENCER: Yes.

MR GILCHRIST: And I don't know how you'd compare what we do with what the Vietnam Vets do over at Page and their VSC on the Northside. And it's just a geographic divide, it's no - - -

COMMISSIONER SPENCER: Sure.

MR GILCHRIST: We share customers. But if you can go back to a couple of points, the importance of the longer term ESOs if you like, and I'm not being precious here, you can rehabilitate someone who's not fit for full-time work or aged - my friend here, who's just had his 80th birthday. We keep him gainfully employed. But quite seriously by providing volunteer options - - -

COMMISSIONER SPENCER: Yes.

MR GILCHRIST: - - -we can provide a safe environment for people to work in an environment with which they are familiar with, people with whom they are familiar and can relate to so they have an empathy that you can't teach and you can't learn. So you'll get out of the military, you can talk to someone, it doesn't matter what service you're in, and you're more

likely to pick up more quickly on something than someone off the street.

If you start to get a bit flapped I can - well, we can manage you down a bit in various ways by managing your work load and having other peer to peer support. So we're giving you something to do and it's part of the rehabilitation process as we would define it. Not only that we're more likely to get a better outcome from the client more quickly and more confidence because trust is the bit that's important, particularly if they've been discharged medically unfit or something untoward has happened, and a lot of them have seen and done some really nasty things as part of their job, and that's something you can't do other than - so, through that sort of thing, we could use - you know, if DVA produces for example a new IT system, we have to go and source IT to keep up with it. That's a practical effect. If they put in training programs, they try to formalise the training for advocates that is creating more grief than we can cope with, and it is frightening people away and we're going to run out of advocates. The choices are very simple, we keep pushing with what we have, which is going to run out pretty soon, he'll be 81 soon, and therefore there will be no-one from the volunteer. Alternatively you bring in some paid staff in which case where do they come from, and how do you measure their performance to make sure you're getting value for money?

COMMISSIONER SPENCER: So what you're reflecting is something you're very conscious of. You can big system change and obviously most of what we're looking at is that system change. But we're conscious of the fact that every veteran is an individual.

MR GILCHRIST: Yes.

COMMISSIONER SPENCER: Their particular issues and problems through the course of their life will change and vary. You and other similar ESOs providing services know better than anybody who at any one time is in need of to be connected to a service, to receive the service, to have some help to have some volunteer support. So once again, you know, I'm just seeking material, we're looking at how that can be brought in as part of the system rather than seeing it as something that sits outside it, because we see a continuum there.

MR GILCHRIST: Yes.

COMMISSIONER SPENCER: And the opportunity at a local level to be able to respond in a way that a government entity can't frankly, because they'll never have the knowledge or the particular view of what you're seeing in your own neighbourhood or region.

MR GILCHRIST: We were spoiled a little bit because we happen to be in the ACT which happens to be the national capital.

COMMISSIONER SPENCER: Sure.

MR GILCHRIST: All the departmental heads are here. We happen to be next-door neighbours to DVA and we were able to talk with them directly and they would pass by and we would talk to them. If we had a course on they could come down and talk with us.

COMMISSIONER FITZGERALD: Sure.

MR GILCHRIST: So that local liaison is absolutely critical because it builds up, Billy Smith, this voice from up there is now standing in front of a classroom. So that's point 1. Point 2 would be I think DVA could be reasonably proactive and work with ESOs to actually conduct some workshops to get the 360 feedback. At the moment again because of our caseload, DVA is referring people and serious cases to us and these are serious. It would make your mind blow, and that again has been built up over trust. DVA attend all the RSL congresses, branch congresses, and they go to Legacy, they'll go to war widows and those sorts of things. If they were able to fund that from other than their own - you know, if somebody could give them some money to that, and we could be - we don't have any money to go to - travel to these things. I'm sorry to sound poor, but that would be useful if that could be facilitated, the same with the training courses.

So those are practical things we could do right now.

COMMISSIONER FITZGERALD: Can I just ask you a couple of questions arising? The younger veterans are not, at this stage accessing traditional ESOs. Many of them have formed their own around, as you said before, particularly units or other stuff. And so the question we've got is, what is the best way to support younger veterans? And I know the RSL has tried to reach out to younger veterans but – and it may be different in your own sub branch in Canberra here, but universally people are saying they're not joining.

Today we had several people say, "And we don't know how to get to them. We don't know how to support them. We don't know what they need." What we've done is we've actually had round tables on base and so we see that the veteran support scheme needs to meet two entirely different groups. An older veteran, many of whom have had their claims dealt with or having them dealt with. They're part of ESOs like the RSL

and in a sense whilst, as you rightfully say, both physical and mental health problems are resurfacing, there's a support network.

And then we've got the younger veterans who are saying to us, "We want something very different. We want a different sort of scheme. We want rehabilitation. We want access to work, and we want to be supported in a different way." And we've responded to that in ways that we put in our report. But I'm just worrying about the younger veterans, where do you see the supports coming for younger veterans? Is it clear to you or is it as – you know, lacking clarity as others have said to us.

MR GILCHRIST: It's potentially lacking in clarity because there are confusing messages, and could I clarify at the very beginning contemporary veterans are not younger veterans. Younger veterans are - - -

COMMISSIONER FITZGERALD: Yes, I know what you're saying.

MR GILCHRIST: - - - there is an age bracket.

COMMISSIONER FITZGERALD: Yes.

MR GILCHRIST: Contemporary veterans are up around their 60s and we're dealing with all age.

COMMISSIONER FITZGERALD: Yes.

MR GILCHRIST: To put it into context, at our sub branch we've got ADFA cadets and we've got RMC cadets and I've - - -

COMMISSIONER FITZGERALD: Yes, I understand what you're saying, yes.

MR GILCHRIST: So, we're having no shortage of that. I present - simply again because we're in the ACT, I have presented to RMC and ADFA probably half a dozen times, and that is part of their training– you know, this is what's available. You will be potential leaders, you need to know about this and go and look for it. Secondly, by the way now that you know this you might take advantage of it yourself, we have no shortage of women and we have no shortage of younger folk coming through our door. A lot of them are referred by various people.

MR THOMAS: And they talk amongst themselves.

MR GILCHRIST: And they talk amongst themselves and they'll bring a mate. Particularly if they're in some kind of – well, down here RMC you would well know is for a holding platoon.

COMMISSIONER FITZGERALD: Yes.

MR GILCHRIST: One of them comes along – I've had coffee catch ups with them and said this is what we can do for you. We are not getting involved in the military system, but if you would like to register your claim now – the other thing we can – we talk about anything from cocktail parties to formal sessions with the chiefs. So if people in the middle want to get in the way I can say look I'm sorry I've just talked to Chief of Navy, Army or Air Force and they've said - - -

COMMISSIONER FITZGERALD: Sure.

MR GILCHRIST: They're encouraging you to submit claims. Now, people say they're not allowed to do that. In my day you weren't allowed to do that. The hierarchy are very serious about military personnel submitting claims to get their conditions recognised as soon as practicable after its occurred.

COMMISSIONER FITZGERALD: Okay.

MR GILCHRIST: But – sorry, and that was the transition programs is the (indistinct) time, with a very serious meaning. Now, we've run rowing programs, which we partnered with Soldier On and the Australian Institute of Sport and ACT rowing. Remount Horsemanship program, are on our distribution list. Those programs are excellent, but all they are is to get you from here to here, which then allows you to go to the next step. None of them are solutions in their own right. You've got to keep going.

COMMISSIONER FITZGERALD: Could I ask a couple of specific questions? Open Arms. You've made a reference here to support for family members and that's a very important area that we've acknowledged. At the moment in relation to their wellbeing, apart from that which is provided by Defence whilst they're spouses or partners are actually in service, the major level of support for family members outside of the ESO community is Open Arms, and one of the things we're trying to get insight into is we've heard from different groups about the benefits that they think they should be entitled to or require.

We've heard, you know, comments about increasing access to a White Card or Gold Card, but putting those aside, we're a bit bereft in relation to what additional services are required by government, delivered through

ESOs or anybody else, for family members. So apart from Open Arms, are there specific services that are missing that are – would be important for the support of partners, family members and widows?

MR GILCHRIST: There's an inherent organisation in Defence, it's now called Defence Community Organisation.

COMMISSIONER FITZGERALD: Yes, we're aware of that.

MR GILCHRIST: Which is fully paid and resourced – well, I suspect it's probably not as well-resourced as it might be.

COMMISSIONER FITZGERALD: No. It's there.

MR GILCHRIST: It's there. We were actually at the open day and welcome to Canberra thing on Saturday night, and it had no shortage of people coming to be informed. But their job is to look after Defence families while the member or members are in the service. They then transition to other things. In the meantime, as far as I know, partners and children of service members are entitled through their partner, or despite their partner, to go to Open Arms, which is external to Defence.

The other part of that which is important and I'm sure you've been told, if a serving member self refers to Open Arms that's between that person and Open Arms.

COMMISSIONER FITZGERALD: Yes, correct.

MR GILCHRIST: It does not get reported back to Defence. If on the other hand they go to the – through the medical system then that's fair game, it's like – and that hasn't changed. In fact if anything it's got a whole lot better since I used to do it. So those resources are there, how you – the chaplaincy service.

COMMISSIONER FITZGERALD: Sure.

MR GILCHRIST: And those sorts of things are active. Now, how you encourage people to do that and access it I don't know. One of the big things from Ross' time and my time – a long time ago, we used to live on bases where you had married quarter (indistinct). That's all gone.

COMMISSIONER FITZGERALD: Sure.

MR GILCHRIST: So you had self-support, the spouses - and normally the women, looked after each other and their children.

COMMISSIONER FITZGERALD: Is there a service gap once they leave – once they or their partners leave the Defence Force and we've heard that we need to improve transitional arrangements for family members and we've made some recommendations about that, but beyond that once they've been in the community for a little while, are you noticing through your engagement with people that there are gaps in the level of support or services for family members, not benefits but services? It may not be something that's on your particular radar?

MR GILCHRIST: I'm probably a tiny bit dated on that, but we also liaise with Defence Families Australia, who do some good – and I would say some good work, I can't say any more than that. There are Kookaburra Kids.

COMMISSIONER FITZGERALD: Yes.

MR GILCHRIST: There are those sorts of things, which are really doing good work. Kookaburra Kids we liaise with. They – look, spouse employment has improved markedly, you know, the transition between states and the like, those sorts of things. We tried to encourage – at one stage to get spouses to come and work with us in the veteran community, with or without pay because (1) we get the support, (2) we can pass them onto someone else and continue that kind of rolling program. Thirdly, and quite critically they get to understand the system that is available, it's strengths and weaknesses and they can become a better part of the solution, and this is not male or female. This is either.

COMMISSIONER FITZGERALD: Sure.

MR GILCHRIST: It is mainly female. Those sorts of things are being organised by DCO and to some extent by Open Arms.

COMMISSIONER FITZGERALD: Okay. Thank you very much. Richard, any (indistinct words)?

COMMISSIONER SPENCER: No, that's (indistinct).

COMMISSIONER FITZGERALD: We're out of time gentlemen.

MR GILCHRIST: Yes.

COMMISSIONER FITZGERALD: Is there any final comment you'd like to make? And we've got the benefit of your submissions, so thank you for that.

MR GILCHRIST: No, just thank you very much, again and I think the – your comments about this being complimentary to Rob Cornell's thing is excellent.

COMMISSIONER FITZGERALD: Well, we were very light on in the discussing ESOs and advocacy because we said that we wouldn't do that until he had the chance to report.

MR GILCHRIST: Yes.

COMMISSIONER FITZGERALD: And so now we can have a look at that, and we hope that the report is made public soon which is out of our control. So, thank you.

MR GILCHRIST: Thank you very much.

COMMISSIONER FITZGERALD: Good. Thank you very much. It's much appreciated.

MR GILCHRIST: Thank you.

COMMISSIONER SPENCER: Thank you so much. Thanks Ross.

COMMISSIONER FITZGERALD: And could we have Connie and Karen, please? By now you know the drill, so that's fine.

Karen and Connie, could you please give your full names and any organisations you're representing today?

MS BIRD: My name's Karen Bird. I'm the mother of a deceased veteran, Jesse Bird, who took his own life in June 2017. I'm here today to support Connie. You have – I've spoken to you on two occasions before.

COMMISSIONER FITZGERALD: Sure.

MS BIRD: I won't reiterate what I've said before. I'm here to support Connie and if you've got any questions you would like to direct to me at the end, please feel free.

COMMISSIONER FITZGERALD: Thank you so much. And Connie could you give your full name for the record, please?

MS BOGLIS: My name's Connie Boglis and I was Jesse Bird's partner for two or so years and I guess I'm here today speaking on my lived

experience. And it's very different from, I guess, everybody's feedback to you today. In that my lived experience touched on a lot of everybody's content and discussion. You've obviously been sent my submission.

So I guess I won't go into the emails at the beginning, but I guess I wanted to just touch on parts of my relationship with Jesse and my experience with VVCS, now Open Arms. Over the course of two years, just to give some background content around Jesse's mental health decline and the lack of acknowledgment around the risk factors and his mental health and that of the psychiatrist and also CSC, so – which was the superannuation.

MS BIRD: And DVA.

MS BOGLIS: Well, absolutely. And DVA, as we're all here to discuss. So I mean, shall we maybe start with those emails and, was there any feedback for them or?

COMMISSIONER FITZGERALD: So you've got about, if – 10 to 15 minutes to present whatever points you wanted. So we're in your hands.

MS BOGLIS: Yes, okay.

COMMISSIONER FITZGERALD: But we have to keep it to that period and then Richard and I will have a discussion for about another 15 minutes. So whatever you want to cover in the first 10 to 15 minutes. And it doesn't matter which order you do it. We've got your submissions so you just raise the points as you feel comfortable.

MS BOGLIS: I won't focus on the emails then, I think, I'll just maybe raise my points and be quick about that and maybe have the conversation.

COMMISSIONER FITZGERALD: Yes. Sure.

MS BOGLIS: So I guess Karen and I have been speaking on this topic and since Jesse took his life on June 27 in 2017, for almost two years now, just around the changes that need to happen as a result of obviously the loss of our partner and son.

And I guess I've shared my story in the space of DVA and in public forums in hope that our lived experience would never happen to another partner and veteran. And I guess I'm really here to speak on the fact that I am what is left of a relationship that broke down due to the fact that the processes and the policies were not in place to support Jesse to then support myself as his carer and his partner.

And then obviously that the fact that I had to leave that relationship because of the effect on myself. And Jesse's further decline and his risk factors. So, there's been discussions around a single ministry of Defence personnel for veterans to be established. And I think what we've been discussing over a period of time is that Defence's role has really lacked in all of the conversations we've been a part of over the course of the last two years. And we would like to see them, especially, in that transition space, but there is no bridge to actually inform Defence, then to DVA, and that acknowledgment of an individual's wartime exposure or service in Defence. Whatever that might be, whether peace-keeping or not.

And understanding that that transition needs to happen with Defence and thereon. So I'm very much in support of Defence having a role in this. But just like DVA and their need to be a need for obviously an organisational cultural shift, which is absolutely what it is, my fear and my concern, and I think why we still are very present in this space, is that Defence has not been held accountable in that space of their organisational culture, and the way they resource supports, and the way they function and I feel like those conversations need to be met around.

Open Arms now, for example, are functioning in a space after a lot of feedback from us and lived experience forums that they've held over the last few years within DVA. Around the need for peer mentors and these support individuals that are part of the transitional process out of an individual – a veteran's service. And that helping to minimise the barriers that they are faced with. So when I met Jesse, he was out of the military for four or five years, maybe? Two thousand and - - -

MS BIRD: Two and a half years.

MS BOGLIS: Okay.

MS BIRD: Yes. He was working in Nauru.

MS BOGLIS: That's right. And as a civilian, I had no knowledge or understanding of the impact that my partner had gone through. Be it naïve, but I guess, it might also be interesting to note, I'm actually a counsellor and a clinician myself. And my background is case management and risk assessments. So over the course of two years, when I met Jesse, I guess I wasn't aware of what services were available. And especially in Melbourne, it wasn't Townsville that we lived that was very well-resourced. It was in Melbourne, where we knew of two PTSD clinics that were not fit for veterans, it was more so the – long wait lists and specific – I'll get into that. But I guess what I'm trying to say is that we didn't – we didn't have any avenue to pursue anything other than

advocates through RSL, or VVCS. And so when we went through the process of Jesse having some form of acknowledgment for his war time exposure in Afghanistan, aligned with his mental illness, he was unemployed for the time that we were together, mostly.

And he tried to navigate the system of finding employment through other avenues and other – I guess you'd say meaningful means of employment. So he applied for the AFP, the - - -

MS BIRD: Fire brigade.

MS BOGLIS: Even the police force. And he was denied that process of pursuing any further beyond – and he got to the furthest point until they asked for his medical records or was he taking medication, and in that instant, he was then denied an opportunity for changing careers. And wanting to have a meaningful career and existence where he was still able to help people.

So sorry, I guess I'm kind of going in all kinds of - - -

COMMISSIONER FITZGERALD: No, that's fine.

MS BOGLIS: - - - tangents here. But - - -

MS BIRD: I guess, the impact of military service on families has been under-recognised – the impact of particularly war time service and even any sort of deployment service has been under recognised historically in this nation and the impact on families. And because Jesse was unable to navigate the systems that were in place from when he left the army in 2012, to when he took his life. Because it was so claims based and in their own words, a web to navigate. If you are not in the – it's well known, if you're not in a good mental state, it's very difficult to navigate very much of anything. And the fact that there were so many obstacles in Jesse's way, Connie basically is living proof of what happens when there is a systems failure, because Jesse, as we know, took his life and Connie's hopes for her life going forward were ruined.

We don't need to go back over the same things but I think you've got a very good point in your draft paper that I think the premium on Defence is a very good idea. Because – and I think it probably needs to be the premium that Defence needs to allocate for the aftercare of their – of veterans.

I think they seem to be able to fund their planes and their ships, but their aftercare of their important personnel has – is missing. So - - -

MS BOGLIS: And I think I might just tie in all these points now, as a result of, I guess, telling you a bit of our story. We needed early intervention. We needed crisis management, we needed case management, we needed all of our individuals from the GP to psychiatrists, the numerous counsellors Jesse and I saw individually and together all speaking the same language and communicating the same information. Documents were lost. Information wasn't available and we needed it to be consistent. And I guess, I was here for a few of the conversations around Open Arms and other services and supports.

There needs to be an offer of alternative therapeutic interventions. Not just Open Arms counselling in a clinical based setting, nor the PTSD program which is 13 weeks. You know, heavily paper based. And so on and so forth. Not everybody responds to that. If we are talking about DVA transforming and the language transforming, it is about the holistic well-being of an individual's needs. And I need to – to put that out there. And I'm hearing the feedback from the veteran community and partners and veterans that, you know, Jesse was overwhelmed and flooded many times when you'd even see the emblem of a statement that came in the paper that was from DVA for another potential rejection letter. It is the language and it is also that Jesse may have benefited more and – I have two dogs and for us they were his therapy dogs, you know. And they helped when he had moments of anxiety. There's so much research to show equine therapy and art therapy and non-verbal therapy, meditation, all of this has a space and we have the funding. We need to be utilising that as well, alongside peer mentors that can bridge the gap and support individuals to write a resume so that partners like myself are not the cook, the nurse, the you know, the resume writer, the – I was everything but Jesse's partner. And that's the sad thing. I could never step back and just support my partner. My mental health declined. And who was there for me? No one.

So I just want to make that really clear. And you know, hospitals don't have capacity for PTSD clinics, whether DVA, like Liz Cosson said today to us, pay for a private hospital bed. It's still not fit for purpose for an individual and that clinical based setting is not the answer and a whole – you know, there needs to be centres like Oasis and all these spaces that are holistic.

When we talk about the psychiatrists, I push this point every time, and we had psychiatrists who were specifically trained for over 40 years to respond to veteran's needs specifically and paid by DVA and you know, their fees were ranging from all kinds of hundreds of dollars and I think

that needs to be – I think there needs to be a set rehabilitation fee for things like that.

But I also think that these individuals are probably burnt out and they're isolated as well in the way they function and if they're only seeing veterans, I'm a clinician, if I was seeing only veterans with PTSD for 40 years, I'd be pretty burnt out, too. My concern is that psychiatrists are trained to know the brain and to study the anatomy of the brain, yet two veterans that go in to see the same psychiatric are medicated the same. Yet they function differently. Their brains are completely different. So my concern on a pharmaceutical level, on a psychiatrist, GP – we are medicating our veterans as a society. We are not offering alternative treatments.

The reason I fell in love with Jesse, because he had emotions and he cared. I lost him two years later. I lost him to being numb of emotion, because he was heavily medicated and that was the answer. That was the outcome for him for the rest of his and our life. The symptoms that come from someone being medicated like that, and Jesse did not need to be medicated. He needed to be rehabilitated the right way (indistinct) what he needed.

They are not listening to the individual and they are treating veterans like an insurance claim. It's not about that. It's about the person. Sorry.

COMMISSIONER FITZGERALD: (Indistinct) reading out just a couple of points and then we might just have a conversation? Because we have your paper in front of us and it's very helpful.

MS BOGLIS: I think just that we also need to be – DVA and Defence needs to be really clear with their statistics and I think that needs to be part of the conversations, moving forward, I think that's something that they need to highlight, you know, what is the feedback, what is the data, what is the statistics on mental health recovery and how they're progressing. Because it is a cultural shift and there's no trust within the veteran community along the – around these changes.

And I guess my final statement is if all these supports were in place for us, what if?

COMMISSIONER FITZGERALD: Yes. Thank you very much, Connie and thanks, Karen, again. Can I just go back a little bit? Starting with the time before you met Jesse, he was in the service and he transitioned out. Just to clarify again, Karen, he transitioned out voluntarily or under a medical discharge?

MS BIRD: No, voluntarily.

COMMISSIONER FITZGERALD: Voluntarily.

MS BIRD: Into the Reserves, and he was in the Reserves up to his death.

COMMISSIONER FITZGERALD: Yes. And so, one of the issues that people have said to us, well, these transition services are available, but lots of military personnel, young men, won't access them. They're not completely aware of what's about to happen and so even if they've got some sort of mental health issues emerging, while some will go through the system, a lot won't. And I'm just wondering, when you look back on Jesse, is he the sort of character that would have accessed the services had they been available? Or do you think he had that culture of "I'll get through this" and wouldn't have been receptive at that time, the time of discharge, to the sorts of services you say and we think should be available?

MS BIRD: I suspect in 2019 with the new – the seemingly new approaches that supposedly Defence is now, is offering, I suspect he may have. But back in 2012, no.

COMMISSIONER FITZGERALD: Okay.

MS BIRD: Because he did have – he and a couple of his friends had, as I've said before, he wanted to get out of Townsville. He couldn't get anyone to help him with his transfer documents. He decided to leave, have some downtime and thought that eventually he would re-enter with his other two friends into 2RAR.

And he found once he left, how difficult it was to actually get meaningful employment, because a lot of the skills that he thought he had that would be transferable into a meaningful job, actually didn't equate to meaningful work. Of course, back in 2012, 13 was the downturn in the mining industry. So there was less work in that field. He ended up coming to Melbourne and he ended up – we ended up paying for him to do some of the rigging courses and courses that would help him get work with the NBN contractors where a team of his military mates were already working.

So that – he had the idea that he'd work and his mental condition began to deteriorate because he realised – because it wasn't, it didn't turn out to be very meaningful work.

COMMISSIONER FITZGERALD: And that issue about people coming out of the military even today who had a belief that they had a skill set, that would be readily used by the workforce, suddenly discover that's not the case. And we've heard that over and over again.

MS BIRD: Yes.

COMMISSIONER FITZGERALD: So just going back onto that, Connie or Karen, again, was there anything available at the time when he was looking for work that actually supported him to do that? You said you became the resume writer and you did everything to support.

MS BOGLIS: Yeah.

COMMISSIONER FITZGERALD: And again the question I've got is this. Did he look for that support and couldn't find it or, again, did he try to do it on his own, like so many ex-military blokes and women do.

MS BOGLIS: I'll add on to your first question what Karen said.

COMMISSIONER FITZGERALD: Please.

MS BOGLIS: So for the years of 2000 and probably before I met Jesse, I'm not sure, but for the time that Jesse was with me, he was open to all the services we could find to access, which was not much. Which was a few of the RSL advocates that we'd access for claiming and VVSC.

COMMISSIONER FITZGERALD: In the picture you describe, Connie, I get a sense that both Defence and DVA failed to support him in a way that you think was appropriate. But can I just get into it a little bit here. It seems DVA was concentrating on the benefits. The claims.

MS BOGLIS: Absolutely. The claiming.

COMMISSIONER FITZGERALD: But not necessarily about the wellbeing or the welfare of the individual.

MS BOGLIS: Not the holistic wellness, no.

COMMISSIONER FITZGERALD: And so that seems to strike me at the moment that we've got a system that is so preoccupied with benefits, payments, pensions, Gold cards and other stuff, which we want to hive into a specialised unit, that in fact DVA doesn't even have the time to actually look at that welfare issue. Is that the sort of story that I'm getting from you? Because it sounds like it to me.

MS BOGLIS: And that's the organisational cultural shift that I'm talking about, that needs to happen away from a system that is structured to function as an insurance claiming - you know, it's not a name, it's a number.

COMMISSIONER FITZGERALD: Sure. And that sort of compensation or insurance scheme is an important part of what they do.

MS BOGLIS: Yes.

COMMISSIONER FITZGERALD: But from what you're saying it's, in your case, in the case of Jesse, a more important function would have been to provide those what we would call welfare or wellbeing supports.

MS BOGLIS: Yeah, and I guess to be clear on that point, I guess what I tried to paint - well not paint, but what happened to us was that if all of these services were in place and all of these supports were in place, that would have minimised his risk factors from wanting to commit suicide, for me having capacity to then support my partner to then access the claiming process and him feeling like he could function and live while going through that process. Those risk factors heightened, no one picked it up and there was that overwhelming helplessness and that's ultimately the concern.

COMMISSIONER FITZGERALD: So can I just clarify this. At the stage prior to his death was he able to access funding through DVA for mental health services? I'm not quite sure whether the White Card wasn't universal.

MS BIRD: He had a White Card.

COMMISSIONER FITZGERALD: He had it.

MS BOGLIS: Yes.

MS BIRD: And he was seeing a psychiatrist and he was - he'd been in and out of VVCS and had had numerous contracted counsellors but there was no continuity, which are raised here numerous times today, lack of - -

COMMISSIONER FITZGERALD: No, no, we've raised that. So could I just travel back a bit. In your opening statement, Connie, you indicated that at no stage had Defence recognised what had happened to Jesse. Could I just understand that. Was it not recognised in that it didn't give you the support, didn't give him the support that was necessary, or

was it that they didn't acknowledge the impact that military service has had on their life? So just in relation to Defence, not DVA but Defence. What is your overriding concern with the way Defence acted or failed to act, from your point of view?

MS BOGLIS: Well then we had no relationship with them whatsoever, in that they didn't play a part at any point in what was happening for Jesse, other than sending through his file when we were trying to claim his superannuation, some crisis funding upon waiting for his pension, so to speak.

COMMISSIONER FITZGERALD: Did Jesse express to you that frustration?

MS BOGLIS: Absolutely. And not just Jesse, all of his friends that I met. It was the phrase, "You don't come out alive", but jokingly I guess, off the cuff, in a way of saying that it's just so difficult to navigate, hence no-one being aware.

COMMISSIONER FITZGERALD: Sure.

MS BOGLIS: And met by so much red tape and the anxiety that brings up and the length of time that that took.

COMMISSIONER FITZGERALD: Could I just shift a little bit, and then Richard may have some questions, to your own wellbeing. One of the things we are struggling with in this report is how to better support family members of serving, but particularly non-serving veterans. And so we've asked a number of participants, you know, many have said to us it's about the benefits, it's about health care. And we've also asked about services. So for you, as a partner of somebody that's struggling and obviously Jesse was struggling, what would be the supports that you think would've helped you at that time? Now I know you weren't with him when he was in the service and you were there a couple of years after he left, but what would be one or two things that would've been most helpful to you as a partner?

MS BOGLIS: Again, my industry, we're caseworkers, we visit people at their homes and that's a basis to be able to get a holistic understanding of the individual's needs in a safe place that they function. And for me it would've been knowing that while Jesse was at home and unemployed for two years someone stepped in, took him out for a coffee, found out what his stressors were and his risk factors were and helped him to navigate that. So the peer mentors, the case managers. Somebody to support him through the process of the claiming system. So that Outreach support was

critical. Critical. And to be clear, Jesse was never going to be someone who presented at a hospital at risk of suicide, and there are so many other Jesse's.

COMMISSIONER FITZGERALD: Sure.

MS BOGLIS: In Australia and in the world who don't access that support and internalise a lot of that and that - I just want to make that really clear, that this bridge, these individuals who could come into the home and see how an individual is living, to speak to their partner, to understand. And partners are crucial in this, in that they can feed back what, you know, male or female, what is happening for that individual on a personal level. So they get a lot of that, where all of the risk factors where Jesse and I attended a clinic or sat in with his psychiatrist or a clinical setting with a counsellor or a conversation with somebody else wouldn't necessarily capture and clearly missed over two years. So it's that. And it's that trust. It's the building of the trust. Jesse never went to any of these appointments unless the counsellor was a veteran or I attended with him and took the day off. So having those individuals in that space is a crucial element, to help minimise those risk factors, remove the barriers with stressors and to support partners to sit back and be partners. And if you have children, look after the children. I miscarried. I had that much stress. If I had the baby, how would that stress have affected my baby? I can't imagine the impact on families with children in that space, in that home, and how that functions and the impact. And so for the family unit to survive there needs to be these interventions of case workers, Outreach workers, care team meetings and all these individuals communicating.

MS BIRD: Can I just make the point that from being outside of Jesse and Connie's relationship, we were transferring - because we couldn't fathom why Jesse couldn't get some sort of incapacity payment or anything, knowing that the claims process was in - had begun. But because we were transferring money to him each fortnight or each week so to take the pressure off their household income, if the incapacity payment that now is in place for recognised mental health issues for veterans, if that had been in place for Jesse I'm quite sure that his mental condition wouldn't have changed. But a lot of - some of the stressors have not been able to support himself in his lived experience with Connie and being dependant on her and dependant on his parents. What 30-plus year old man, who has been independent, likes to be put in that position? So in answer to your question, if the department had done its job and if his claims had been not lost and long delays and if things had been put in place for him there's every chance that he would have had the opportunity to go on and do a little bit of part-time study, address his mental health issues and seek the

alternative therapies and things that could have helped him, and he could have retrained and he could have gone on and been that primary school teacher that he ultimately thought he would like to do, with kids in disadvantage. But as Connie has stated, it's all what-if's now, but that's why it's - why what you're doing is such an important thing.

COMMISSIONER FITZGERALD: Richard.

COMMISSIONER SPENCER: Well Connie and Karen, thank you for telling Jesse's story and your story as well. It's very important that this be heard. So I just wanted to follow up some questions because if we go right back to Defence and you mentioned the issue of accountability and responsibility that defence has in all of this. As you know we've been pushing quite hard on that. We think that Defence should have responsibility beyond service.

MS BIRD: Can we turn that back to you? Has Defence appeared? Sent anyone to present to the Commission?

COMMISSIONER SPENCER: Not in the public hearings.

MS BIRD: Not in public hearings?

COMMISSIONER SPENCER: No.

COMMISSIONER FITZGERALD: I should say we're having discussions with a number of departments but they have chosen not to appear at the public hearing so far.

COMMISSIONER SPENCER: We are told there may be a submission, so we're waiting to see on that. So we've been a bit surprised because we understand the argument about preparing for warfare but we also think this comes under the category of duty of care, and duty of care extends beyond when the member leaves service. So that is an issue which you've highlighted and we are trying to find ways in which our - and I think, you know, Defence, we've spoken to other nation's defence systems and they say, "Well we have a duty of care and a duty to prepare" and they seem to be able to balance those two responsibilities in a way that is resisted here, frankly at this stage.

So I come back and Connie, look you gave a terrific explanation of the kinds of things that should have happened; early intervention, early understanding of what was happening, so the case management, very proactive case management and these were issues we've commented on in our draft report. I wanted to pose a question to you. When systems fail,

in the way they did here, the response can be immediately, "We will change things" and sometimes systems change, they begin to change and sometimes they don't. So you may or may not have a comment on this, but are you - and there's been a lot of attention and focus because of telling Jesse's story and absolutely in the hope that there will be change. What's your feeling at the moment about that cultural shift and that understanding of what truly needs to change, either with Defence or DVA at this point? What are you seeing or what are you experiencing in terms of truly understanding what the sort of changes are needed and how that could be made within the current system?

MS BIRD: I think it's evident that under Liz Cosson there is genuine - there is a genuine reform agenda in place. I think the fact that you can sit here today and tell me that Defence has not come to the public hearings, has not exposed themselves or made any comment about where they think their role is in the afterlife of their ex-employees, when they know that between 25 and 40 per cent of their frontline veterans can end up with long-term mental health issues. Why they think they can just take people in and tip them out at the other end without being involved in their long-term care and just pass it off to the Department of Veteran Affairs, and have known that the department has been out of its depth. Major Cantwell's book "Exit wounds" published back in 2012 stated very categorically that there was a tsunami of PTSD coming towards this country and it's come to the fore and there's been nothing - there's been very little put in place. There's insufficient psychiatric beds for the general population but there's specifically insufficient psychiatric care available across the country for veterans. You have veterans being turned away at our public hospitals because there's nowhere for them to go.

COMMISSIONER SPENCER: Could I just ask another question. We've been exploring, as you know, how ESOs may be able to leverage their system and we've seen - and I think Oasis was mentioned before and we've seen there are various hubs being set up and centres being set up. Part of a well- designed hub is to be what I would describe is a way for somebody who will not reach out to a more formal service to actually kind of connect and then over time build the trust, which you commented on earlier, and then actually introduce or permit the person into the services they need. This happens quite a lot in community services, for example women who are isolated with young children who may be experiencing domestic violence, you know, why don't they go to a service? Because they're afraid to, they don't know where it is. But there may be a local playgroup in a park; they will come, they will engage because of the young child and then gradually over time the trust develops and then you can introduce the person to what services they need. If that sort of model

was there do you think that would have been helpful to Jesse, if there'd been a way to sort of just connect?

MS BOGLIS: Absolutely.

COMMISSIONER SPENCER: And then start to find his way to the services he needed.

MS BOGLIS: Absolutely. Absolutely. And I guess we need to be clear, there's tens of thousands of ESOs that exist in this space and how many are fit for purpose and current or - you know, and where do we locate them, and all of that. You know, it's a very - it's not clear and I think there just needs to be a handful of these RSOs or services that exist, that are current and progressive and fit the needs of - and that be something that we continue to support and that be clear and intentional. We didn't have that.

Going on your point about Defence and DVA earlier. We never really had an understanding of defence and their role but I guess we've been in this space - I guess this is why Karen and I are still here, because we don't trust and we don't see that we can step back yet. And Jesse's voice and those lost souls that have left us, that we continue to speak on behalf of because we're not confident that change - they're changing as they're changing, so everything that's come of Jesse's inquiry and moving forward is all new. It's all rolling out as it's rolling out. So I guess we're part of forums, we're part of communications and so on and so forth but it's not yet anything that we can say is - - -

MS BIRD: For instance, I asked Ms Cosson this morning, if Jesse went to Geelong Private Hospital today to do a PTSD clinic for 12, 13 weeks, what would happen to the document that would be produced. Would that be handed on to someone, instead of Jesse's document being - his files being stamped "Not for release", so his psychiatrist never saw it. At the moment nothing's changed. They haven't got to the space of even looking at that. So around the country as we speak we've got veterans doing PTSD programs being paid for by the department, but there's no continuity of care, that nobody is following - technically no one can be following that veteran up.

COMMISSIONER FITZGERALD: The issue that you've just raised is one that sets the system, so I'm not quite sure how far we go but in relation to both health and mental health care we are trying to look at the service system and how that can be improved. As Richard indicated previously, and you mentioned as well, case management and the role of that, both in mental health and health care and rehabilitation seem to be very important,

so we are looking at that. And you're right, I think there's been a lot of change, and then there are areas where there's been very little change.

MS BIRD: Yes.

COMMISSIONER FITZGERALD: So I think your advocacy over time, Karen, in particular, and Connie is very important as it is the stories we've heard from many people together with the sort of analysis we do. So I think the collection of the personal, the lived experiences, the research and the sort of work we're doing and others ultimately will lead to significant change, but it is a work in progress and so your voice is being and remains very important in that space, as we've heard from other individuals through this process.

MS BIRD: Because at the moment if our Parliament decided to send our veterans into an active war space there's no guarantees that there's anything better in place for those frontline veterans on their return if they particularly see nasty war like service and are asked to do things that you and I have probably got no comprehension of.

COMMISSIONER FITZGERALD: Sure. All right. Thank you very much for that. We very much appreciate that. I thank you. Just before we go is there anybody that wants to make a final statement before we conclude proceedings today? Nobody has approached our staff? Yes?

UNIDENTIFIED SPEAKER: Can I just add to - - -

COMMISSIONER FITZGERALD: Well, you'll have to come back. So thank you very much.

MS BIRD: All right.

COMMISSIONER FITZGERALD: First of all we'll say good bye.

COURT REPORTER: I was given this by a staff member. I don't know the person's name but this gentleman wants to speak. Maybe he's gone.

COMMISSIONER FITZGERALD: Colin? I'll just see.

COURT REPORTER: Thank you.

COMMISSIONER FITZGERALD: Thanks. And so if you could just for the record just give your name and a very brief statement?

MR GILCHRIST: Yes, James Gilchrist from the Woden RSL. I'd just

like to pick up on two points that just came out of that.

COMMISSIONER FITZGERALD: Sure.

MR GILCHRIST: And reinforce some of what we said. The claims process is the start of the holistic approach that we take. I'm sure others take the same thing and that needs to be reinforced because you can't process the claim, you can't get a client, veteran, whatever, including families to be able to explain their story unless they have some kind of feeling of wellbeing or confidence, which is all part of what we were saying before.

The second point I'd like to add to was the remount and other activities are critical but they are not the answer. They must be worked in conjunction with something else and if you are looking at funding they are one very practical way that either those organisations could be funded in some sensible way or ESOs could be funded in a way to help people access those.

COMMISSIONER FITZGERALD: So could I just take this point, Jim, if I might, in the case of Jesse it's very possible that Jesse wasn't in a fit state to be able to put in a claim or deal with the claim issues, but may have needed the sorts of support either from your own organisation or somebody else. As Richard said that sort of soft entry point where you're mixing with people, you're dealing with people, and over time you gain confidence to be able to talk about the issues that then form the basis of the claim. And in talking to some of the families it seems to me that that soft entry, that empathy building, that trust building, we haven't got that quite right yet. And I'm not talking about your branch, but I'm talking more generally. Is what I've said - is that - do you think that's right, or you would disagree with what I've just said?

MR GILCHRIST: I would agree 100 per cent and the point I made before about the non-liability particularly for any mental health condition, if that is explained clearly by someone who knows what he or she is talking about to a client or a veteran who can accept it in the way that it is offered that can start a very good journey of wellbeing which allows that to progress, and that's a major initiative and they are being done within 24 hours these days. So you don't have to prove anything, you don't have to justify - - -

COMMISSIONER FITZGERALD: So that's a recent change?

MR GILCHRIST: Yes, and it's a - well, it's been going on for 12 or 18 months, but it's continuing to get better. Yes, and the point that Connie

made about encouraging Jesse to go to appointments we do that all the time and we run out of resources to do it. People won't or can't, and I say them consciously, they won't or they can't come out wherever they are to go to an appointment.

COMMISSIONER FITZGERALD: Sure.

MR GILCHRIST: They either forget or there's almost some kind of odd barrier that stops them going, so a peer can come in and encourage that. That's where those associations can work with them.

COMMISSIONER FITZGERALD: Sure. But the point there I would imagine is that many people that suffer trauma, whether it's formally diagnosed as post-traumatic stress disorder or just suffer trauma, not only in the veterans community but elsewhere that pattern of not being able to go to appointments, not being able to discuss the detail is very common, and it takes people years to be able to get confidence to do that, so perhaps one of the other things is that right through the ESO and the DVA, and hence we do have to take a much more trauma informed approach, because people that suffer trauma, whether it's abuse or childhood abuse or other forms, you know, they don't react and access services in the way that many other people might, and it's directly related to the traumas that they have.

MR GILCHRIST: And sometimes, and again without more stories at 2 o'clock I met three people, one I hadn't met today, and - well, I hadn't met two, but one is a former military, this guy was 37 years in the fire brigade. He survived, he knew he was having some difficulties, peer to peer support, and then at some stage he started to get physically ill. He thought he had a virus and was treated for that but in four days he had galloping PTSD fully diagnosed. So 37 years plus a bit he had had no identifiable symptoms.

COMMISSIONER FITZGERALD: And that happens.

MR GILCHRIST: And then bingo and others happen more gradually. So it comes and catches you when you least expect it.

COMMISSIONER FITZGERALD: And the only point is we now know a lot more about that.

MR GILCHRIST: Yes.

COMMISSIONER FITZGERALD: And so what we thought was unusual behaviour is now absolutely symptomatic of the conditions

particularly trauma.

MR GILCHRIST: Yes.

COMMISSIONER FITZGERALD: Richard, any comment?

COMMISSIONER SPENCER: No, I was just going to comment that, I mean, there have been some terrific programs, this personal helpers and mentors program known as PHAMs is the acronym for it, and that has highlighted what we're talking about here and that is the absolute critical importance of the peer group and the role that they can play, so I think that what's happening through the sort of work you're doing, and we should see more of it comprehensively throughout the country, is that peer relationship which can lead to the right kind of services, but would not be accessed day 1, but somewhere down their journey with the help of a peer support would - - -

MR GILCHRIST: Again, a comment from the professional who was with us today, who's a neuro - psycho, something or other.

COMMISSIONER FITZGERALD: It doesn't matter.

MR GILCHRIST: Anyway, doesn't matter. He was endorsing peer to peer support but it has to be done in a positive and managed way.

COMMISSIONER FITZGERALD: Sure.

MR GILCHRIST: And neither counsellors nor what have you. But could I also stress Karen's input, family, which can be children, we're dealing with children looking after some oldies, and they're not all that old really - - -

COMMISSIONER FITZGERALD: Sure.

MR GILCHRIST: - - -but parents get stuck as well. And they are part of the solution and there or thereabouts.

COMMISSIONER FITZGERALD: Yes. Just on that peer I think Connie made the point about peer mentors and other things like that, so I think there are good - I mean, I just make one point and we'll conclude on that, there are good examples in the rest of human services, so what we've been trying to do is look at those and say, can they be applied to the veterans space, including structural issues but actually those sorts of programs.

MR GILCHRIST: Yes.

COMMISSIONER FITZGERALD: So thank you very much for that.

MR GILCHRIST: Thanks very much.

COMMISSIONER FITZGERALD: And I understand somebody else wants to - so you're going to present now? That's fine, it's just a brief presentation, and if you could give your full name and if you represent an organisation, the name of that organisation.

MS MOORE: Okay. So my name is Kathleen Moore, and I have put in a submission, and I believe I may be given the opportunity to speak in Sydney. So I just wanted just to make mention here now about some terminology. So the reason I'm here is I'm the mother of a medically transitioned son who served for 20 years. He's single. He doesn't have a wife or a partner and he's relied solely on me and my husband for support which is why he's still alive today. It went badly.

The terminology today - and the gentleman who just spoke mentioned parents, but most of the terminology today about families does not mention parents. Now, Karen spoke about how herself and her husband were helping Jesse and Connie. That's a huge role that parents play. Many of the suicides that have happened with our veterans after they've left their service, they are single. It is their parents that are coping with the death when they don't have a wife or partner or children, and I think that terminology is vitally important to everything that we're talking about with this Commission. It needs to include the parents, and that's really - I just wanted to bring that to your attention today, and I do hope that I will have a chance to address my submission maybe in Sydney.

COMMISSIONER FITZGERALD: Well, thank you for raising that, and it's an extremely important issue, and we have met with a number of parents throughout this inquiry.

MS MOORE: Right.

COMMISSIONER FITZGERALD: And our terminology in families is very inclusive so I just want to be clear. It does include partners, widows; it does include parents and children. Can I just go to the point of it - - -

MS MOORE: Sure.

COMMISSIONER FITZGERALD: - - -recognising that the question then is what are the supports that we need to put in place for parents, and

either now or at that time you present later on you might want to, and I'm sure you will, reflect on those, because that's where the rubber hits the road.

MS MOORE: Yes.

COMMISSIONER FITZGERALD: How can the system support you in the support of your son or daughter?

MS MOORE: Yes.

COMMISSIONER FITZGERALD: And that I think we probably haven't done enough of in the report, and frankly I'm not sure what it is that is specifically should be made available for parents. Is it the same as for partners, such as we were talking with Connie? Is it something different? So we'd be keen to explore that.

MS MOORE: Well, yes, and just to answer you quickly on that, my experience was just with Defence when our son was still in Defence, and four years of attending the individual welfare board there's a certain amount of stigma when you turn up with your son who's in his early forties and you turn up as the mother. There is a certain amount of stigma there. You're not the young wife with a couple of kids, you're the white-haired mum, yes.

COMMISSIONER FITZGERALD: And when you say that in relation to the stigma, and that was stigma that was associated with you or was it stigma that was placed on your son?

MS MOORE: I think both sides, and, again, it's not something that's written down.

COMMISSIONER FITZGERALD: Sure.

MS MOORE: It's a feeling, it's body language, it's verbal language, and, yes, it's difficult.

COMMISSIONER FITZGERALD: Good. Thank you very much. And we look forward to seeing you later on.

MS MOORE: Thank you. Thank you.

COMMISSIONER FITZGERALD: Thank you very much. Any final comments before we close? So it only rests with me to say, firstly, thank you for those that have participated all day, especially those that have

endured all day. We're grateful for that. And we will adjourn the public hearing until we meet tomorrow morning in Melbourne. Thank you very much.

MATTER ADJOURNED UNTIL
WEDNESDAY 13 FEBRUARY 2019

Australian Government
Productivity Commission

PRODUCTIVITY COMMISSION

COMPENSATION AND REHABILITATION FOR VETERANS

MR R FITZGERALD Commissioner
MR R SPENCER, Commissioner

TRANSCRIPT OF PROCEEDINGS

AT LEVEL 12, 530 COLLINS STREET, MELBOURNE
ON WEDNESDAY, 13 FEBRUARY 2019 AT 9 AM

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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.

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.

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.

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.

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.

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.

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 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 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 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' 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.

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 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.

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 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 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.

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

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.

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.

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.

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.

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 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 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.

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 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 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 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?

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 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 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 deliveries 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.

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 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.

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 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 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.

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 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.

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 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.

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.

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.

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.

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.

COMMISSIONER FITZGERALD: Sure.

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.

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

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.

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,

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.

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.

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.

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?

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.

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

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.

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.

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?

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.

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

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.

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.

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?

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.

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.

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

MR ALKEMADE: Yes.

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

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.

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.

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.

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.

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

MR ALKEMADE: Yes.

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

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.

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. 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.

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 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.

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.

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 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 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. 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.

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 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 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 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 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.

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 reserves, in some way shape or form, as a reservist.

MR ALKEMADE: Correct.

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.

COMMISSIONER FITZGERALD: In and out.

MR ALKEMADE: In and out, yes.

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 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 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.

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 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.

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 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 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.

COMMISSIONER FITZGERALD: Great, thanks.

COMMISSIONER SPENCER: Okay. Right.

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.)

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.

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.

COMMISSIONER SPENCER: So people, any thoughts you have on what may help to address an issue like that, would be really helpful. But - - -

MR ALKEMADE: Again, I'm happy to provide a short document on that.

COMMISSIONER SPENCER: Yes, sure.

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.

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.

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.

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

COMMISSIONER FITZGERALD: All of them.

MR ALKEMADE: Yes.

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

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).

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.

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.

MR ALKEMADE: Yes.

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.

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.

COMMISSIONER FITZGERALD: Good.

MR ALKEMADE: (Indistinct words.)

COMMISSIONER SPENCER: Thank you very much

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

MS JACOMB: My name is Jennifer Jacomb.

COMMISSIONER FITZGERALD: Just grab a seat.

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.

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

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.

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

COMMISSIONER FITZGERALD: Sure.

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.

COMMISSIONER FITZGERALD: That's fine.

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

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 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.

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 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.

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."

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 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 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 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 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.

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 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, 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.

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 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 (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.

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.

(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. 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.

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 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.

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. 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 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.

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, 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 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 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 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 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 Family Law.

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 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.

(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 and should have been invited to make submission, and not about (indistinct) benefits for bringing them all up.

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.

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.

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 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).

COMMISSIONER FITZGERALD: Yes.

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.

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

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.

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.

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 - - -

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

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, time and time again, we find they make policy, they don't implement it.

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?

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?

MS JACOMB: Yes.

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.

COMMISSIONER FITZGERALD: Sexual, yes. Yes.

MS JACOMB: Physical abuse, mental abuse.

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 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?

MS JACOMB: We actually have - sorry, sir.

COMMISSIONER FITZGERALD: No, you go on.

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

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.

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.

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 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 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 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 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 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 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 - 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.

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

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 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 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.

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 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.

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.

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.

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.

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.

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.

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.

COMMISSIONER SPENCER: Yes.

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.

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.

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.

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.

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

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.

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.

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

COMMISSIONER FITZGERALD: Yes.

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?

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.

COMMISSIONER FITZGERALD: Yes, thank you very much.

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

COMMISSIONER FITZGERALD: Yes.

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

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.

COMMISSIONER FITZGERALD: That's good.

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

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

MS JACOMB: Thank you.

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

MS JACOMB: Thank you, sir.

COMMISSIONER FITZGERALD: Thanks Jennifer.

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 at 11 o'clock precisely with Julie Anderson.

SHORT ADJOURNMENT **[10.56 am]**

RESUMED **[11.05 am]**

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

MS ANDERSON: Yes.

COMMISSIONER FITZGERALD: Julie. Thanks.

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

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

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

COMMISSIONER FITZGERALD: Not at all. Not at all.

MS ANDERSON: Yes.

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

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.

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

COMMISSIONER FITZGERALD: Sure.

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 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.

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 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 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 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 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, 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 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 - - -

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?

MS ANDERSON: Yes, but I have - - -

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

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 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.

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

MS ANDERSON: Specialist Medical Review Council.

COMMISSIONER FITZGERALD: You are right on top of it.

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

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?

MS ANDERSON: Yes.

COMMISSIONER FITZGERALD: Yes.

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

COMMISSIONER FITZGERALD: Sure.

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.

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.

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

MS ANDERSON: Specialist Medical Review Council.

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

MS ANDERSON: Four years.

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

MS ANDERSON: They weren't - - -

COMMISSIONER FITZGERALD: It was unfavourable?

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

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.

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.

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

MS ANDERSON: Yes.

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 favourable decision, and over time new research and new evidence might come to light - it often does.

MS ANDERSON: Yes.

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 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.

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.

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 deputy secretary of the DVA actually wrote quite a robust letter to the

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.

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.

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.

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 - - -

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?

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.

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.

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?

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.

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?

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.

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.

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.

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

COMMISSIONER FITZGERALD: Yes. Sure, okay.

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.

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

COMMISSIONER FITZGERALD: Right.

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

COMMISSIONER FITZGERALD: Okay.

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.

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.

MS ANDERSON: Yes.

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?

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.

COMMISSIONER SPENCER: Yes.

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.

MS ANDERSON: Yes.

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?

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. 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 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 - - -

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.

COMMISSIONER SPENCER: Okay, thanks.

COMMISSIONER FITZGERALD: Any final comments, Julie?

MS ANDERSON: No, that's it.

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

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.

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

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 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 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 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.

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.

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 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.*

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.

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?

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:

> *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.*

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.

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.

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.

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.

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.

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.

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.

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.

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

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

> *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.

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.

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

COMMISSIONER FITZGERALD: Sure.

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

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.

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.

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.

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.

COMMISSIONER FITZGERALD: No, no.

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

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

MR ASHMORE: Okay. Thank you.

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 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.

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 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?

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 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.

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 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

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.

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.

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.

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.

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".

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?

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.

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.

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?

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 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 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?

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.

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 leadership and the efforts underway through VCR, and we've commented on that, we think they're good.

MR ASHMORE: Yes.

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 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.

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 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 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 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 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 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 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, 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 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.

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.

COMMISSIONER FITZGERALD: Richard.

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

COMMISSIONER FITZGERALD: Any other final comments?

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.

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.

MR MANNING: Robert Kenneth Manning.

COMMISSIONER FITZGERALD: And if you could make an opening.

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

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.

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, 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 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. 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" 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 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, 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 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.

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 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 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 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. 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: "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 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 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 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 ago".

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.

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.

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

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.

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.

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 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 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 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 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 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 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.

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?

MR MANNING: No, no.

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?

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.

COMMISSIONER FITZGERALD: No, that's fine.

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

COMMISSIONER FITZGERALD: Sure.

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.

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

MR MANNING: Or whatever.

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

MR MANNING: DVA.

COMMISSIONER FITZGERALD: VEA, Veterans' Entitlement Act.

MR MANNING: Veterans' Entitlement Act.

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.

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.

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 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 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.

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

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.

MR MANNING: Yeah.

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?

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 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 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 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.

COMMISSIONER FITZGERALD: Sure.

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 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 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.

COMMISSIONER SPENCER: Okay, thanks Robert.

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

MR MANNING: Roughly 88.

COMMISSIONER FITZGERALD: Roughly.

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. 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?

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.

COMMISSIONER FITZGERALD: Sure.

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

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?

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.

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.

COMMISSIONER FITZGERALD: We understand that.

MR MANNING: Peacetime service was in Australia.

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.

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

MR MANNING: Okay, thank you very much.

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.

SHORT ADJOURNMENT **[12.26 pm]**

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

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.

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.

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.

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.

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.

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 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, 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 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 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 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 lot of other people who – about my cohort, they experienced similar things.

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 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. 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.

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 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, 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.

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 stable, it's only going to get worse", somehow that needs to be brought into the SoPs and the processes.

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 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.

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 on operations, were all getting substantially more money than I was and had substantially more entitlements than I had.

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

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.

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, 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.

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 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.

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

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.

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 generous or beneficial scheme. We accept that position.

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 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.

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.

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 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?

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

COMMISSIONER FITZGERALD: Yes.

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

COMMISSIONER FITZGERALD: No, I understand that.

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.

MR TYMMS: Correct.

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

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 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.

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 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 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.

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.

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.

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 - - -

MR TYMMS: Correct.

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

MR TYMMS: Yep.

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

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?

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.

MR TYMMS: Correct.

COMMISSIONER FITZGERALD: And have you put that to DVA?

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

COMMISSIONER FITZGERALD: That's right.

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

COMMISSIONER FITZGERALD: No.

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.

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?

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.

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.

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

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.

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 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 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, 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.

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.

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 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 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.

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 - - -

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 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 - - -

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 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, "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 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 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.

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 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 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.

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 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.

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, 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 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 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 the 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 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, "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) 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 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; 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 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.

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 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 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.

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."

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 - - -

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.

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

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.

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 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.

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 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.

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. 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 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.

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 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 buts it's there.

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.

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?

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.

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

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.

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?

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

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

MR PILKINGTON: No.

COMMISSIONER FITZGERALD: Right.

MR PILKINGTON: I was a national serviceman.

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 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? 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.

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 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 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.

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.

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?

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

COMMISSIONER FITZGERALD: Sure.

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.

COMMISSIONER FITZGERALD: So you're referring to DART?

MR PILKINGTON: Yes.

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.

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?

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.

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.

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?

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.

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.

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?

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.

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.

COMMISSIONER FITGERALD: 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 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 oversighting 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 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.

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 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 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 – 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?

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 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.

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.

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.

MR PILKINGTON: Yes.

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

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.

COMMISSIONER FITZGERALD: Sure.

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

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.

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.

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.

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.

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.

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 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, 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.

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

COMMISSIONER FITZGERALD: Yes.

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 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 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 - - -

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 - - -

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.

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."

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.

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."

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

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."

"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.

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?

COMMISSIONER FITZGERALD: Yes.

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.

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.

COMMISSIONER FITZGERALD: Sure.

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."

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

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

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.

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

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

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?

MR STELEY: 1974 to 1981.

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?

COMMISSIONER FITZGERALD: Sure.

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

COMMISSIONER FITZGERALD: Yes.

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.

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

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

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

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

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?

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

COMMISSIONER FITZGERALD: Yes.

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 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?

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

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

MR STELEY: Yep.

COMMISSIONER FITZGERALD: And that was against your will?

MR STELEY: No.

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

MR STELEY: I was discharged incompatible service life.

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

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.

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.

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.

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?

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?

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?"

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.

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.

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

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."

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 like11 years?

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."

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.

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?

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.

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

COMMISSIONER FITZGERALD: Right.

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 - - -

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." "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.

"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 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, "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 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.

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 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 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 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.

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.

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 - - -

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?

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

COMMISSIONER FITZGERALD: Sure.

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.

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?

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.

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 the person who does it, to the person who needs the information, it took 18 months.

COMMISSIONER FITZGERALD: So - - -

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.

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.

COMMISSIONER FITZGERALD: Let me put that in context.

MR STELEY: Yes.

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.

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 - - -

MR STELEY: Really?

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

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.

MR STELEY: Two answers to that question.

COMMISSIONER FITZGERALD: Sure.

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.

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."

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

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

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."

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.

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.

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.

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.

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?

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

MR STELEY: No. Is it that complex?

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

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.

MR STELEY: Good.

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

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.

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.

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

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.

MR STELEY: No.

COMMISSIONER FITZGERALD: You want us to keep it?

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

COMMISSIONER FITZGERALD: All right.

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.

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

COMMISSIONER FITZGERALD: Sure. Thanks, Doug.

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

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]**

RESUMED **[3.02 pm]**

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.

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

UNIDENTIFIED VOICES: No, sorry. Sorry.

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.

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

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.

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 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.

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 managers, 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.

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.

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.

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 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 calibrated to take account of Defence's obligations to employ military force as and when the Commonwealth Government directs.

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 done to serving personnel in some circumstances, where the fortunes of war inevitably are at play.

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.

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.

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.

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.

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.

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.

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).

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

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

MR JACKSON: The advisory council.

COMMISSIONER FITZGERALD: The advisory council.

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.

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 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.

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 arrangement. So, it's not the Defence Department and we should've been clearer about that. But that's - - -

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.

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 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?

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 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.

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?

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.

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.

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 think - I will not agree with that at all as the current Defence approach.

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.

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

MR ANNETT: Yes.

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.

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 with the caveats that you've put in.

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

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.

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 unnecessary, and what do we do about that.

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.

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.

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.

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.

So WorkCover is already in that space and providing insight and information back to Defence around those in particular incidents that they look into.

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.

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.

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/ 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 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 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 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 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 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 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.

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 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 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 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 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 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.

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 six months.

COMMISSIONER FITZGERALD: Michael and Jeff, if I can go to the 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.

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.

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 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.

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, 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 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 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 scheme.

We deal with (indistinct) scheme but there's all these other kinds of areas of assisting people who are really in difficult times.

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 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.

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.

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 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 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 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 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.

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.

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.

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.

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.

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?

MR ANNETT: Intermediate.

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?

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 - - -

COMMISSIONER FITZGERALD: That's fine.

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?

MR ANNETT: I've found the relevant - and I – please this is in draft form at this stage.

COMMISSIONER FITZGERALD: That's fine.

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.

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.

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.

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

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?

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 problems, especially North Queensland. And it may be because 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.

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?

MR ANNETT: We had a - - -

COMMISSIONER FITZGERALD: Which is VEA and the MRCA/DRCA coming together.

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?

MR JACKSON: Yes, yes. Once again we always pre-empt it by a no detriment clause.

COMMISSIONER FITZGERALD: Sure. I understand that.

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.

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 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.

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.

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).

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.

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 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 some of the concerns be less? Just take it on notice if you want to.

MR ANNETT: I – yes, I think we might. Yes.

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 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.

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.

MR ANNETT: Sure.

COMMISSIONER FITZGERALD: We know it's contentious. Is there any final question, Richard?

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

COMMISSIONER FITZGERALD: Any final comments from you in relation to any of these matters.

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.

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 away, what is in place to look after these people?

COMMISSIONER FITZGERALD: Correct.

MR JACKSON: And certainly the nurses, (indistinct) nurses, they 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 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 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.

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 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.

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 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.

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.

COMMISSIONER FITZGERALD: Because we are talking about very large numbers, if those figures from DVA are accurate.

MR ANNETT: I just make one final point around the whole contentious department in Defence portfolio.

COMMISSIONER FITZGERALD: Yes.

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.

COMMISSIONER FITZGERALD: Sure.

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 Commonwealth.

COMMISSIONER FITZGERALD: Sure.

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.

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.

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.

MR ANNETT: Yes, yes.

COMMISSIONER FITZGERALD: Well, I agree.

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.

MR ANNETT: No, thank you.

COMMISSIONER FITZGERALD: We appreciate it.

MR ANNETT: We appreciate the time.

COMMISSIONER FITZGERALD: That's very good.

MR JACKSON: Thank you very much. Good to see you.

COMMISSIONER FITZGERALD: Thank you. Good to see you (indistinct words). Thank you very much.

COMMISSIONER SPENCER: Thanks Michael.

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.

MR McDONALD: My name is Peter Ellis McDonald. I'm the national secretary of the United Nations and Overseas Policing Association of Australia.

COMMISSIONER FITZGERALD: Thank you, and Peter if you could just make an opening statement for 10 minutes or so, that would be terrific.

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.

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.

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 (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 – 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 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 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 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.

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 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.

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) 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 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.

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."

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.

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.

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.

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.

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.

The unavailability of records, the lack of information about our circumstances is important to us. We haven't been able to get from DVA

any indication about how many of our members have actually got active claims.

COMMISSIONER FITZGERALD: Right.

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.

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.

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.

At the moment, correct me if I'm wrong, your inclusion is all through the VEA?

MR McDONALD: Yes.

COMMISSIONER FITZGERALD: The schedules that appear.

MR McDONALD: Yes.

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.

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.

MR McDONALD: A Gold and White Card, yes.

COMMISSIONER FITZGERALD: But you're entitled to the White Card?

MR McDONALD: Yes.

COMMISSIONER FITZGERALD: Yes. And are your members entitled to the Gold Card (indistinct) severity of the impact?

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?

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.

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?

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

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.

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 - - -

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.

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?

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?

MR McDONALD: Yes.

COMMISSIONER FITZGERALD: But you think there may have been some changes or some improvements in the – when the peacekeeping mission concludes?

MR McDONALD: The more –the more recent ones, yes. Because they're more integrated.

COMMISSIONER FITZGERALD: Right.

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.

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.

MR McDONALD: Yes.

COMMISSIONER SPENCER: What was the expectation at the time? What was the understanding at the time about how police would be?

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 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.

COMMISSIONER SPENCER: So as far as you're concerned, it's an unfinished business, which is why you pose the question at the end?

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.

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 - - -

MR McDONALD: Well, as – it was government policy; I think previous governments have changed.

COMMISSIONER SPENCER: Yes.

MR McDONALD: (Indistinct) changed. Policy people have changed.

COMMISSIONER SPENCER: Yes.

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.

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.

When people do lodge claims - I guess there are two aspects to this - would, typically, your members use an advocate to lodge their claims?

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).

MR McDONALD: And then they're more contemporary to our people.

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?

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

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.

COMMISSIONER FITZGERALD: Sorry, which is this? The VEA?

COMMISSIONER SPENCER: The VEA. You're talking about the VEA at this point?

MR McDONALD: Yes.

COMMISSIONER SPENCER: Well, we would entirely agree with you. And we're both ex-lawyers, so. It's a shocking - - -

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.

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.

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?

MR McDONALD: No.

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 - - -

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.

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?

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.

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.

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 - - -

MR McDONALD: Not (indistinct).

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?

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.

COMMISSIONER FITZGERALD: Right.

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).

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).

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.

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.

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.

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 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 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, 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 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 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 - - -

COMMISSIONER FITZGERALD: No, no. You've done a great job. And we'll put you back in.

MR McDONALD: - - - we'll fit under the - - -

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 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.

MR FITZPATRICK: Hello.

COMMISSIONER FITZGERALD: Peter, it's Robert Fitzgerald from the Productivity Commission. How are you?

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.
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.

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.

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.

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

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.

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 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 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 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.

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 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 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, 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 think it does the job. And does it well.

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 injures them self whilst training in Australia falling off an obstacle course or something like that.

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 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.

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.

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 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 organisational structure that you came up with in the report.

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.

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.

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.

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.

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.

MR FITZPATRICK: Yes, I understand that. Robert Cornall's report.

COMMISSIONER FITZGERALD: So - - -

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 - - -

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 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 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.

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?

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 an organisation that is very strong on policy and works very closely with the veterans that it supports.

COMMISSIONER FITZGERALD: Sure.

MR FITZPATRICK: I go to Canberra five times a year. We're constantly developing policies.

COMMISSIONER FITZGERALD: Sure.

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 develop a policy - - -

COMMISSIONER FITZGERALD: No, no.

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 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 - - -

MR FITZPATRICK: Yes, I think - - -

COMMISSIONER FITZGERALD: - - - isn't a product of good policy making.

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 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.

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 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.

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.

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 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.

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.

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 - - -

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).

COMMISSIONER FITZGERALD: Can I just go back to a second point you raised?

MR FITZPATRICK: Yes.

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.

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 - - -\

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 - - -

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 - - -

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.

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.

COMMISSIONER SPENCER: Yes, Peter, it's Richard Spencer here, and just to explore that a bit further because - - -

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

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 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.

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 thinking, which may or may not be helpful.

MR FITZPATRICK: Yes.

COMMISSIONER SPENCER: But, you know, that's where we're coming from - - -

MR FITZPATRICK: Well can - - -

COMMISSIONER SPENCER: - - - in trying to sort of get to (indistinct) place.

MR FITZPATRICK: Can I just give an insight there? Look, I - I'm a 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.

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 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.

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.

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 - - -

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.

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?

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.

MR FITZPATRICK: Yes.

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.

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

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.

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).

COMMISSIONER FITZGERALD: And we're not removing the Gold Card.

MR FITZPATRICK: Okay.

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.

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.

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 - - -

MR FITZPATRICK: Sure.

COMMISSIONER FITZGERALD: - - - the removal of 86 benefits.

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 - - -

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 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 - 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 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.

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 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.

MR FITZPATRICK: - - - have more proactive services and mental health and wellbeing.

COMMISSIONER FITZGERALD: So, Peter, we understand that - - -

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.

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 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.

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.

MR FITZPATRICK: Sure.

COMMISSIONER FITZGERALD: But what I am saying to you very clearly is - - -

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.

MR FITZPATRICK: Yes.

COMMISSIONER FITZGERALD: And I'm frankly at the moment not hearing what it is.

MR FITZPATRICK: Sure, yes. Do you want that now or - - -

COMMISSIONER SPENCER: Peter, can I just - - -

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.

MR FITZPATRICK: (Indistinct words).

COMMISSIONER SPENCER: But look I think what's relevant and what's important - - -

MR FITZPATRICK: Well, I have – I have 11 – 11 years as the CEO of a legal profession.

COMMISSIONER SPENCER: Okay, right.

MR FITZPATRICK: So I fully understand that.

COMMISSIONER SPENCER: Good.

MR FITZPATRICK: I've met Robert in a past life.

COMMISSIONER FITZGERALD: Probably.

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.

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.

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

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.

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.

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?

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.

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.

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.

COMMISSIONER FITZGERALD: Yes.

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 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.

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 – 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.

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 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.

MR FITZPATRICK: Yes.

COMMISSIONER FITZGERALD: And frankly nothing will or should change that.

MR FITZPATRICK: (Indistinct).

COMMISSIONER FITZGERALD: So I just want to be clear, this is not a body - - -

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.

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.

MR FITZPATRICK: (Indistinct words).

COMMISSIONER FITZGERALD: And thank you very much for your contribution.

MR FITZPATRICK: (Indistinct).

COMMISSIONER FITZGERALD: And thank you for the work you do with ex-service personnel. Good, thanks, Peter.

MR FITZPATRICK: All right. Thank you very much (indistinct words).

COMMISSIONER FITZGERALD: Thank you.

COMMISSIONER SPENCER: Thank you, Peter. Bye.

MR FITZPATRICK: All the best. Thank you.

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.

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.

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 - 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. 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 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 not in favour of that either.

COMMISSIONER FITZGERALD: Sure.

MR SCHILLER: Okay, but that's a real minor thing in the grand scheme 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 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 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 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.

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.

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.

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.

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.

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.

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.

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.

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 recommendations and the complexity of issues. So that offer still stands.

MR SCHILLER: Okay.

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.

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.

MS WILMOTT: My full name is Jillian Wilmott. I work for the War Widows Guild but I'm representing myself.

COMMISSIONER FITZGERALD: Yes. Thanks.

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, 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 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, 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.

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 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 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 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 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 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 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.

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 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.

MS WILMOTT: Yes.

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 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 families' involvement in those hubs, not just the veterans.

MS WILMOTT: Okay.

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 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.

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.

MATTER ADJOURNED AT 5.18 pm
UNTIL FRIDAY, 15 FEBRUARY 2019

Australian Government
Productivity Commission

PRODUCTIVITY COMMISSION

COMPENSATION AND REHABILITATION FOR VETERANS

MR R FITZGERALD Commissioner
MR R SPENCER, Commissioner

TRANSCRIPT OF PROCEEDINGS

AT THE OLD WOOLSTORE, 1 MACQUARIE STREET, HOBART ON FRIDAY, 15 FEBRUARY 2019 AT 9.31 AM

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COMMISSIONER FITZGERALD: Well, we may get under way. Thank you very much for participating today. I'm just going to read a formal statement which we do at the beginning of each of these public hearings. So, firstly, welcome and thank you for spending the time with us this morning.

Welcome to the public hearing of the Productivity Commission's inquiry into veterans' compensation and rehabilitation following the release of our draft report in December last year. I'm Robert Fitzgerald. I'm the presiding Commissioner on this inquiry and my colleague is Commissioner Richard Spencer.

So the purpose of these hearings is to facilitate public scrutiny of the Commission's work and to get comment and feedback of the draft report and part of the public hearing is also to explain misunderstandings and in relation to this inquiry there are lots, so hopefully throughout the day we can not only hear your views and comments but also clarify some of the content of the report.

So far we've held hearings in Adelaide, Perth, Darwin last week. Earlier this week we held hearings in Wagga Wagga, Canberra, Melbourne, and obviously today in Hobart. We will be having hearings in Sydney, Brisbane and Townsville and perhaps one other place. We will then be working towards completing a final report which will go to the government in June of this year, having considered the evidence presented at these hearings, and in submissions as well as the consultations which have been ongoing and will continue.

Participants and those who have registered their interest in this inquiry will be advised of the final report's release by the government. So we produce and release the draft report, which you've seen, and the government will release our report after June, but it must do so within 25 parliamentary sitting days after the completion of the report, and it must be produced in full.

We like to conduct all hearings in a reasonably informal manner, although I'm sure some of you don't think this is terribly informal, but I remind participants that a full transcript is being taken. For this reason, comments from the floor can't be taken but towards the end of the proceedings today I will provide an opportunity for any person who wishes to make a brief statement or presentation. Participants are not required to take an oath but the Productivity Commission Act does require participants to be truthful in their remarks. Participants are welcome to comment on the issues in other people's submissions and other presentations.

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, and as you know we've called for written submissions to be in this month, and we hope that people avail themselves of that opportunity.

If there are any media representatives attending today, then there are some general rules that apply, and they should see Brad at the back of the room.

To comply with requirements of the Occupational Health and Safety legislation I'm just required to draw your attention to the fire exits which is through the back door where you entered and to take advice through the PA system and there are multiple exits that exist on this ground floor. In the event of an emergency an alert tone will sound, and if an evacuation is required please listen to those instructions.

Otherwise we'll get underway. I just want to make a couple of points, the draft report is very long and very comprehensive. It covers issues in Defence and DVA and veterans' boards and others, and we understand that for many people it's overwhelming and it has led to some confusion. At the end of the day however this is a once in a sort of a generation opportunity to look at the whole system, and so as a consequence of that it needed to be very comprehensive. Nevertheless we do want to aid organisations, ESOs and individuals to understand what we say and why we're saying it, and to that extent we have an ongoing offer to all ESOs and others if at any stage you need clarification in relation to what we are saying, or why we're saying it, we're available to do that.

But if we could start with our first participant today, and that is Barry Quinn and Vickie Gretz. No?

MS GRETZ: No, I'm not talking, no, today.

COMMISSIONER FITZGERALD: You're not talking, just Barry. Please, if you can just come. Probably just grab the middle microphone might be easiest. These microphones are only for the recording, they don't amplify, so if participants can speak up that would be good. And if you are a bit hard of hearing, and this is not a caption organisation, so you can come down the front and that would be very helpful but there's no amplification, so I can't increase the volume.

Barry, the process is if you can give us your full name and the name of the organisation that you represent.

MR QUINN: My full name is Barry Philip Quinn and I represent the Cygnet RSL sub-branch Incorporated.

COMMISSIONER FITZGERALD: Good. Thanks very much. And as you know the process is if you can give us about a 10 minute introduction of the key points, and then we'll have a discussion.

MR QUINN: Okay. I have a written statement which I have already provided to the Commission, and I will briefly go through this. My name is Barry Quinn and by way of introduction I am a fifth generation veteran who served in the regular army from 1991 to 2007 for over 15 years with multiple deployments. These include Rwanda in 1995, East Timor in 1999 and 2000, Bougainville 2002.

My age is 47 and by definition I am known as an older veteran. I would also like to acknowledge that I know many contemporary veterans who are up to 15 years my senior. I am here today to provide a submission to the Productivity Commission.

I understand due to time restraints I will not be able to convey my thoughts on every recommendation put forward by the Commission and as such I will restrict myself to what I consider to be some of the incorrect interpretations of your understanding of the needs of the veteran community.

As such I wish to discuss the following: governances of funding, draft recommendation 11.5; compensation for impairment, draft recommendation 13.6; healthcare, draft recommendation 15.1; and bringing it all together, draft recommendation 17.1.

Governance and funding, draft recommendation 11.5: I am confused by the Commission's statement on page 29 of the overview. Is it the intention of the Commission for the Department of Defence to pay the levy or uniform personnel? Most Defence personnel, by way of nature being in a Defence force, will incur an injury during their service. All personnel have access to medical and dental treatment and Defence already has a vested interest in preventing service related injuries or illnesses.

After their service Defence personnel pass on to the Department of Veterans' Affairs to become their responsibility for their after service care. By creating a levy on Defence one of two things will occur: either Defence budget moneys, which will be used for equipment, maintenance and training, will be siphoned off to fund the levy reducing Defence's capabilities, or the Defence budget will be increased to accommodate the

levy. Either way I believe there is no real incentive or purpose for this recommendation.

If it is the intention of the Commission for uniform personnel to pay a levy this will be counter-productive and will promote unwellness within the uniformed ranks. The thought that soldiers, sailors, airmen and women pay for their own compensation scheme is unfathomable and would potentially create a situation whereby personnel would use the levy thinking that they have paid for it, and if they didn't use it they would lose it.

The question will be if personnel did not use the levy would they receive a refund and at what point would that refund be applied. We still have Vietnam veterans who have yet to make a claim for potential service related conditions.

Compensation for impairment: the sole purpose for the special rate disability pension is to provide an income for veterans who are totally incapacitated and permanently unable to work. Although veterans have the option to receive incapacity payments unfortunately these cease between the ages of 65 and 67 depending on the veterans' personal circumstances and are not designed to support a veteran who is unable to work. Incap payments are designed to assist veterans and their families supplement lost income through disability, not as a replacement.

Healthcare, eligibility for the Gold Card: On page 19 of the overview your report states that the Gold Card is poorly targeted support and can work against the principles of wellness. Being in the Defence force requires a great deal of sacrifice, time away from home, missing childrens' births, first days of school, and most family occurrences, wedding anniversaries and other family milestones. As soon as a person enlists their priority or their first priority is to the Defence force. And every soldier, sailor and airman and woman knows that their priority is the Defence force and their families always come second.

The entitlement of a Gold Card is a small recognition of those veterans that have performed their duty overseas on a mission. They have served their country and sacrificed far more than most citizens in Australia. Veterans should have and currently do have additional healthcare benefits above those of a civilian population. The Gold Card is not a prize in a competition. It is given to those whose disabilities require it and are deserving of it.

I do not agree with RSL New South Wales' comments that the outcomes sought for veterans should be rehabilitation not monetary settlement.

What happens if a veteran cannot be rehabilitated? The Gold Card is designed for health conditions and has no bearing on a contest where the success for veterans is the extraction of cash from the government. This is an insinuation which is false and very dangerous and not relevant to whether the Gold Card should be an entitlement. For example, during my service I have eaten combat rations in Australia on exercise as well as on operations. When I was deployed to East Timor I spent three months eating combat rations supplemented by vitamins and Doxycycline which is an antimalarial tablet. No fresh meat, no vegetables, no fruit. I supplemented my rations with rice or flour to make bread from my parents who sent it back from Australia. As you can imagine this was not the healthiest of diet for an extended period of time.

There was not a single year in my service that I have not been through a period of poor diet, and I also know that when I am older I will probably have health related issues which I know were caused by my service but may not be able to be proven as service related. At the age of 70 I'll be entitled to a Gold Card. This will cover those medical conditions that are not covered by specific conditions of a White Card. It is also noted that not all veterans are entitled to a Gold Card and therefore will never win the prize.

From a personal point of view I believe the Gold Card should be issued to veterans with qualifying service at the age of 60 at a minimum, the same time as veterans are eligible for the service pension, not to be taken away from them.

Bringing it all together: Stated on pages 37 to 39 of the overview of your report the Commission in its own findings has submitted that at this stage one Act is not possible. There are very few older veterans who are covered by two or three Acts, and MRCA is becoming the dominant Act today. If, as per the Commission's recommendations, there was a transition to another compensation rehabilitation system this would create more confusion within government bureaucracy whichever department has control and additionally confusion would be rife within the veteran community. As an example you could have a situation whereby two people who served together side by side on the same operation and two totally different compensation and rehabilitation systems, and I guarantee that one of the veterans will have the thought process that they have been disadvantaged and I imagine that that veteran would not use quite the same language.

There is no need or purpose to transition from what is already in place. Age and natural attrition will determine that the VEA and SRCA/DRCA

Acts, they have a finite life. My question to the Commission is what is gained and who benefits by speeding up that process.

In conclusion: on page 8 your report states are older veterans are more likely to require independent living assistance, aged care and health services while the needs of contemporary veterans are focused on rehabilitation, wellness and returning to work. My questions to the Commission are, what is your actual definition of wellness? What happens when a contemporary veteran becomes an older veteran? What happens if a contemporary veteran is unable to be rehabilitated and should not older veterans have the benefits of wellness as well?

The returning of broken veterans back to the workforce should not be the priority. Helping them and their families live all facets of a healthy life should be regardless of whether that is through rehabilitation, medical support or financial assistance. We owe that to all veterans.

I'd like to remind the Commission that the Department of Defence is charged with defending the nation and the Department of Veterans' Affairs is charged with supporting veterans, their families, war widows and orphans. This is the reason why the Repatriation Commission was created over 100 years ago and why they are separate entities. As with all support systems there are flaws and failures, however, our current system is still one of the, if not, the best and most beneficial veteran support systems in the world, and far superior to our allies. Do you wish for veterans to lose that support?

So my interpretation of this report oversimplifies veterans' needs and its intent is to provide a means of cost saving for the government. I believe that if the above recommendations are to proceed there will be catastrophic consequences with a significant deterioration of entitlements to veterans, their families, war widows and orphans now and for future generations.

Lastly, I wish to bring to the Commission's attention a statement made on page 5 of the overview, and I quote:

> *Importantly, no veteran or dependant of a deceased veteran who currently receives a benefit or entitlement will be worse off under our proposal.*

I believe most of the recommendations within this draft report will be the detriment of current veterans, and this is to say nothing about the state of future generations of veterans and whether they will be better off.

COMMISSIONER FITZGERALD: Good. Thank you very much for that, and thanks for your statement. A couple of things, I'll come to your last statement first, which is a bit surprising given that you said most of the recommendations, because at the end of the day a person, for example, who's currently under the VEA I'll be interested to know how are they going to be worse off?

MR QUINN: You've put in your draft report that if they don't make a claim by 2025 they'll automatically - - -

COMMISSIONER FITZGERALD: No, no, a person that's currently entitled under VEA, how will they be worse off?

MR QUINN: If they're currently - if they've got an entitlement under the VEA you've said that if they don't make a claim by 2025 they will then move to the MRCA.

COMMISSIONER FITZGERALD: No, no, if they're currently entitled under the VEA they can continue to claim under the VEA forever.

MR QUINN: Well, that's not what your report says.

COMMISSIONER FITZGERALD: Yes, it is.

MR QUINN: It says there's a cut off at 2025.

COMMISSIONER FITZGERALD: For those that have never put in a claim under the VEA.

MR QUINN: But they still have the entitlement.

COMMISSIONER FITZGERALD: Yes. So that's another cut off. But a person that's currently under the VEA, you would acknowledge, that there's nothing in our report that detriments them.

MR QUINN: It is if they don't make a claim by the year 2025.

COMMISSIONER FITZGERALD: Okay. But you can see that at the present time a person who is currently entitled and receives benefits under the VEA is not going to be worse off. You accept that?

MR QUINN: If the system doesn't change then, yes, I accept that.

COMMISSIONER FITZGERALD: But if the system changes the way we've said it stays the same.

MR QUINN: Well, no, it doesn't because in 2025 you said if they haven't made a claim by - - -

COMMISSIONER FITZGERALD: Yes. But that's about the cut off. But can I just make the point is there's a large part of this system that is absolutely designed in order so that those who are currently entitled and have current claims are in fact not affected adversely in any way, shape or form. So I just want to be clear that I understand that there are elements of that that you disagree with, but I just wanted to put on the record that a person that is currently entitled and receiving benefits under the VEA for example continue to put in claims forever, forever, until that Act disappears and is no worse off. So I just want to put some balance into it, but I'll come back to that point if I can because there's a couple of other things that we just need to clarify. But I understand those concerns.

So just if we go back to the levy for a moment.

MR QUINN: Yes.

COMMISSIONER FITZGERALD: There's nowhere in the report that the levy would in fact ever be imposed on a uniform personnel. It's not in the Act.

MR QUINN: No, I understand that that wasn't in the report, but that was my question, because it just said Defence.

COMMISSIONER FITZGERALD: No, no, it's not. No. So let me just explain that if I can and then you can tell me what you think of it. At the present time a levy is raised. You'd be aware of that.

MR QUINN: Which levy would that be?

COMMISSIONER FITZGERALD: There's a premium raised by the Australian Government in relation to the costs of the MRCA scheme against the Defence force budget and that's been raised for some considerable years. The issue is, it's a nominal premium, and identifies the costs associated with some aspects of it. What we're looking at is whether or not a levy could be applied to the Defence force in order that the Defence force has some sort of skin in the game in relation to the impacts of illnesses and ill health that arises during that time. So it's a levy that would be imposed on effectively Defence in relation to some aspects of the compensation scheme. But it doesn't apply to actual members, and we would never do that. And your points are absolutely

valid, absolutely valid. We would never suggest and never have suggested that.

But can I just ask this question, we understand that it does come at a cost to Defence. You're absolutely right, there would be an initial payment made to Defence to cover that initial premium. But do you have a problem with the notion that Defence should be held accountable in some way for the costs of the compensation scheme which arises from the injuries or ill health of its personnel?

MR QUINN: Absolutely. I do agree that, yes, defence has got a responsibility to their uniform personnel.

COMMISSIONER FITZGERALD: Sure.

MR QUINN: But bearing in mind as well is that the nature of being a soldier or a sailor or an airman it's expected that, you know, you're not sitting at a desk in a 9 to 5 job.

COMMISSIONER FITZGERALD: Sure.

MR QUINN: So with regards to Defence, yes, they have that responsibility and to a point, and I'm not - once again, it's like all systems, it's not perfect, but my understanding just prior to my leaving the Defence force was that they were changing towards looking after their members better. I don't believe it's obviously a hundred per cent. But they have acknowledged it and they are working towards it, the same as DVA has acknowledged that there are issues within their organisation, and they're attempting to fix things as well. It doesn't necessarily mean that the system needs to be completely overhauled and changed.

COMMISSIONER FITZGERALD: So just let's deal with the premium, just as in so the notion that Defence might be required to make a contribution to the costs of the injury and illness that occurs to its service personnel when they leave isn't something you'd fundamentally object to. You'd have concerns about how that applies and the impact on Defence.

MR QUINN: And it also depends on where the money comes from as well.

COMMISSIONER FITZGERALD: Sure.

MR QUINN: Because obviously you can't take away moneys that are put aside for equipment or training or maintenance of a - - -

COMMISSIONER FITZGERALD: Sure.

MR QUINN: You know, to fund veterans when we have a department that already does that.

COMMISSIONER FITZGERALD: So the notion of a levy which we're looking at at the moment is one that we have to work out, firstly, what are the effects of it, exactly what you say. Does it impact on the actual day-to-day operations of the Defence? And we would not want that to happen. But the second thing is what would it cover and, thirdly, how would it be applied over a period of time, so there's a whole lot of stuff that has to be done before that's - - -

MR QUINN: And where does the money come from?

COMMISSIONER FITZGERALD: Well, the same source as all the money comes from, it's the government. It's the same pot.

MR QUINN: So you're not talking about the - so in that circumstance the Department of Defence would then get an increase in their budget.

COMMISSIONER FITZGERALD: Yes.

MR QUINN: But not necessarily apply those moneys that have stated to veterans to go to veterans.

COMMISSIONER FITZGERALD: What happens is - I won't go into the technicality but basically government makes an initial contribution to the Defence department to cover that initial premium.

MR QUINN: Sure.

COMMISSIONER FITZGERALD: It's applied in the first year. That's then paid across to DVA, but over time there are incentives brought into the system to try to reduce the costs of injury overall, so it's a sort of an incentive system.

MR QUINN: Would that money come from the Department of Veterans' Affairs' budget?

COMMISSIONER FITZGERALD: No, no, quite the reverse. It comes from the Defence.

MR QUINN: Well, my question goes back to you, where does Defence get the money from?

COMMISSIONER FITZGERALD: Commonwealth Government. Same as it gets all money. But can I just go to a couple of other things and then Richard will have a comment. In relation to the two scheme approach, just so I understand this, I understand the issue about the cut off, so that's a single issue. Do you or do you not have a cut off? So, that's fine. And we're looking at that at the moment and what the effects are. But in relation to the two schemes, we've now heard from hundreds of veterans, young and old. The one thing they wanted was if we could get it to a simplified system where people were covered by one Act, not three Acts, over time, and that it was a much easier system to navigate. That would be in the interests of veterans generally provided that their benefits weren't curtailed.

So that was what we were trying to do with the two-scheme approach, that over time you have the older veterans remain in the VEA, largely unaffected or a few modifications and then you have another one which is simply a combination of MRCA/DRCA. We have to work out exactly the rates and all those sorts of things, but eventually people are only under one Act, and going forward, as you rightly say, VEA will eventually disappear but that's a long way off. That's, you know, 20 - 30 years away. So our proposal is that you eventually get to a situation where people are only under one Act. They can in fact choose to move from VEA to the other Acts if it's in their interests and they want to do that. They don't have to. They can stay in VEA. And no-one is worse off in relation to the benefits. What's the fundamental problem with that?

MR QUINN: It's going to happen anyway. SRCA and DRCA and VEA have a finite life.

COMMISSIONER FITZGERALD: So what's - - -

MR QUINN: So what' the purpose of expediting it when we know that, you know, the cut off for the VEA is 1999 or 2004 when MRCA was introduced, and same with SRCA. The cut off for SCRA was 2004 when MRCA was introduced.

COMMISSIONER FITZGERALD: SCRA covers a different group of people.

MR QUINN: I understand that, but it still has a finite life because - - -

COMMISSIONER FITZGERALD: So - - -

MR QUINN: - - -when 2004 came around the other two systems or Acts were superseded and even now you have - I believe there's an amendment in the VEA that says if you served after 2004 if you've got pre-2004 service your entitlement to the VEA is reduced and you now under, for all of your injuries, illnesses and disabilities, under the MRCA.

COMMISSIONER FITZGERALD: So your view is, am I correct, that it's okay to continue to be under two or three Acts? That just should continue?

MR QUINN: Well, until the VEA - until all veterans that are a part of the VEA system and obviously war widows and orphans as well.

COMMISSIONER FITZGERALD: No, sorry, VEA is staying, but in relation to DRCA I'm not understanding what is your concern about bringing DRCA and MRCA together. The VEA, put that one aside, because we're not changing that. But the VEA and the DRCA and MRCA, what's the problem with bringing them together? I mean, there may be problems.

MR QUINN: Well, it's going to happen anyway, so what you're doing is you're putting in a recommendation to fast track a system that - a process that is going to occur.

COMMISSIONER FITZGERALD: Okay. I must admit - - -

MR QUINN: And I do know because I'm the last of the veterans that served overseas under the VEA.

COMMISSIONER FITZGERALD: Yes, I'm not worried about the VEA. It's just the DRCA and MRCA. I hear what you're saying and I accept you're saying that, but I must say that very few other people have that view about DRCA and MRCA.

MR QUINN: It's going to occur.

COMMISSIONER FITZGERALD: Yes. In relation to other aspects, and Richard may have some stuff about the health and what have you, you made your last statement about the majority of recommendations, so our recommendations cover injury prevention, they cover much better transition, they cover improved rehabilitation, they cover a more specific approach to mental health for veterans, they include better resourcing and funding of health services for veterans, they include increased access to the Minister through a Ministry or Advisory Council, they include a better way of administering the scheme using modern practices whilst retaining

the benefits. Are those recommendations you think are a disservice to veterans?

MR QUINN: My apologies on that, I should have re-written that to say that the recommendations that I was speaking about, not the whole recommendations.

COMMISSIONER FITZGERALD: No, I understand that. And I'm not trying to be critical. Can I just make the point, a number of organisations have stood up and said, "Oh, it's all shocking, this is terrible". Somebody said to us that this does a disservice to young veterans, and then when we went through all of the recommendations they agreed with most of them., not all the recommendations. And so what we're trying to do is say, and you've done this and I appreciate it, you've actually targeted the recommendations that are of greatest concern.

MR QUINN: Yes.

COMMISSIONER FITZGERALD: And I'm pleased you've done that. It was just when you came to the very end I thought - - -

MR QUINN: No.

COMMISSIONER FITZGERALD: - - -can we really hold that to the line, because actually despite what you might think of the Productivity Commission, Richard and I and the team have actually tried to come up with a system we think better serves veterans, and there's a couple of things about that. The first thing is this scheme will cost more. It will put more money into veterans' hands and services than previously. So the one thing this is not, is a cost cutting exercise. In fact, ours are going to be more expensive. Because if you're improving rehabilitation, if you're improving health services, if you're improving mental health services, if you're improving transition ultimately they must cost and they will.

So we deliberately didn't start off with a cost cutting exercise in mind at all. What we did and unashamedly is try to say, could we make it a more efficient system, and there are ways of doing that we think. So I just want to reassure you and your members, we didn't start from a cost cutting exercise at all. We did say could the system be made more efficient and I don't think that's a terrible thing, and of course people like yourself can agree or disagree with that.

MR QUINN: Do you think by disbanding DVA and folding it into the Department of Defence it's going to be more efficient?

COMMISSIONER FITZGERALD: Two things about that: the first thing is the only thing we were folding into Defence was policy. The administration of the scheme is not in the Defence Department. You'd be aware at the moment that DVA is currently within the Defence portfolio.

MR QUINN: Yes.

COMMISSIONER FITZGERALD: Technically. And our proposals don't change that, so that basically policy goes to the Department of Defence but the administration of the scheme we saw that a statutory authority dedicated to the needs of veterans, Veterans' Services Commission might be a more efficient way of doing that, yes. So that was the change. But that's not under the control of the department. That's just what's called the Defence portfolio and it's still responsible to its Minister and it's still accountable in the way that you would hope.

So there's been some confusion about that. That's probably our fault, but we were never going to put the administration of veterans into Defence. All we moved in Defence was policy. But people have got confused, not yourself, but others, they see the words "Defence portfolio" and they've interpreted that as Defence Department, and that's not what we intended.

So the scheme we see as sitting outside independent of Defence, yes. But the policy we did, and I just wonder about your view on that. I presume you would have difficulty with putting policy into Defence, or would you prefer it to remain in a DVA?

MR QUINN: I would prefer it to be held within DVA.

COMMISSIONER FITZGERALD: And why is that?

MR QUINN: Because, as I said in my statement, the Department of Defence is charged with defending Australia. The Department of Veterans' Affairs with the Repatriation Commission its responsibility is to veterans, and that's why we created a Repatriation Commission in the first place, and that's the reason why it was never part of the ADF or Defence, so that it would be kept separate and then you then have the potential for a conflict of interest to be reduced because Defence is self-serving and everybody knows that and that's why it's separate and it shouldn't be all under the one umbrella.

COMMISSIONER FITZGERALD: Is that because - there's two reasons. Obviously you've indicated one is about the primary purpose of defence which is around effectively force capability for deployment into, you know, warlike or non-warlike operations.

MR QUINN: Yes.

COMMISSIONER FITZGERALD: But the second one is it that there's a concern that Defence isn't the right place in terms of actually policy, making good quality policy?

MR QUINN: With regards to its own expertise within defending Australia and its national interests, yes. Yes.

COMMISSIONER FITZGERALD: Sure.

MR QUINN: Yes. But with regards to looking after veterans there are issues within the Defence Force obviously with the transition they face as you are quite well aware of. Putting more responsibility on Defence when they can't handle things as well as they could now I think would be worse.

COMMISSIONER FITZGERALD: Okay. Yes. And just in relation to transition we're picking up a lot of the recommendations that have come out of various task forces on transition and we've tried to come up with a systematic or structural approach to that which better coordinates and pulls all that together called the Joint Transition Command. In that proposal one of the things we have said is that Defence, which is largely responsible for transition now - - -

MR QUINN: Yes.

COMMISSIONER FITZGERALD: - - -with DVA's involvement people that have left Defence should be able to continue to access those transitioned services for a period of six months. You haven't got this in your thing. Do you think that's a reasonable period? Is it too short, too long or you may not have a view on that?

MR QUINN: It depends on the circumstances. When I discharged from the military it was time based. So for example if you did 10 years in the military then you would have X amount of transitional support based on your time in service. I'm not up-to-date as to how that works now with Defence. When I was discharging I was - by probably at the end of - and I'll excuse the members of other services here, I mean no disrespect, from a soldier's point of view, I was probably at the end of the long career soldiers. It was pre-Iraq and Afghanistan where we had gone through a period, and it is mentioned about the long peace between Vietnam and East Timor with some minor - I won't say minor operations, but smaller operations in between. Soldiers now I believe are doing far less time than what they used to. They're enlisting, doing their six years, deploying

overseas, coming back, having families, and then identifying that the Army is not a career. From a personal point of view I do know that once you come back from operations it is very hard to go back to digging holes in Shoalwater Bay for another three years. And that's what's happening now is that we're coming to a period of time at the end of operations, high tempo operations. We'll still do low level operations. The guys are going to not want to dig holes in Shoalwater Bay for the rest of their career and also - yes, they're having their families and deciding to move on to another career.

So, as I said, I don't - I'm not up-to-date with how the transition works currently. And I - you know, to be honest, I don't even know what their benefits or what entitlements they do have on transition as a short-term solution.

COMMISSIONER FITZGERALD: Can I just ask one last question, and then Richard may have some questions. Your issue you raised a couple of times around - you say here:

> *The returning of broken veterans back to the workforce should not be the priority. Helping them and their families in all facets of healthy life.*

Since 2004 with MRCA, as you know, the government - and much of the veterans' community for younger veterans has had a different focus from that which was under VEA which is really about rehabilitation, trying to get people back into work where that's possible.

MR QUINN: I understand.

COMMISSIONER FITZGERALD: But of course for those people who are not able to work then there has to be a whole of life approach which supports them through their life, and we would agree with that absolutely. We would also - we have used the term that the system is generous. Well, we think that's okay. We don't have an objection to the system being generous, but that's what the Australian community are prepared to do in recognition of your service.

But I was wondering, do you think the balance has gone wrong? I just got in your tone there that you were a bit worried about the emphasis that the current system or the new system is putting on return to work.

MR QUINN: When you look at the words of the VEA, it's the Veterans' Entitlements Act so therefore it is an Act for veterans' entitlements. When you look at MRCA, MRCA stands for the Military Rehabilitation and

Compensation Act. So the emphasis is on rehabilitation before compensation. So that's a fundamental difference - - -

COMMISSIONER FITZGERALD: Yes.

MR QUINN: - - - between the VEA and MRCA and SRCA obviously or DRCA, whatever name you want to call it these days. The processes for MRCA for the acceptance of liability are exactly the same as the VEA, and I understand that, and I think that that's great. I think there are issues where once the liability has been accepted that it then switches over to a civilian compensation system, and that's where I think MRCA needs reform.

My sole concern is, and I learnt this from being in the Defence Force, the changes between DFRDB and MSBS that system, the shutoff of DFRDB, and the introduction of MSBS was not to the betterment of the soldier or the sailor or the airman. That was the betterment for the government, and I'm concerned that once you start changing legislation and you start changing the goal posts it is not for the benefit of the veteran. And I honestly believe that. And, as I said, you have a look at DFRDB, you have a look at MRCA, I missed out on - and I know that it's not relevant to this Commission, I enlisted about a month after DFRDB finished, and the introduction of MSBS.

COMMISSIONER FITZGERALD: Yes.

MR QUINN: And everybody knows that when it comes to politicians they've got their entitlement. We lost ours.

COMMISSIONER FITZGERALD: So a number of people have raised that with us, and it seems to us that that superannuation change, and that's what we're talking about, isn't it, has coloured, as you have said, coloured some of this conversation.

MR QUINN: Absolutely.

COMMISSIONER FITZGERALD: That what happened there has brought a bit of a fear or a suspicion into changes, the sort of stuff we're recommending.

MR QUINN: Absolutely. And that's why, you know, when you say that if you want to simplify from three Acts to two - or three systems to two systems, as I said, that's going to happen anyway, because the legislations have been superseded by MRCA.

COMMISSIONER FITZGERALD: Sure.

MR QUINN: And as I made comment you can have two guys that are - what's the best example I can use - in East Timor, because East Timor is VEA, you can have a soldier that was in a battalion that (indistinct) on the border in a fire fight that they had with the Indonesians. One guy has post-traumatic stress, puts a claim in prior to 2025, and the other veteran, same spot, same experience, doesn't feel the effects of that until after 2025, you can have two diggers having a beer together, one's going to go, "I'm in the VEA and these are my entitlements", and you're going to have another bloke going, "I'm in MRCA and I've got rehabilitation".

COMMISSIONER FITZGERALD: And - - -

MR QUINN: And that was my point about having two - - -

COMMISSIONER FITZGERALD: Yes. No, no, I understand that.

MR QUINN: - - -two people side by side and changing the system.

COMMISSIONER FITZGERALD: So that's about the cut off. That's about the cut off. That's not about MRCA. Because the same thing happened - - -

MR QUINN: No, no, no. No, it's exactly right, it's about the cut off being 2025.

COMMISSIONER FITZGERALD: Yes. No, it's the cut off. But just to get to the point, the same thing you would have said when MRCA was introduced, because the person that had an injury in 2003 and the person who had the same injury later on, you know, in 2005 got treated by different Acts, different dates, but - - -

MR QUINN: Potentially. But I don't believe that there were any actual personnel deployed on a new operation on 1 July in 2004 where they would not have been on operations already.

COMMISSIONER FITZGERALD: Okay, that's fine.

COMMISSIONER SPENCER: Barry, no, thanks for that. Look, just a couple of issues, just so you know our thinking is behind some of the things we've been discussing. The issue of what is Defence's responsibility, we've looked at other military systems where they do have that responsibility for the lifetime wellbeing, and they describe it to us quite often was a duty of care, obviously, to their members, and a duty to

prepare for warfare, and as you rightly say there's a tension around that, because what is - how do you balance that? But one of the things that we've observed is that some of the things that we're trying to explore here to give Defence more insight and understanding about the long-term consequences of injuries and what is avoidable, what doesn't need to happen in order to prepare for warfare, which can result in injury. So there's a balance to be struck there, so that's why we're exploring this idea of premiums and other things, and look, we hear your comments and your concerns about that.

The other issue I was to go into is the Gold Card issue, and you've given a very strong defence, as have others, about the Gold Card system. What we're dealing with there is, we're trying to explore what are - are there better ways of delivering health services in a more targeted way, because some of the things we hear about the card systems is, "Well, I've got a card and that's great", but in various parts of Australia we've heard "But I can't get the service", the providers aren't there. The other issue we hear quite a lot of contention about is the fee schedule. A number of providers, they say "No, no, you're doctor, I'm not going to deal with you. It's too complicated, too much paperwork, and by the way, you know, I get this if I'm doing something like an NDIS, but this is what I get under the" - so there's a whole range of issues there.

So we're trying to work out - and this goes back to the whole continuum of looking after the veteran from day one of their service right through transition, as we've been discussing, for the rest of - - -

MR QUINN: Yes.

COMMISSIONER SPENCER: How can we have a better targeted system to give people the care when they need it, at the right time, right place, and you do get it? So, there are a number of reservations around the Gold Card system, and that's why we made the information request, to say, well look, are there other ways of doing it, better ways? We ask people "Do you have any thoughts about private health insurance?" for example, and we haven't received much on that to be frank. So, that's the background to that, but I mean, if you - if - looking at those limitations of the Gold Card do you see, if you stood back and said look, in 20 to 30 years, put the Gold Card to one side, what would be a health system for veterans for their lifetime that could operate in a more targeted way? I just put one other thing on the table. We hear a lot about outsourcing. There's just - the outsourcing of the services are given to other people.

MR QUINN: I don't agree with outsourcing in any way, shape, or form.

COMMISSIONER SPENCER: And we hear that a lot. We hear that a lot.

MR QUINN: And that - basically all outsourcing is is shifting responsibility from yourself to somebody else.

COMMISSIONER SPENCER: Certainly, yes.

MR QUINN: And then you've got someone else to blame when it goes pear-shaped.

COMMISSIONER SPENCER: So what would be a better system, Barry, to try and sort of overcome some of these problems?

MR QUINN: Look, the Gold Card system actually does work. What the government needs to do within DVA and the policy makers is to - if there's an issue where service providers aren't providing the service because they can get paid more by the national health disability scheme - I think that's what it is - then DVA need to raise their schedules of payment to be in line with what is - what the general population has. So obviously that's a disadvantage for veterans straight. So if - and obviously it comes down to a monetary effect, because it will increase their budget, but if a general citizen of Australia has access to a system where a doctor can charge more for that general citizen, then why are we - have - we are actually disadvantaged in that circumstance in the first place? So, that's a policy thing where DVA need to jack up the money more, increase (indistinct).

COMMISSIONER SPENCER: Yes. Have you experienced some of those limitations in Tasmania? Is that your experience there, or not?

MR QUINN: I haven't personally, no.

COMMISSIONER SPENCER: Yes.

MR QUINN: Although having said that we are - you know, we are remote. We're down in the Huon Valley as well. To travel in Tasmania is not difficult for most people, so they can either get themselves to Hobart, which is obviously a high population area with specialists, or to Launceston. I have not been made aware of veterans that are having issues within Tasmania with regards to treatment. I do know that remote locations on mainland Australia, they do have issues, and you can't force veterans to move to a city just for health treatment. They've got to be able to live where they live for their own health reasons, and that's what we do down in the valley - down in the Huon Valley. We live there partly as a

lifestyle, to help with my circumstance, and it's just one of those things that if a veteran lives in isolation by choice then the government still needs to provide that service, and they need to pay for that service.

I've heard of, you know, South Australia predominantly, where DVA is paying for 200 and 300 round - you know, round trip - two or 300 kilometre round trips for veterans to see a specialist in Adelaide. That's part of their responsibility, unless you send that specialist to the veteran. It's just that it's a basic responsibility that the government has.

COMMISSIONER SPENCER: Barry, I just wanted to raise one other issue. You haven't raised it, and thanks for, you know, being very targeted in your comments, because that's important for us to sort of come to grips with the things that are concerning people, but I just wanted to mention, we said in our draft report about ESOs that we were a bit light on there because the Robert Cornell study on advocacy in ESOs was underway at the same time. That report has been given to government. It's not public yet; we hope it will be soon, but we'll have a lot more to say in our final report about that, but - so, wearing your RSL hat I just wanted to mention to you, we think that the ESO network is a terrific asset as part of the wider system.

MR QUINN: Yes.

COMMISSIONER SPENCER: And what ESOs do is up to ESOs. That's their issue, but the government could actually leverage the networks of ESOs and the kinds of services they can provide. Now, we do know there's a lot of that going on here in Tasmania. There are hubs, there's Oasis in Townsville. There are some terrific examples of how ESOs can reach out to some of the most isolated individuals and people and veterans in need that don't engage with the system and wouldn't engage with the system unless there were levels of trust or peer group support. So we think in all of that that there's a role there, a very important role, for ESOs and the government could help to leverage that with some investment in all of that.

MR QUINN: Yes.

COMMISSIONER SPENCER: So, we've said generally to ESOs, "Tell us what you think", because we'll be addressing that issue in the final report, because we're very keen to work out how that can be another valuable part of the overall system.

MR QUINN: Well I think if you can - I'll start by saying I believe in your report, and I think it's even more so now, that there are in excess of

2000 ESOs within Australia, and charity organisations. That is an issue in itself. You go back 50 years ago there was predominantly - in fact, I'll go longer than 50 years, because Vietnam was 50 years ago. You go pre-Vietnam. There was predominantly one ESO, which was the RSL, and then you had unit and corps organisations which split between the ESO - the RSL's function was to look after veterans, Legacy's function was to look after war widows and orphans.

You then had organisations or associations that were battalion associations, naval associations, that would look after more so the social side of things more so than the welfare side. That's what the job of the RSL and Legacy was. Over the years obviously with what happened in Vietnam and the way that Vietnam veterans were treated on their return, that is a black spot on the RSL, and that's why we have so many splinters within the ESO organisation. Pre-Vietnam the RSL as a lobby group had, you know, in excess of 1 million members and was the highest and most successful lobby group that the government had to contend with, and a lot of policy was created from the RSL, because they had that much - you've got two world wars and over 1 million soldiers, sailors, and airmen, that have served, and that creates a big chunk of Australia's population back in those days.

COMMISSIONER SPENCER: So Barry, where we're looking to is over the next 20 or 30 years, what could be the change - and we hear a lot of this as we speak to ESOs - the changing world of ESOs and the desire, often, of a lot of younger veterans for services, you know, what would help them with employment, what would help them in terms of peer group support, that kind of thing, and how could - and from our point of view, what suggestions could we make to government about how to assist in what ESOs could do in that space.

So what I'd - what we'd welcome from you and your colleagues, and we've been saying this generally around Australia, your thoughts and ideas on that, not now, but I mean in terms of any submission you put in, or reaching out to us after today, we would welcome that, because we do want to say more about it in the final report.

MR QUINN: Yes. It's very different where you've got prejudices against organisations. So you could provide a service, but because of your branding people won't go to that service anyway. It's a bit like, for example, Facebook with contemporary - and I - actually, I'll just quickly (indistinct) the fact that I put in there that I'm an older veteran, because I'm 47 years old and I'm not a contemporary veteran, I'm an older veteran, and I find that quite amusing. But you have contemporary veterans and I - my personal opinion is, and that of most younger veterans, is that a veteran is

a veteran, and by - in the first instance, by separating older veterans, Vietnam veterans, Korean veterans, and contemporary veterans, you've created a divide straight away. A veteran is a veteran. I don't agree with the part - with the government's definition of a veteran. A veteran is someone who has served overseas on operational service, not some - not one person who did one day at Kapooka, got injured falling over the gutter, and now they're classed as a veteran. You know - - -

COMMISSIONER FITZGERALD: Sure. Can I just deal with that?

MR QUINN: So, with regard - sorry. Yes, go.

COMMISSIONER FITZGERALD: Sorry. That is the government's definition, and we've been accused of that definition, but it's not ours. It's government, so I want to put (indistinct).

MR QUINN: No, I understand that.

COMMISSIONER FITZGERALD: Thank you very much. It's their definition, but they've done it for a reason. They basically try to say that from the day you go into the military they want to make - they want to introduce this notion of a continuity. That is, you start to understand that at some stage you're going to be leaving the service, that you should be thinking about your future, that you should start to engage with, sort of, the DVA at an earlier stage and sort of that. So that was a sort of a very practical reason they came up with that, but when we heard it we thought it was very strange also, you know, a bit different.

But I suppose we've not decided to make any recommendations about. That's government policy, but even if we wanted to I'm not quite sure how we would deal with it. so I hear what you say. A lot of people have said that to us, a veteran is somebody that's served in war or at least been operationally deployed, but I'm not quite sure how you would describe everybody else who needs to access what's currently veterans' services. So I suppose it's just a dilemma, one we've preferred to leave alone.

MR QUINN: Well no, not necessarily. You can have war veterans and you can have military veterans.

COMMISSIONER FITZGERALD: So you just put an adjective in front, a name in front?

MR QUINN: Yes. Not contemporary.

COMMISSIONER FITZGERALD: Sure.

MR QUINN: Because as I said, you speak to most younger veterans, contemporary veterans, and their attitude is exactly the same. A veteran is a veteran. There should be an - you know, an adjective in front of the word veteran, unless you're going to go and create, for example, as you say, a war veteran and a military veteran. If you're a military veteran, if they want to use that terminology, then they haven't got operational service, and a war veteran has been on operations, and especially when you've got, you know, for example, young fellas that have been blown up in Afghanistan, who are the exact same veteran, as I said, as a bloke that fell over the gutter on day one at Kapooka, did his ankle, and discharged on day two.

COMMISSIONER FITZGERALD: Right. Well we hear that. Yes. I'm not quite sure we're going to solve that.

MR QUINN: No. As I said, I understand that that's not - - -

COMMISSIONER SPENCER: That is the government's - - -

MR QUINN: That's the - yes.

COMMISSIONER FITZGERALD: We're out of time. I want to say thank you. I think you participated in the forum we had down here before, at Christmas, or not - other organisations did.

MR QUINN: No.

COMMISSIONER FITZGERALD: So we had a forum down in Tasmania last year, and we have a terrific conversation with many of the organisations, and we've been very grateful for that. I'd just like to go back to the point, if I sound a bit harsh about the entry - the - after your first comment, I suppose what we're trying to do is, it serves nobody and interest to say the Productivity Commission's report is all this, or it's all that. I mean, that's like, you know, throwing - it just doesn't help, but what you've done is fine. It's to say these are the issues we've got the concerns about.

But I want to just go back to a point. This is a report that takes the life of the veteran from the time they enter Defence until their latter years of life, and we've tried to cover that span, and I would say, in fairness, a lot of what we've got in there is incontestable, in fact very good - good for current veterans, good for others. So we're very happy for people not to agree with some of our key recommendations, but what we don't want to have happen is people then say - they use these generalisations, and

frankly that doesn't help anybody, but also it actually damages the ability to get really good change in, so I'm just trying to get ESOs to type in all the things they really don't like.

MR QUINN: Yes.

COMMISSIONER FITZGERALD: And not try and - and it happens in every inquiry. You know, people sort of have these generalisations, but I've got a lot of them, and if you really want to get good quality reform the best way to do it is just deal with issue by issue.

MR QUINN: Yes.

COMMISSIONER FITZGERALD: And that's really my point.

MR QUINN: Can I just ask a couple of things?

COMMISSIONER FITZGERALD: Sure.

MR QUINN: Did you receive any external advice when you were conducting the commission? For example, with no offence to yourselves, did you speak to - and I understand this is what the public hearings are about, but prior to the draft, you know, have you guys served in the military?

COMMISSIONER FITZGERALD: No, but I can answer your question. We went to bases in Albury, Wagga, Townsville. We've been to bases in Darwin, we've been on naval vessels okay, so we've spoken to current contemporary veterans. We've spoken to ex-heads of the government agencies, we've spoken to the senior levels of the military, we've spoken to researchers, we've spoken to rehabilitation consultants that specialise in dealing with the military, we've spoken to just about every - all the major ESOs.

MR QUINN: Yes.

COMMISSIONER FITZGERALD: So we've used the expertise of your people, veterans, and that's been invaluable, and I - and of course we don't have that expertise.

MR QUINN: Yes.

COMMISSIONER FITZGERALD: But the only way we can run inquiries is to use that expertise. So I can only say to you, whether we've drawn the right conclusions or not is up to you. I can just guarantee to

you, we have spoken to hundreds of people currently in and who have left the service, and we've tried to listen as attentively as we can, but what we will say is this. as you rightfully know, there's no uniformity of view.

MR QUINN: No.

COMMISSIONER FITZGERALD: Young veterans and older veterans, people with the navy, the air force and the army, they discharge differently, they have different processes, so this has been an exercise where we've looked at this myriad of institutions and veterans, and there isn't a common voice, except for one thing, that veterans rightfully want, and we agree require, a system that will support them throughout the whole of their life.

MR QUINN: Yes.

COMMISSIONER FITZGERALD: That's the one thing everyone agrees on. how you do that, well that's very different.

MR QUINN: Yes, and just one final question, if I may ask. You put that quote in from RSL New South Wales. That has created a lot of divide within the veteran community. Did you - were you aware that putting that quote in from RSL New South Wales was going to create such a drama?

COMMISSIONER FITZGERALD: No, but what we do is, we quote submissions all over the place, and we've - our proposals - as you know, our report is littered with different quotes. One of the reasons we do that is so that when we come to the final people have had an opportunity to comment and to react to those issues. So our approach is not to create divisions in the sector; that's not the point. But there - what is clear is that there are very different views, even if you look at the public hearings, about all these issues. So on the same day within a - literally half-an-hour you've got a veteran standing up and saying DVA should be gone, it's the worst department under the sun. The next veteran gets up and says it's the best thing, we've got to keep it, you know, it's wonderful. This is the difficulty and the magic of inquiries.

MR QUINN: Right.

COMMISSIONER FITZGERALD: So it wasn't a divisive tool. We have no interest in dividing the veterans' community. They've been terrific in working with us, but I have to say there is no uniformity of view about a lot of these issues.

MR QUINN: Yes.

COMMISSIONER FITZGERALD: And that's true in every inquiry. So our job is, as - that's what we're objective. That's why we're not part of the veteran community, is so that we can say we've got all these different views, and then we try and apply analysis to that, and then you and the public and ultimately governments decide whether they like what we've said or they don't, and that's the process. But our - we have no strategy about dividing or conquering or anything.

MR QUINN: Yes.

COMMISSIONER FITZGERALD: It's really just trying to get diverse views, but the veterans' is one of the most diverse groups we've dealt with. the diversity of views in this sector is extreme, and it really is about people's personal experiences.

MR QUINN: Absolutely.

COMMISSIONER FITZGERALD: If they've had good experiences in the defence they have a view. If they've had bad experiences it colours that. If they've had a good experience with DVA they have a view. If they had a bad experience with DVA it colours it. So we're just trying to work our way through that. So thank you for your help.

MR QUINN: No worries, thank you.

COMMISSIONER SPENCER: Thanks, Barry.

MR QUINN: Cheers.

COMMISSIONER FITZGERALD: Can we have the Partners of Veterans Association? Is that right? Jacinta Leahy. Thanks, Jacinta.

MS LEAHY: (Indistinct.)

COMMISSIONER FITZGERALD: Yes, grab that. Grab yourself a water if you want, and just speak up as loudly as you can. So just grab a seat, and if you can just give me your full name and your date of birth - sorry - - -

MS LEAHY: My date of - - -

COMMISSIONER FITZGERALD: (Indistinct), but the organisation that you represent.

MS LEAHY: Jacinta Leahy, and I'm from the Partners of Veterans Association of Australia — Tasmanian branch. Thank you.

COMMISSIONER FITZGERALD: Thanks Jacinta. Thank you for that. Can I just ask, just upfront, the Partners of Veterans Association Tasmania, that is a branch of a national body?

MS LEAHY: Yes.

COMMISSIONER FITZGERALD: And the national body's name, is it the same as - - -

MS LEAHY: Partners of Veterans Association of Australia.

COMMISSIONER FITZGERALD: Okay, thank you very much.

MS LEAHY: And then we're the Tasmanian branch.

COMMISSIONER FITZGERALD: That's terrific. So, Jacinta, if you can just give us a 10 minute overview of your key points, and then we'll have a chat.

MS LEAHY: Okay. First of all I'd like to thank for the - thank you for the opportunity to provide feedback on the draft report and its recommendations. Below is some of the feedback from the national body, plus the Tasmanian branch.

COMMISSIONER FITZGERALD: Sure.

MS LEAHY: So you may have heard some of the information already. There are many parts of the report that could be commented on. However, PVA Tasmania wish to address the issue of partners and how the draft report pertains to them. There are many positive outcomes for veterans in the recommendations. However, we find very little tangible benefit for partners. Veterans and their families are mentioned approximately 430 times within the report, but nowhere can we see a recommended program for the partner.

Okay, let's put this in - the issue of partners into perspective. There is no other employment that requires the employee to write a blank cheque, to put their life on the line for their country, that their employer can send them into a conflict situation that can result in their death or serious injury, physically and/or mentally. This is often referred to as the unique nature of military service, which does not seem to be fully acknowledged throughout the report and its recommendations. Civilian occupational

health and - health - occupational health guidelines and civilian workers' compensation can never compensate for the sacrifice required of an ADF person and their partners. Therefore, different compensation policies need to be considered, both for the veteran and the partner.

Please could the commissioner's re-evaluate the role of partners play in maintaining a veteran within the family home, in employment, and in the community, often at the expense of their own health and wellbeing? The definition of "and families" needs further clarification. The widow and dependent children of a deceased veteran seems well defined, acknowledged, and compensated. However, the partner of a veteran caring for a living veteran does not appear to be afforded the same recognition. They are left to their own devices socially, financially, and pay for their own health issues that may be the result of living with a veteran. Consequently partners often need to access the public health system if they cannot afford their own private health insurance, which is often the case.

We feel, if the commissioners use "and families" that should include the families of the living veteran. It also needs to be remembered the cohort of partners that are are advocating in these scenarios are living with a veteran with a mental health issue, generally having been caused by their service in the ADF, whether it be the older cohort under - who are TPI under VEA, or the younger generation whose partner has been medically discharged and are compensated under MRCA or DRCA, or all three.

We were very disappointed that there was no positive recommendations regarding the White Cards for partners, as this could have been an acknowledgement of the role the partner undertakes in providing support to the veteran. The partner is often left with the full burden of addressing the physical, intellectual, emotional, and social needs of the family. In most cases a great deal of time is spent focusing on the veteran's needs at the expense of their own needs. It is documented that depression, anxiety, and stress the partners are under for long periods of time can lead to numerous stress-related illnesses, such as Parkinson's, shingles, or to immune diseases and secondary Post-Traumatic Stress.

Research in Europe has provided evidence since after the second world war of secondary Post-Traumatic Stress. The recent research of The Road Home shows that nothing has changed. There is overwhelming evidence to support the premise that a partner/spouse caring continuously over extended periods of time would require more than Open Arms can provide. Open Arms has its place; however it is not the solution to the needs of partners unless it opens its arms to include partner only programs on a regular basis.

We stress that it is counterproductive not to ensure the mental health/wellbeing of the partner/spouse as a priority in the overall recommendation in the overall treatment of the veteran. We therefore ask the commissioners to consider the cost of providing a White Card to the spouse or partner for the treatment of mental health and stress-related issues compared to the cost of care and support, medical and ancillary, required by the veteran if the partner/spouse is no longer able to due to separation, divorce, or death. The data collection to justify this hypothesis would be a nightmare, and we understand that, but it just seems in a logical thinking I'm sure would result in a plus budget gain.

We believe the following questions could need to be considered by the Productivity Commission in terms of partners. What can we recommend to government that would help reduce the separation/divorce rate amongst the younger ADF partners? What can be recommend to government to reduce the suicide rate of veterans in relation to the role partners play? I guess first by acknowledging the role that partners play in these heartbreaking scenarios. How do we acknowledge, understand, and show appreciation of the role partners have played in keeping the veteran alive, connected, valued, loved, enabling them to live as a normal life as possible, maintain positive family relationships and hopefully employment placement.

If the White Card is not to be recommended, then perhaps the following strategies could be considered by the Commission. So, the government fund 10 visits per year to a health professional provider of choice via a free consult with GP or referral to partners whose husband, veteran partner, has been medically discharged. This scheme could also be applied to the older cohort whose partners have Gold Card and widows. Another program could be individualised wellbeing plans, again for partners whose veteran has been medically discharged. This could be administered through the GP but be more comprehensive than the 10 visits per year, and include a wider scope than the usual allied health professionals.

Another consideration: develop a program for partners similar to the one called Kookaburra Kids. For example, on 27 October 2018 the prime minister announced funding of 7.6 million over three financial years, 2019 to 21 for Kookaburra Kids, to increase targeted support for - to children of ex-serving Defence Force members who are experiencing mental health issues as a result of service. Kookaburra Kids is supported by government funding of 2.1 million over two years in the year 2016 to 17, the budget to deliver age-appropriate psychosocial education pilot program in New South Wales, the ACT, Queensland, and the Northern Territory. This

further investment of 7.6 million will enable the program to continue and to expand into Victoria, South Australia, and WA.

We note widows, widowers, and their children are acknowledged by the government, and the effect the veteran's services has had on the family. The children may be eligible to come under Veterans' Children Education Scheme. Why no similar acknowledgement of - for the partner of a living veteran? Maybe an example of a strategy for the younger cohort of partners, there has been a move recently to help partners who have had to find new employment after the veteran's regular new postings. However, the benefits are limited and not individualised. We know women earn less and we know women end up with lower superannuation for various reasons other than wages. We look at a recommendation that the commissioners could consider and recommend that every time a partner is required to move employment positions as a result of their veteran's new posting, a one-off compensation amount is deposited into their superannuation fund, and also to note that some postings can occur every two years, so there's no opportunity to build a career.

I have finished what I would like to say, but I'd also like to say that I am a partner of a veteran, obviously, and I have a son who's been in the ADF for over 22 years.

COMMISSIONER FITZGERALD: Thank you very much, Jacinta. Firstly, just a couple of clarifications. When we use the word "families" we do include partners - partners of the living, widows, widowers, and children and dependents, and we'll make that more explicit in the final, so I just want to be clear. So, if we haven't made that clear we should and we will. The second thing, however, is the most significant part of this, and that is how do we actually recognise the needs of partners? And you're right, ours is pretty light on. so, when we had a round table - we have a round table before the draft specifically in relation to families, and I think the Australian organisation was there; certainly partners were represented, and I suppose I left the round table unsure as to what would be the most beneficial services for, in your case, partners, and you've given a number of explanations, so I'm going to just go back a little bit.

Our approach, I suppose, was to extend the services of Open Arms. You know, it's an existing scheme, and it has some flaws but we think overwhelming delivers reasonable services, if you're able to access it. so that was our approach, and clearly from what you're saying that's part of the answer, but it's a completely inadequate part of the answer, and I think that's right. So, can I go back to that recommendation you've got about the White Card, and I presume - can I be very clear about this, Jacinta, is it

the - the White Card covers a number of things, but the part of it that you're concerned about is access to mental health services, fundamentally?

MS LEAHY: Correct, yes.

COMMISSIONER FITZGERALD: Right. So, why do you believe that that particular White Card aspect is so essential to partners of living veterans, and the point I just want to make is, relative to the services that are available in the community? So, we understand that, you know, the White Card has an attraction, but why do you think, and how do you think, that would make a difference to the lives of partners if they suddenly had access to that part of the White Card?

MS LEAHY: I think it's first about acknowledgement.

COMMISSIONER FITZGERALD: Right.

MS LEAHY: So, it's acknowledgement of their role and what they've been play - they play, that then, because they are - because of maybe developing those mental health issues, like anxiety, that secondary Post-Traumatic Stress Disorders, and it does happen.

COMMISSIONER FITZGERALD: Sure.

MS LEAHY: So therefore they would be able to, hopefully, access the services that are required more readily. Just - yes, had (indistinct).

COMMISSIONER FITZGERALD: If you were to open up the White Card, or at least that element of it, do you see that as - is it to partners of all ex-serving veterans?

MS LEAHY: No, and that's what I'm saying.

COMMISSIONER FITZGERALD: Who do you think should be eligible for that portion of a White Card?

MS LEAHY: It's the veterans that have been medically discharged and have those Gold - well, receive the Gold Card, I suppose.

COMMISSIONER FITZGERALD: Or whatever.

MS LEAHY: Yes.

COMMISSIONER FITZGERALD: So it's those that are already access - because as you know, going forward, the government's decided

that the White Card will be available, effectively, for anybody who ceases military service, provided they seek it, which is a significant change and will in fact, now, be applied to tens and tens of thousands of people, and that's probably a good thing. But your view is that it's really in relation to those that are either medically discharged or have some level of claim.

MS LEAHY: Yes.

COMMISSIONER FITZGERALD: Right. When you look at the impact of living with veterans, particularly those that have been medically discharged, do you believe that the impacts on partners are of a different character than may be associated with people that are living with, you know, partners that have got mental health illnesses generally? So the point I'm making is, is there a unique, are there a set of unique factors, not about military service - this I understand - but in terms of the impact on partners that we should be more conscious of? So a lot of partners live with partners that have got mental health, and we're doing an inquiry into that, as you know - the Productivity Commission is doing a national inquiry into mental health. But what do you see in your members, and what do you see in your own life, I suppose, that places the partner's wellbeing or mental health in a slightly different category to that of anyone else?

MS LEAHY: I guess it gets back to their service. If it's the result of their service in the ADF then that's that domino effect. In the general community it's a different ballgame. The effect may be the same, but it's just - it's, I guess, the cause.

COMMISSIONER FITZGERALD: Could I just ask this?

MS LEAHY: It would be the same that you applied to why should the veterans have, you know, like, compensation?

COMMISSIONER FITZGERALD: The cause is different, but the nature of the conditions, and you've identified several of them, are they more intense, or are they of a different character, do you think? The cause is different; I understand that, but the actual - - -

MS LEAHY: I don't think there's any - I can't give you any evidence of that.

COMMISSIONER FITZGERALD: When you were a partner of a serving veteran, and when you were a partner of a non-serving member, did you and your members notice a significant difference? In other words, do partners feel that they were well supported in Defence and then poorly

supported post-service? Or, and I gather from some people, they would say, "Well, there's actually problems in both"?

MS LEAHY: There's problems in both. There's pockets of good and there's pockets of not so good and there's - the Defence Force, I guess it follows through, there can be a general theme. It can follow through that partners feel not supported when active - their partners are in the - the veteran is in the ADF, the partners feel they're not supported.

COMMISSIONER FITZGERALD: Do you think that that has changed or improved over time? Now, your members would have varying experiences. If we look at the material that Defence produces it would indicate that, compared to the past, there's a much greater awareness of the impacts of military service on families and supports. We have no way of knowing whether that is translated into actual support, but is there a general sense within the - your community of interest that things have changed, improved, or you - or do you think fundamentally the issues remain?

MS LEAHY: Look, I'm just talking off the top of my head. I would say overall, because there have been policies put in place, things should have improved, but on the ground we hear - again, you hear positive stuff but you still hear some horrific stories, so again I think it's maybe that diverse stories that you get, some good, some bad. I - and that's all I can give you.

COMMISSIONER SPENCER: Jacinta, just going back to explore this a little bit more. In all the visits that Robert referred to earlier, I mean, we've heard varying stories, and what strikes us is, as you say, there are - and quite often due to a base commander there are good examples of engaging with the families and the partners, but there seems to be a lack across the system of recognition and appreciation of the role of partners and the impact on families. I think Defence is aware of that, and DVA, and there are some initiatives underway, but I think we should have more to say to emphasise that, to your point. The Joint Transition Command certainly, in our thinking around that, the more dedicated attention to transition - it's been put to us very strongly it's transition for family as well, of course, and for partners, so that - and often there's a sense of having not been engaged in the transition process and not understanding or even knowing what was going on. So, we'll strengthen our recommendations around that.

I just wanted to ask one question about - we had - because you're in a situation of both partner and parent. We've had some parents say to us "We feel quite left out of this". Now, there can be issues around the member is an adult, but I wonder, from a parent's point of view, do you

have any thoughts or views on that, because some people have expressed to us, as a parent, they felt, particularly when there were really significant issues for their son or daughter, they felt quite left out and uninformed about what was happening.

MS LEAHY: I have not been the next of kin for about six/seven years, and I don't hear anything from the ADF, so it - all the information, and there was a deployment in the year 2016. I didn't hear anything, but - and even the partner was - you know, not one phone call, you know, and had to move from one posting to another, so - but prior to that I guess I did have some communication when - on a previous deployment, but yes, I would say you're not kind of kept up to date or - on a daily - well, you wouldn't expect to, but you know.

COMMISSIONER SPENCER: This seems to be perhaps a little bit more of an issue, because as you would know, your son, you mentioned, has been serving, I think, for what, 20 - - -

MS LEAHY: Twenty-two, 23 years.

COMMISSIONER SPENCER: Twenty-two years, so he's a little outside the norm because more often, today, joining at 17 or 18 and discharging in mid to late 20s is more the norm. So, I think the issue of parents in all of that is something we need to think about as well, and how do they feel connected to this. The last comment I was just going to make was the - look, I absolutely hear you about the impact on carers. Both Robert and myself have, over many, many years, in fact decades, experience in the disability sector and in other sectors, about the impact on carers. So, absolutely understand the severity of that impact, and the question then becomes, what can be done about that?

As Robert has said, the mental health inquiry will look at the system as a whole across Australia, but we are very interested in, military-specific, what needs to specifically happen in the military context, and hence Robert's question about are the particular impacts on partners and their families significantly different, and we've got to think about how does this military system respond to that, so we'll give further thought to that.

COMMISSIONER FITZGERALD: Can I just explore a couple of things? You said as an alternative to a White Card approach, for example, the payment of 10 visits to - sorry, I just want to be clear, did you say 10 visits to GPs or 10 visits to mental health practitioners, or just generally? It could be either.

MS LEAHY: Just - I think I put 10 visits to GPs. Well, yes, for the government to fund 10 visits per year to a health professional provider.

COMMISSIONER FITZGERALD: Okay.

MS LEAHY: Via a free consult with GP for referral. So just broadening that, what's in already existent.

COMMISSIONER FITZGERALD: Sure.

MS LEAHY: I mean, again, as you say, it's about thinking how can we do this? So I just thought, well, we've got to have some ideas, that's all.

COMMISSIONER FITZGERALD: And the notion of a voucher system, in a sense, is what you're talking about, is - does apply in other systems. Of course, as you may or may not be aware, subject to receiving a mental health plan by a GP the government does pay through Medicare for a number of visits per annum, yes, but - and I've been in other inquiries where people have talked about the inadequacy of that, so I'm aware of that.

I just want to go to one other issue about - and that is this issue of - you mentioned a sort of a support service or group similar to that which is the Kookaburra for Kids sort of program. One of the things that's arising is, ESOs around Australia have been talking to us about the development of things called veterans' hubs, and we have a view that that has some real merit, and we'll be looking at that in the final report a little bit more fully, and whilst we think they should be run by ESOs and are jointly funded by state and local government fundraising, we think the Commonwealth government, through DVA, has some role to - in supporting that.

But I was wondering whether or not the veterans' hubs provide a way by which some of the social supports, the more informal supports, can be provided to partners and their families. In other words, we would be thinking that hubs are about veterans and family members. Perhaps that's not what all the veteran centres are thinking about. I was just wondering what your view might be about that.

MS LEAHY: Mates4Mates and PVA Tasmania are just looking at getting together with the younger partners and us older ones together, and yes, they're - and I think that is a good idea. I think both parties, we've got a lot to support one another and a lot to share, and I think that's a good idea, and we're looking at maybe having that whole process facilitated by a psychologist. So I think yes, there's that social connection, but it's also acknowledging that what is going on mentally and what we've dealt with,

and what - because the stories are exactly the same. These younger ones are coming up with stories that you think "Oh, nothing's changed", you know, and if you can get that support in at that time maybe you - the divorce rate, the separation rate - because people are walking away. The younger ones are walking away at a higher rate than maybe the older ones.

COMMISSIONER FITZGERALD: Just on that last comment, do you think that the basis for that comment - obviously that's what you're observing - I wonder is there any reports or evidence or has there been any surveys or research done in relation to those sorts of issues, around whether or not younger partners, or younger families, are breaking down or separating at a greater rate?

MS LEAHY: I haven't come across actual - any research, but I - the - I mean, our figures are very, very small, but I did break down what had happened to our younger ones, and I think it could be repeated across Australia. Should I read it?

COMMISSIONER FITZGERALD: Yes, please.

MS LEAHY: Okay. The profile of the younger cohort of members of PVA Tasmania branch, and again, that's only members - our members - is reflected in the following example. Out of six younger members two have currently - two have currently remained in their relationship. One has become a widow due to her partner dying of military-related illness. Three have walked away from the relationship. These relationships have involved young children. This is 50 per cent of young partners leaving the relationship with a veteran. As I say, these figures are small; however I suspect they could be repeated across Australia, and indicates the system has failed these veterans, the - have failed these veterans' partners and families.

COMMISSIONER FITZGERALD: And just anecdotally, does that - do most of the separations for those that have walked away, is that more likely to occur within a short period after discharge, or - I mean, it could happen any time, obviously, but some people have said the transition period is so - - -

MS LEAHY: I am just trying to think, yes.

COMMISSIONER FITZGERALD: - - -Richard has indicated is a critical period. We've put a lot of work into that, and we'll put more work into it, but it does seem to us that that is a critical and defining moment in both the veteran's life and that of their families. It's a huge shift and

change, and we're concerned about the fact that's not done well at the moment, but we'll see.

MS LEAHY: Just thinking of those, I would say within the first two, three years, so whether you call that - - -

COMMISSIONER FITZGERALD: Of discharge?

MS LEAHY: Yes.

COMMISSIONER FITZGERALD: Well that would be consistent with what we're hearing. All right, well thank you very much for that, and we are giving consideration to the issues you've raised, and it does post some - well, firstly the issue you raised are very good; we should deal with them. The second thing is just trying to work out the right response, so - - -

MS LEAHY: Can I leave this with Brad?

COMMISSIONER FITZGERALD: Yes, Brad will take that. So thank you very much for that.

MS LEAHY: Okay, thank you.

COMMISSIONER FITZGERALD: That's good. Thank you, and I think he's about to pull the curtain, which may mean it's morning tea. So if we can just have 10 minutes. Just right at the back there's a little bit of morning tea, and then we'll resume precisely in 10 minutes' time.

SHORT ADJOURNMENT **[10.58 am]**

RESUMED **[11.11 am]**

COMMISSIONER FITZGERALD: So we'll just resume and if we could, Mr James Haw, please.

MR HAW: Over there?

COMMISSIONER FITZGERALD: Yes. Thanks, James. Do you go by James or Jim?

MR HAW: Jim.

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

MR HAW: Right, well, it's James Frederick Haw and I'm representing my son, James Douglas Haw, Lance Corporal.

COMMISSIONER FITZGERALD: Thank you.

MR HAW: That's his organisation.

COMMISSIONER FITZGERALD: And Jim, if you could just give us a 10 minute overview of the key points you wish to make.

MR HAW: Thank you. It won't be that long. Look, what I'm here for, really, is to put a face to terminology, interpretations by the DVA and their subsidiaries, i.e. military super, and a bit of a summary about perhaps where we're at and this particular person, I'm sure there's many of them, in ADF ranks and different parts.

So this particular guy is my son, Lance Corporal James Douglas Haw. He was with 1 CER in Darwin is now trying to rebuild his life here in Hobart, with the help of the DVA, I might add, and I can touch on that in a moment, but what I really wanted to do is help your Commission and, too, the DVA, put a face to the name on the other side of that computer that they're looking at, and for example, this guy on his first tour to Afghanistan, he was on RTF 1. I won't read out his commendation, but just the last two paragraphs:

> *You are a trustworthy and capable soldier who provides an excellent role model to your peers. Your achievements are of the highest order and they are in keeping with the finest traditions of the Australian Army and the ADF.*

So that was from the Brigadier of Middle East Operations on his first appointment. So he went back a second time as a seco, and it's here where all this started, so I didn't know what post-traumatic stress disorder was until James started to behave the way he did and then I remember when I was 10 my father was in the Second World War as air air gunner and he was on Wellington bombers deployed from bomber command in the UK to North Africa, and after a few deployments was shot down. He survived that but he did tell us about when he did come back and they landed the aircraft what it was like for the tail gunner, and this is what my father saw as a young man, and some of the military people, you would probably

appreciate, is a 19 year old in the Air Force, he was an AEC. By the time he was 22 he was a WO2 because of attrition.

Now Dad would tell us, and this is only later in life, and explain his behaviour which helped me with my son. Dad would say they'd come back after a mission and if they got out of their aircraft they'd walk past another Wellington bomber and they're hosing out the rear gun turret. That's how disgusting it was. So Dad would fly off the handle once he - well, he got back to Australia and went to uni, Melbourne University, did law and became a very successful barrister and solicitor, and this is similar to what James is doing now, as I said, with the help of the DVA.

So what we're talking about here is post-traumatic stress disorder and all the procedures you have in place, interpretations, terminology and what it does to these guys, and to see James, you know, like, he's just like my father. My father would fly off the handle at the top of a hat if my older brother did something. He never picked on me for some reason, but he would pick on Rex and Mum, and I didn't know what that was as a 10 year old. Now I do. Dad was under a lot of stress too, and he was intolerant of things he couldn't handle or petty things which is post-traumatic stress.

Some of our members here will know is what James has had, and when he came out of the army a few years ago he was fine, I thought he was alright. He started to tell me things and then he deteriorated and he hit the grog and variations of the Devils Lettuce tobacco, and he, look, he was a mess because it was starting to catch up with him, the different things that happened, and we were just trying to keep him on the straight and narrow, but he was going to see - he wasn't in any system with the DVA. He was seeing a local GP who referred him to - he said, "You need to see a psychiatrist".

So he was going through these processes and they said, "But you're a vet so you need to be going through a proper system with us". So he's a very proud boy. He didn't want to go through the DVA and get their help for all the financial assistance and he was asked in 2014 to put in a claim for all the things that they want to deal with so they can get him off his books or get him signed of whatever. Just, I don't know how it works with the DVA, but he put in - he got help with a fair few things, irritable bowel syndrome and his PTSD.

One of his claims was, he said, "I had a sore back". So when he was on the second tour, he wasn't wearing Kevlar, he was wearing ballistic plates. So when he was jumping off the Bushmasters or the Unimogs and trying to get all this work done, he did hurt his back. So James is not a doctor. He just said, "My back's sore". So he was looking at for that. The DVA

in this whole process of claims sent him off for X-rays and hence we're getting into the terminology, sent him off for X-rays and he had MRIs and CT scans, and he had some damage to some vertebrae I'm going to tell you about in a moment, but the DVA's guy, and I think this is just, there's a DVA assessor who was an orthopaedic surgeon, they knocked back the claim, and I've got the names here. I don't know whether you need these but - - -

COMMISSIONER FITZGERALD: No, I don't need the name.

MR HAW: Okay, but the claim was knocked back because this doctor said, "Oh, he's got Scheuermann's disease". Now, there's a guy coming on later today, Brian McKenzie, who has been looking after James as his advocate, and Brian told us about three others, so this guy was telling people, "If you've got a sore back you've had Scheuermann's disease".

Scheuermann's disease is an injury of the thoracic vertebrae that you get as a child, teenager, so when James was a teenager he was playing cricket for the University Cricket Club in district club, he made a ton in second in grade as a 16 year old, very healthy young man, and in the winter months playing football for North Hobart in the under 17s. Nothing wrong with his back at all as a teenager. Never had Scheuermann's disease. I would have known. The only injury I took him to the doctor for was when he mistimed a hook shot and had to have some stitches in his eye. That's his only visit to a doctor I can remember as a teenager.

Anyway, so he's diagnosed with Scheuermann's disease, so his claim was knocked back, and this is post-traumatic stress disorder. All these things, they see the DVA as trying to, you know, as against them. They can't see that - they're probably going through processes. They take it personally . It's a war against them, and so he was quite upset by it, and once I looked at it I, from the work I do within the hospitals, I looked at his X-rays and saw that the injuries were to his cervical vertebrae, and that's C5, 6 and 7, up here, which radiates to where the mid back pain, jumping off the trucks, he's got loss of height there. There's neurological damage impinging on nerves going out, and that is his injury. It is C5, 6 and 7, lessening of height, impinging on the nerve roots, subsequent pain.

So we had to then go - the DVA asked us to prove all this, so we had to go back at our expense. We've had to get surgical visits, consult visits, X-rays and so on, and if I can - and I don't want to offend our DVA representatives here, but the neurosurgeon put in writing that, "You haven't had Scheuermann's disease", and I'm not going to put this in the letter, but if I get asked I will, but he said, "The only reason that guy could have put you down that you've got Scheuermann's disease is he was either

looking at the wrong X-rays, that's what the surgeon said, he's either looking at the wrong X-ray reports from another patient, or he was deliberately obstructive.

So all this just, James wants to go to lawyers and medical negligence and all that. So we're back in the system now, but the point of all this is it is personal for us because there's just one other thing I wanted to say about the system that the DVA has. When James was in Afghanistan, I've got a photo of him up a ladder. He was a 1 CES, he was a competent engineer, a carpenter and joiner by trade. He's out at Tarinkot up a ladder fixing off some battens with those, you've probably seen them, they're the pink gas-filled nail guns so there's no power cords.

So he's up fixing off these battens in this photo, and I've nearly finished, and you look down at his leg, and at his thigh there's a 9 mil pistol strapped to it, and to his right there's a guy from the infantry who is helping guard him as well. That guy, his name was Panda amongst the boys, so Panda and James were very close mates, and I had to, and this is where this post-traumatic stress disorder not only affects the veteran but us as well. I had to nurse him home for an hour and a half once he was told that Panda suicided.

Panda was rung up by the DVA, as the story goes, and maybe the DVA could clear this up, but our story was that he was told that, "You need 50 points to get a Gold Card", and he had 49, and his mother tried to ring him to counsel him as well and found him hanging from the carport. So that's the personal side to - I'm not having a go at the DVA. It's the systems that are in place and I'm begging for systems to do some changes of terminology.

One last thing on terminology. So with his desperate situation, James, his partner also left him, and at Christmas time he's got a - he's six months behind on his mortgage. He's six months behind on his rates for the Sorell Council. He's got two teenage children that I said, "You're going to need money in January because they're going to need uniforms, books and all that, and so let's get your military super. See if they'll give it to you under financial hardship". Here's to terminology.

So we applied for the military super just before Christmas and he was told, he got rung up by a nice young lady to say, "You haven't given us the letter from the DVA saying you've been on income support for 26 weeks". We'd been on, they call it, an incapacity payment, not income support. So this is the terminology I'm putting to you that what is the difference? They haven't told us what the difference is. You know, so for some reason if you're on incapacity payments you can't get get at your military

super due to financial hardship. Couldn't be any more hardship than being behind in your mortgage and, you know, your partner's left you and you've got the kids.

So that's what I wanted to put to you. There's a lot of stuff you're doing and this is really just a one-off case, I know but there could be others, and it's just about terminology, you know? He just wanted some help before Christmas, and in desperation and in closing we wrote to the Minister, the local Minister for Denison down here who was in the army, Andrew Wilkie, and this is the second letter we've sent to him and he hasn't replied, and we wrote to the Minister for the DVA, Darren Chester, yes, you know who I mean, and we haven't heard from him either.

However, the Friday before Christmas I was getting petrol so my phone's in the car switched. When I got in the car and got everything going and started to drive off there was a message for me to ring this woman, and the message said, "We've got your note about your son, so if you need counselling ring this number. I know it's late on a Friday so if you ring back Monday we'll help you". That's all we've heard.

So that's what I wanted to present to you. There's a human face behind these things. He's a good soldier, this kid. And lately, he didn't want to be dependent on the DVA. They asked him to do this, this is the last thing I'll say, and so they are helping him. He's back at school and he's studying to be a building surveyor. He wants to be -he doesn't want to have a pension. He wants to run his own life so he's one of the guys that isn't on the system now but he did need financial assistance and to this day we just don't know how to do it. So that's me.

COMMISSIONER FITZGERALD: Thinks, Jim, and thanks for relaying the story in relation to your son, and it re-emphasises the point that Richard made to the previous participant, and that is, we've met with a number of parents and the impacts of what happens to their children, adult children, impacts on them as well, and you've expressed that. Can I go back a little bit How long has your son been out of the army?

MR HAW: 2007 I think he got out, so what's that, about 10 years.

COMMISSIONER FITZGERALD: Do you know whether he was discharged on medical grounds or what is a voluntary?

MR HAW: No, no, he was otherwise well. He didn't have any issues. He just, he did his second deployment and decided, "Well, I haven't been with my kids growing up. I want to be with the family", so no, he wasn't a medical discharge. He was a normal, you know, - - -

COMMISSIONER FITZGERALD: So how long was it after discharge that he started to evidence both the physical injury or pain associated with that, and also what you've described as PTSD?

MR HAW: Yes, okay, he always had a gut upset. He was always complaining of that and in pain, and he was often talking about his sore back and I didn't really take much notice of it because you hear stories all the time. I thought, you know, working on building sites he's hurt himself, but, now it was a good question you asked I noticed earlier today was, how long do these things occur. I thought he was fine, honestly. I was enjoying his company and we were getting, old days, talking about cricket, footy, all that, and he just deteriorated.

And so it probably would have been, to answer your question, about three or four years later once he realised he was - the pressures of the finances were getting to him as well. He was sick of going to doctors and he had to go, and he was really, he didn't - yes, he used to scream at his kids. I just to see that from time to time, and it's two little girls and a boy, and I don't think that was doing any good but he couldn't communicate with his partner. Now, they're just poles apart anyway, they probably shouldn't have got together. That sounds nasty, but they are apart now. She wasn't any help to him. She didn't understand it all.

COMMISSIONER FITZGERALD: And so when do you recall James putting in the first claim?

MR HAW: 2014.

COMMISSIONER FITZGERALD: 2014.

MR HAW: He was asked to do that because he was going to doctors and they said, "Put in a claim".

COMMISSIONER FITZGERALD: And the claim that he put in for at that stage, without going into all the detail, was it in relation to the physical injuries or PTSD or both?

MR HAW: Several, and I've got a report here, but yes, in the response it lists what they've acknowledged and they acknowledge PTSD, irritable bowel syndrome. He had to go back to another specialist which we got that on the way. There was a couple of other things I can't remember - hearing, hearing loss and there might have been a knee and an ankle, but the PTSD was certainly acknowledged then.

COMMISSIONER FITZGERALD: So back in 2014, were any of those claims, you know, relatively quickly dealt with and accepted?

MR HAW: Yes. Yes, it seemed to go through quite well as far as I understand.

COMMISSIONER FITZGERALD: So when did the difficulty come or where did it come? Did it come in relation to that back injury?

MR HAW: Yes, with the misdiagnosis because they were talking thoracic vertebrae and it's cervical.

COMMISSIONER FITZGERALD: Right.

MR HAW: It's the next level up.

COMMISSIONER FITZGERALD: So that's when the doctor assessed him to have Scheuermann's disease, is that right?

MR HAW: Yes.

COMMISSIONER FITZGERALD: And later on you got a second, or he got a second assessment from another doctor.

MR HAW: Yes.

COMMISSIONER FITZGERALD: I presume his claim was declined.

MR HAW: Originally, yes, and now we've got an appeal I believe, I'm not sure of the process, but I think he's got an appeal, but I thought he should do a new claim, but either an appeal or a new claim. Brian could probably tell you that later today.

COMMISSIONER FITZGERALD: No, that's fine, and so that matter's currently under way?

MR HAW: It is, yes, and all the paperwork's in.

COMMISSIONER FITZGERALD: So right at the moment your son is receiving some payments.

MR HAW: Yes, and I want to just praise the DVA for that. What they did do, last year they announced that, "If you're going to go back to school we'll give you - we'll pay your full pension", which as you probably know, being a Lance Corporal he gets that pay. Then they cut that back by 75

per cent which is a standard thing they do over a period which we understand, but they then said, "You can go back to your 100 per cent because you're going back to school". Then they said, "No, you're not going to uni. You're going to TAFE. You don't get it". So I mean, you can imagine what it does to him, I mean, with PTSD. He said, "They don't" - he's carrying on, so another half an hour's counselling from me.

COMMISSIONER FITZGERALD: And you made a point which we've heard over and over again in this inquiry that many of the veterans that find that system frustrating for the reasons you've identified see it as almost a conspiracy by DVA.

MR HAW: They do. They do. Well, you know it's not, but it's just the way it is.

COMMISSIONER FITZGERALD: And that's a very unique feature of the veterans' area which I must say, having now done inquiries into many other areas. Whilst there are some people that have that view, in the veterans' community many people take that view. If the claims are rejected they see it as some sort of hostile act to them.

MR HAW: They see it as them and us.

COMMISSIONER FITZGERALD: But the question I want to ask is, two things. One is, when you were going through this process, your son was going through this process, what level of support did you get? Did he use an advocate?

MR HAW: Yes, he's still got him.

COMMISSIONER FITZGERALD: So did that help? Has that helped you understand the system any better.

MR HAW: Yes.

COMMISSIONER FITZGERALD: Because your frustration levels are very high, so was the advocate a help in that process?

MR HAW: He was and as I understand it he's been a tremendous help to three other vets you might hear about today. He's been terrific.

COMMISSIONER FITZGERALD: And but for that veteran, what do you think you're missing in the DVA system itself? You talk about terminology. You've talked about a wrong assessment, and I can

understand how frustrating is that, but what did you expect DVA to do differently to help your son through this particular period?

MR HAW: I don't know how to answer that because there was just a - it's a misdiagnosis which, you know, we've had to go in and get that information ourselves to go back to them. So they've just had a - look, I don't want to be too harsh on them. We were told that these assessors were ex-insurance people who are used to declining claims, but - and that's what it appeared to be, just for this injury. I know back injuries are nebulous, it depends, you know, but we've got clear cut CT scans and MRIs that he's got, you know, cervical vertebrae damage. So, no, I don't know what else I could've said to them but I will praise them though because through all this he wanted - he didn't want to be dependent on them and they are paying for his building surveying, you know, they're paying for this and I think all his modules are paid for for this year.

COMMISSIONER FITZGERALD: So they're paying for the education.

MR HAW: Yes, rehabilitation.

COMMISSIONER FITZGERALD: But you indicate that in relation to what's called the incapacity payments, they've come and gone.

MR HAW: No, well he still gets them. The money goes in each week and it's called "Incapacity payment", and if it had've been called "income support" he would've got ten grand for his military super to pay for his kids. That's it. It's just a terminology and maybe we need to have a look at the - I think there's about four Acts involved in all of this. You were touching on two earlier this morning. It's quite a complicated system, so maybe this terminology needs to be addressed and simplified.

COMMISSIONER FITZGERALD: Well, it's the most complex system we've ever looked at and, subject to your view about it, we think simplifying actually has significant benefits. But I just want to come back to a couple of things. James' own wellbeing, you've indicated that he's been diagnosed and assessed as having PTSD.

MR HAW: Yes.

COMMISSIONER FITZGERALD: What sort of supports are in place for James to deal with that particular issue?

MR HAW: He's got a terrific psychiatrist at Battery Point, and a psychologist who he actually - he just adores her because she listens.

They've advised him, but both those two specialists they've helped him go back to school. They'd said to him, this is the sort of support, they've said to him, "You're an intelligent bloke. You need to go back and do some studies and I'm going to push for that". So the psychiatrist has pushed that through along with the psychologist. They've been a great support, I have to say, for sure. If it wasn't for them I don't know where I'd be.

COMMISSIONER SPENCER: Jim, just to explore a bit what might have helped in the initial stages of this. As part of our inquiry we've listed New Zealand and talked to the New Zealand Defence Department. Their Defence and Veterans' Affairs is in all the Defence Department. But in speaking to those people that run Veterans' Affairs there, they were sharing with us - and it's a very different context in New Zealand so we must remember that - but a very proactive outreach program that their Veterans' Affairs was doing, and it was described to us as a little bit like your description of your son. He didn't want to be DVA dependent, he didn't want to reach out to them.

MR HAW: No.

COMMISSIONER SPENCER: So they experience similar issues and it's sometimes the people that don't engage with them who are the - who have very significant profound needs. So they've been trying to be much more proactive in an outreach program going around and sort of really finding those people and engaging with them. And it strikes me that there are two ways you can do that. You can do that as a department, but that's quite difficult frankly as a government department, so that brings us back to I think once again a very critical role the ESOs play, to be able to connect to individuals and build that trust and sort of put them on the pathway to what they need.

Did you son engage with ESOs at any stage after he separated from the service?

MR HAW: What are they?

COMMISSIONER SPENCER: Ex-Service Organisations.

MR HAW: No - oh, no he has, he has Mates4Mates. They were a terrific help. He was originally with the RSL down at Sorell. I think he's - I'm not going to try and change the subject, but that's a very good point, but I think how this could've been done better would've been rather than someone look at it all and say, "That's Scheuermann's disease", we probably should've been called in. To say, "We think this", we could've then said, "Well you're wrong because that's thoracic vertebrae, we're

talking cervical". So maybe that could've been done better, if it wasn't just a, you know, put in a box and that's gone, click the computer off and "See you".

COMMISSIONER SPENCER: So when he did make the contact and that wrong diagnosis was made, what could've helped - what would've helped is if to say some opportunity to challenge that or engage with them at the time.

MR HAW: Well that process is an appeal. So that was offered and he gets on the phone to - he's got someone at the DVA who's - I call her a counsellor, so she's been a big help too. Probably the guts of this really is post-traumatic stress disorder, terminology, desperate financial situation, terminology doesn't work, you know, and we're still going through the process of the DVA and getting him sorted out for his neck. I'm retired from the medical industry. I know it's going to happen to him in his 60s, he's going to need an operation because it doesn't get any better. Once it starts to degenerate it continued to degenerate. It can't go back up.

COMMISSIONER SPENCER: Jim, just to go back to that earlier comment. With Mates4Mates and RSL, did he get involved in both those organisations early on after discharge, or did that become - is that something that happened later?

MR HAW: I'd say it was probably about three or four years later. He seemed okay. You know he's bowling along, then all of a sudden he's cracked. As I said, it could've been the alcohol and whatever he used to like to smoke. You know, they try to self-medicate and, yes, so it was - I think it was once he was talking to his psychologist and the psychiatrist and they've said, "Go and see these people". One last thing about Mates4Mates. He was in a real crisis. They actually grabbed him and took him up to Brisbane. There's apparently a - you might know - there's a facility in Brisbane, some of the guys might know it, but they lock them up for about three or four weeks. Take the phone off them and everything, because he was in a bad way. And they were fabulous and they sent him back a different bloke. Yeah, so once we got on to that, I've got him now looking for lights at the end of the tunnel, rather than everything's a disaster. He thinks we're stuck in traffic. So look, I'm trying to say, you know, not everything is - we're doing better and he said to me the other day, and you touched on it a moment ago, I was really surprised and touched to hear this, he said, "I've just got another mate, I've got a phone call from Perth and another father has lost his son", and he said, "I've never really factored in what this is doing to you, Dad". So he knows.

COMMISSIONER SPENCER: Thanks Jim. Thanks for sharing that story with us, it's really important. The reason I asked about the roles of ESOs and I mentioned it earlier, you may have been in the audience then, we're looking for ways in which for veterans like your son who are in immediate - you know, and have immediate needs but the DVA may not be aware of it, or there have been mistakes and they need the kind of intervention from Mates4Mates brought about, how can from a government perspective help organisations to support veterans in difficulty when they often have the local knowledge about who needs the help when. So they get on the pathway immediately to what they need.

MR HAW: And having access to Mates4Mates and there's Soldier On, I believe, but the local RSLs, you know, can be useful if it's not a bad club.

COMMISSIONER SPENCER: Absolutely.

MR HAW: That's me then, so.

COMMISSIONER FITZGERALD: Just two things about that. One is you can fund services but the issue that we keep raising is you have to actually, in mental health, actually have the services there. So we're looking at what other sorts of services that need to be provided, and Mates4Mates and others have some creative and innovative approaches. That's good.

Can I just come back to the other one. One of the things we are doing is looking at - our whole process in reviews is to try to improve the quality of decision making by the very first delegate, that's at the first stage.

MR HAW: Yes, that's what I would say.

COMMISSIONER FITZGERALD: The second thing we're doing is we've recommended a formal, what's called "reconsideration". So it's not an appeal. But in that reconsideration stage the two things that have to happen is someone has to talk to the claimant and then somebody has to make sure that all the information is available. What's happening is that's all being delayed until he gets to the Veterans' Review Board, but in fact in good organisations that happens much earlier and we're a bit perplexed by all that. We don't understand.

MR HAW: That would be terrific.

COMMISSIONER FITZGERALD: So you don't have to get to the VRB to actually have the conversation and maybe - what we've discovered with the VRB is their first stage is a conversation and really

what they've discovered is a lot of complaints - claims are actually resolved at that point. And we say well why can't it happen earlier? And so we're actually recommending that. It won't solve all the issues. Many of them will have to go to VRB or further, but there are procedures available to DVA now and we're strengthening those, so you can have that early conversation.

MR HAW: That would be fabulous. I wouldn't be here today if that was probably in place because I would've intervened, knowing what I know about necks and vertebrae.

COMMISSIONER FITZGERALD: Sure. Well we hope that that's an improvement. Thank you very much for sharing your story, your personal story and that of your son, Jim.

MR HAW: Thanks for listening.

COMMISSIONER FITZGERALD: Darren Thompson please. Thanks Darren.

MR THOMPSON: My name is Darren Thompson. I'm a medically retired Chief Petty Officer Submariner. I've been the former national president of Submarines Association of Australia and a former State Branch President of Tasmanian Submarines Association of Australia. I've been out of the navy for coming on five years.

COMMISSIONER FITZGERALD: Thank you. And Darren, could I just check, whilst you've been a member of those organisations are you representing them today or are you representing yourself?

MR THOMPSON: I'm representing myself today.

COMMISSIONER FITZGERALD: Terrific.

MR THOMPSON: Some of the things I may say today will probably go back to those organisations for stuff I've previously done.

COMMISSIONER FITZGERALD: Thanks. Darren, you know the drill now, if you could just give us a ten minute precis of your key points.

MR THOMPSON: Certainly. Firstly, I'd just like to thank the efforts of the Commission to date. I think it's been exceptional and also the feedback that people are making and the efforts people are making with constructive feedback.

The ADF, and it's been mentioned before, Barry mentioned it, they are there to fight wars. They're not there to rehabilitate people unless those people in the rehabilitation are given future return to active service. If you're not, they don't want to know you, they want you out the door with (indistinct), I think. The navy's motto is to fight and win in a maritime environment. They do not want people that can't meet that seagoing commitment, and that was my case when I was medically discharged. Came out of nowhere and all of a sudden out on the street.

Now, Department of Veterans' Affairs, I think we've all had dealings, sometimes good, sometimes bad, sometimes we've criticised, sometimes we've backed them. I believe that the changes they're making at the moment and the path that they are on, and the changes they've made to date and the changes that are coming are actually going to turn this organisation into an all modern and robust organisation but skip the purpose for looking after veterans.

When we look at the transition of ADF members you've got the normal person that's gone, he's done their service, it might be six years, it might be 20, whatever, and he's transitioning back to civilian life. Then you've got the person that has been discharged medically. They have no say in the matter on their transitioning. Both Open Arms and Veterans' Affairs are involved sometimes with some of that transition, particularly on the medical side, but I believe that they can play a more - a better role right at when people are deciding to leave. The defence force runs a resettlement seminar. It's a joke. You get all these people there that say, "For $3,000 I can turn your service records into a resume or university degree", instead of focusing on and providing support to people as they go out. Open Arms provides a two-day - I can't remember the name of it, I actually did it before I was discharged, it was extremely helpful and partners could go along and it looked at everything, how to integrate back in life. I remember doing a trauma recovery program and there was a digger on there, and the one thing that's always stuck in my mind is, "The army taught me how to kill. The army has not taught me how to be a civilian", and I think that's a very valid point. Military, once you have indicated that you wish to separate, whether that's under your own steam or medically, that's it. They do not want to know, they do not have the time for you because your basically part of the tail, you're not part of the head, you're not part of a war fighting machine.

So to be quite honest, having the ADF take out - take over the role of looking after veterans, it will not work. They can't even handle the rehabilitation of members. For example, my rehabilitation was organised by my specialist. Navy was in agreeance. The first day back in the workplace they ripped up the rehabilitation plan and things went from

worse to worse. So again - and one of the things my specialist said was, "This is typical of Navy. Navy does this all the time. They do not listen to our recommendations". So giving the defence force more control, we already have a Joint Health Command, it's not going to work. It doesn't work now and to try and say to them, "Here you go, take over this", it will fail. And I think you need to look at the American model - I'm not too sure of how the Brits do it - but the Americans still have their veterans' affairs and they have the military and the two are separate. And I think that needs to be the same in Australia.

There needs to be a more robust transition program, both for medical people and people who are just going out, and that needs to involve DVA Open Arms from the day the person either puts or initiates paperwork in, or the person is notified that they're going to be medically discharged. The defence force can put that person on sick leave and they could utilise the 42 days - or 42 weeks' pay that he could get under SRCA. They can use that to pay that person and allow them to access all the services they need for either rehabilitation into the civilian workforce because they're either - that's what they wanted to do or they're medically fit to do, or giving them rehabilitation to be able to live a more healthier lifestyle than if they are not fit to be rehabilitated back in the workforce. I believe we've got to be very, very careful here because there are people out there who can't, not because they don't want to, but cannot be rehabilitated back into the workforce. And when we talk about the different groups we've actually got three groups. We've got the current day veteran. We have the veterans over 55 and we have the group that are under 55 but older than the current day veterans, like I am. The over 55's have their pension indexed at a different rate to those that are under.

Terminology. I think Jim touched on some good points there with terminology. I stayed in the DFRDB because, again, government doesn't change things to help us, so I didn't want to go near MSBS. I wanted DFRDB because I wanted to commutate. I've lost my choice of commutating because ComSuper said I couldn't do it. Now that has left myself and my wife in a perilous financial position. My wife no longer works. She cannot access any health care cards, no pension, nothing, because the money that I get from ComSuper, that is supposedly an invalidity pension, takes us over the threshold for everything. So again it touches on what we were talking about, the partner. My wife. We still have to pay for medical and everything else for her, yet I'm very lucky that I've got a Gold Card. If I didn't have that Gold Card we'd be in a terrible situation, and that's not just because I get another pension as well.

Another thing, each state has concessions that they provide but a lot of these concessions you need a pension concession card. Some people,

particularly myself, I can't get a pension concession card and they won't recognise the Gold Card unless you've got a PCC in some instances. My wife can't get a pensioner concession card. So I think the Federal Government, (a), needs to take over these state-run concessions. That will save the states umming and ahhing about what you think there should be no reason why you shouldn't get free bus services around Australia, rather than state by state, and having to have six different cards. There should be no reason why your wife can't, if they've reached retirement age, my wife's older than me, she'll shortly turn 70. Can't get the aged pension, can't get a pension concession card. Worked all her life. Ridiculous. So again that brings stress soon to the family. It doesn't help her, I've got PTSD so my moods are up and down and she suffers again. She suffers because of what I'm suffering but there is no recognition in that, there is no help. Open Arms, when we first got here, was fantastic because they provided some counselling for her to understand what I was going through.

COMMISSIONER FITZGERALD: We are going to just run out of time, so just the last couple of questions.

MR THOMPSON: Sure. The veterans should have more flexibility for comsuper for special issue things. There are far too many ESOs out there. I mean I could be a member of the RSL, Naval Association, Submarines Association, Coms Branch Association, you know, and as Barry eluded before, we've just had the RSL and these ESOs should come under the RSL. Unfortunately I think the RSLs dirtied their copy book at the moment and people are shying away from them, which is a real shame, but we do need one voice, not 27 voices.

COMMISSIONER FITZGERALD: Thank you. Thanks very much for that, Darren. Can I go back a couple of points if I might. When you left the Navy, you indicated right at the very beginning that almost out of the blue you you were assigned on that pathway to discharge for medical reasons.

MR THOMPSON: Yes.

COMMISSIONER FITZGERALD: Navy, Air force and Army deal with discharge or transition quite differently, so there's no one transition program, and we're trying to look at that. So what was available to you? How did that come about? You got a medical assessment or this was something that was coming?

MR THOMPSON: Basically they sent me off to the psych hospital in Perth and I was an inpatient there for a while. Then once that was

happening they decided to write to the Medical Review Board in Canberra who go, "Okay, this guy's got this. What are we going to do with him?". The option's there, and the option, as I say, from my treating psychiatrist was, rehabilitation through retention and then discharge.

Navy went for straight discharge, so that was actually presented to me by the commanding officer on a day where I had no support, no psych available and I was an outpatient during a trauma recovery program at the hospital, and when I was given the discharge all the things that had been said to me previous were actually falsehoods that wasn't coming about, so I actually had to go to the Chief of Navy to ask for an extension so I could complete this trauma recovery program. The commanding officer had said to me, she said, "Oh, we know you're going to stay in the local area so you can discharge and finish the program off in your own time".

COMMISSIONER FITZGERALD: So roughly what timeframe will we be talking between that assessment which took place as an inpatient and your final discharge?

MR THOMPSON: That would have probably been, well, the assessment as an inpatient and then the paperwork I received, that would have only been a few weeks apart. My discharge, I managed to stretch it out to November 2013 so I could complete the trauma recovery program.

COMMISSIONER FITZGERALD: And you did that. And you've described that that process was very inadequate and left you - - -

MR THOMPSON: Totally. I found out during the process that, for example, resettlement training, I could have used the two weeks, four weeks, whatever it is with resettlement training to actually come down here to Tasmania to do some house hunting.

COMMISSIONER FITZGERALD: Yes.

MR THOMPSON: I couldn't take leave because I needed every cent I had to make up for not getting the commutation that I was expecting from my DFRDB so that my wife and I would not be out in the street and have nowhere to live.

COMMISSIONER FITZGERALD: And you indicated that we shouldn't give any more responsibility to Defence. We were never giving them veterans' affairs. We were simply going to move policy across, but the administration of the scheme was never going to be part of the Defence Department, but putting that aside, we have been looking at this transition issue, and it's a complex one.

There's a few models around which you're probably not familiar with but one at Holsworthy which we visited where there is a much more integrated approach between DVA, health professionals, and there's actually a very clear way of dealing with assessing people, and it's a trial, it's a pilot, but it has great merit, and it brings together a number of the elements that we think are important.

We think it should be run by Defence, but putting that aside, but what your experience was, there was none of that really. It was just - - -

MR THOMPSON: No.

COMMISSIONER FITZGERALD: When you actually came out, and you would have gone - am I correct that you would have pretty much put a claim into the DVA on discharge or close to it?

MR THOMPSON: I was lucky in the sense that I already had a Gold Card. I'd already - - -

COMMISSIONER FITZGERALD: So that had been done prior to that.

MR THOMPSON: That had been done prior. However, Navy was using that as one of the reasons to discharge me because they went, "Oh, look, he's already got all of the support so we can chuck him".

COMMISSIONER FITZGERALD: So this attitude that you said does exist is when the service, the relevant service comes to the view that you're no longer part of their force capability, you're on the way out. Some people have said to us that wasn't always the case, that services would seek to find perhaps lesser duties or other alternatives, but today there is a view that it is much more likely that you're going to go on the discharge path.

MR THOMPSON: Yes.

COMMISSIONER FITZGERALD: Now, I can't verify that, but what's your sense of that, because you've only been out for the last, what, five years?

MR THOMPSON: Yes.

COMMISSIONER FITZGERALD: What's your sense of that?

MR THOMPSON: I think it's still the same. I mean, I was career manager in Canberra for four years looking after 200-odd submariners, so yes, and you did see it, you know, and with, again, we've - whilst I was waiting discharge I was supposed to be on sick leave, and again only found out towards the end of my time that I shouldn't have even been in the workplace. So it was just – I was just badly managed, or mismanaged, really. And other people were in the same boat as me and they were being mismanaged, not just by Defence, but by ComSuper. ComSuper was – weren't providing us details of what sort of pension we were going to have on discharge so that we could also liaise with Veterans' Affairs so (indistinct words) and it's very hard (indistinct) a house line, if you can't tell the bank what your income's going to be because no one's (indistinct) for you.

COMMISSIONER FITZGERALD: So one of the things that's been of concern to us is that you have to manage the claims to DVA, the ComSuper arrangements and a whole range of other things that are going on in your life at that time. What would have been helpful to you navigate all of that, and it is hard, once you're in that discharge phase, you know, or post-discharge? What would it be of helpful to you?

MR THOMPSON: I think being able to, say for example, go and sit down with vets affairs with my final medical documents and we sit down and go through and go, right, yes, you're applying for this, this and this. You haven't claimed for these, let's put the paperwork in now, we'll help you do that. There you go. That's going through. Yes, we've got this evidence to say it's service related. ComSuper coming back and actually doing what the paper work says, which is, as soon as they receive your medical discharge and their paperwork, they process your medical discharge claim.

However, I believe that you should be able to choose, I mean, at the end of the day it's rate, I've got a high rate of pension, not much because I've done 30 and a half years, but I would much rather have a lower rate of pension and that $200,000-odd in my bank account for (indistinct).

COMMISSIONER FITZGERALD: So just let me – I don't want to go through the super too much, we've looked at that separately, and it's a little bit outside our term for reference, but it relates to what you're talking about. When you say from your (indistinct) you were not able to convert the lump sum into a periodic payment?

MR THOMPSON: That's correct. That's correct.

COMMISSIONER FITZGERALD: And your view is that had you been given that chance, well, you would have done that?

MR THOMPSON: Yes. Absolutely. That's why a statement scheme – and it certainly would have, I mean, big – because I lost all of that and it was going out, the stressors that were put on me in addition to what I already had, was trying to be truthful, just exasperated the whole thing, home life, everything. So it was just – it was a terrible period of time. And I mean, again, alcohol played a huge part in it.

COMMISSIONER FITZGERALD: As it often does. But can I just ask, in relation to impairment payments, have you – you've received – have you had a successful claim with DVA?

MR THOMPSON: Yes.

COMMISSIONER FITZGERALD: You obviously have because you have the Gold Card. And did you receive that as a periodic payment or as a lump sum?

MR THOMPSON: I've received periodic payments under the VEA.

COMMISSIONER FITZGERALD: Yes.

MR THOMPSON: I've also received some permanent impairment lump sums under SRCA. However, if you get something under SRCA, then they have to offset under VEA, so it gets a bit messy.

COMMISSIONER FITZGERALD: Yes. We know. But can I ask this question, one of the things we're looking at is under the VEA. It is a periodic payment that remains and those under the VEA seem very happy with that. Under MRCA, you can have a periodic payment or a lump sum, and under SRCA, you can have a lump sum. I'm probably wrong, but - - -

COMMISSIONER SPENCER: No, I think that's right.

COMMISSIONER FITZGERALD: That's right. We want to do a bit of harmonising around that, and frankly, in relation to MRCA and DRCA is to actually probably allow (indistinct) to have a lump sum or a periodic payment, whichever you so choose. Some people in the veteran community are very opposed to lump sums. Others think they're absolutely essential. But going aside from that, from your super experience, I suppose, would you have the view that people should have that choice?

MR THOMPSON: Absolutely. And I think at the moment with their younger generation now, because they don't get access to their pension after 20 years like we did with DFRDB, that's – that is vital for their financial well-being and some of them actually need that permanent impairment lump sum. And of course they can get that increased or even do a pension as the – if their discipline is worse. So yes, people should still have that choice.

COMMISSIONER FITZGERALD: Darren, just a couple of follow-up questions, you mentioned Open Arms and you said it's been fantastic to assist you and your partner. Is there anything else that would have been – that would be helpful from Open Arms or from your point of view, what's available is really meeting your needs?

MR THOMPSON: I suppose, once again, it comes back to a spouse being able to access pension or pension/ concession card instead of – instead of us being disadvantaged, because I was – had no choice on being medically discharged and I'll get this amount of money so we can't have anything else, so I think she needed to be treated differently to a normal Australian because she's a partner with a medically discharged Defence member.

COMMISSIONER FITZGERALD: And Robert was describing what's happening at Holsworthy these days which we've commented on as well, and that is being together, DVA, Defence, Commonwealth Super, one medical assessment, to really try and streamline the process. So from your point of view, something like that, and it – would be – would have been a (indistinct)?

MR THOMPSON: Absolutely. And that should be for both, whether you're transitioning under your own steam or you're being a forced – forced out.

COMMISSIONER FITZGERALD: Yes. And look, can I just go to an issue. And just to sort of paint the picture, we hear for many people the concern about ADF, that ADF's responsibility is solely about preparing for war, and some people have a very strong view that it's not their responsibility; it goes to DVA - we've obviously put a different view on the table and that is that Defence should have responsibility for the lifetime well-being – and that's not to belittle the services Robert said - that goes through in our current proposals and independent statutory corporation.

But we looked at other militaries where there is what I'll describe as a balance between the duty of care that the military has to their members

and the duty to prepare. And that's a really tough balance to strike. And some people have put it to us that their perception is – and you may or may not agree with this - but they feel that, in a sense once you are on your way out, you're on your way out, and there's a sense of rejection, we don't care anymore, and we've got to get on with it, and DVA will look after you.

So what could be done to change that? Some people say, well, that's just the way it is, so you know, we don't want any of this going near ADF. Another view is, well Defence shouldn't have to assign some responsibility for this. I mean, in our Joint Transition Command we're saying Defence should have responsibility for a period of time after discharge to take these issues, frankly, be alert to them and really focussed on them. Do you have any thoughts about that? About their responsibilities beyond discharge?

MR THOMPSON: I have not heard from the Submarine Force in five years. I've not heard from any of my peers in five years. That door was shut and it was goodbye. "We don't want to know you or see you. You're – you're out of here." Look, leaving and giving – one of the commanding officers standing here at NHQ, I ran into her when I was first here and she had this idea of what she would like to see and I thought at the time, that's probably a good idea, is that Defence should have contacted her and said, "Chief (indistinct) Darren Thompson has been medically discharged and he is retiring to Tasmania. Here is his details." And then she said, "I would then have been able to contact you, see how you're settling in and so on and so on." And I thought that was a good idea and that could work.

I think putting too much responsibility for Defence to care about you once you've gone, it's probably not going to work, because it's still going to be rate based and things like that. And you're going to have people that either are dealt with previously and may not like him, but still sitting there, instead of making sure (indistinct). I think regional commands being notified that you're returning to that particular area and seeing what they can do to help, but not only them, but local DVA and Open Arms, as well, so that he can walk in there and go, "Hi, I'm Darren Thompson. I've just been discharged down here and they go right, yes. We've got all your (indistinct) based here. Welcome to Tasmania. These are the concessions you can get and you can get this and that. You know, have a cup of coffee, have a chat. "How's your wife? Has she been to come in and see us" and things like that. A welcome to the community (indistinct) organisation and Navy or Army or Air Force that the local command just checking up on you, making sure you have a smooth transition will probably be an excellent thing.

COMMISSIONER FITZGERALD: Well, that's our aim. We believe absolutely that you can do a lot before this charge, which is not currently being done. It does require the involvement of Defence. Defence does have a duty of care and we believe that strongly. And other forces throughout the world believe that. Australia has a very constrained view, I have to say.

The question is what's the best mechanism? But the one that we are sure about is when you transition to a new place, though, like Tasmania or wherever it is, there is no reason why some of that support service can't travel with you for a period until DVA, or whatever that organisation is, fully takes over the role. It's not easy to achieve, but it's certain to me within the realm as possible. And we, I think, this is one of the very big positive aspects of our report, and we think there's a few others as well, but that's a – you know, I think we can do that. And your points are very valid.

Last, (indistinct) about Open Arms. You've mentioned Open Arms. Are you a client of Open Arms at the moment?

MR THOMPSON: I am, indeed.

COMMISSIONER FITZGERALD: And we've heard you also have access to Gold Card?

MR THOMPSON: Yes.

COMMISSIONER FITZGERALD: So just tell me about this, we're trying to look at the – Gold Card provides a funding mechanism, which we understand. And the White Card provides a funding mechanism for a different range of services. Open Arms is a direct provider of services, but it can, in fact, refer to private sources. How does this all play out for you? How important is Open Arms as a provider? If Open Arms didn't exist, and we think it should, by the way. Let me be clear. Would there be enough services within the community to support you? So how is this all coming together for you?

MR THOMPSON: I mean, initially with Open Arms, they saw me and I had counselling there and I've been to some of their programs that they run and I think the programs that are run are very, very important, especially for the spouse to be involved in. They then, because I needed such ongoing treatment and to free up their staff, because they have limited staff, they outsourced me. Not a problem with that. They outsourced me to a great psychologist. I'm getting good regular check-

ups, it's being monitored by Open Arms to make sure it's still valid. And I find that interaction extremely good.

COMMISSIONER FITZGERALD: Okay. Thank you very much. Thanks very much, Darren, for that. We very much appreciate it. We'll just take a five minute break, just for a technical issue. So that's good. So we'll just have a very short break and then we will have, I think it's Robert Dick? Is that correct? Yes. Thanks. Thanks very much for that, Darren. That was very insightful.

MR THOMPSON: Thank you.

SHORT ADJOURNMENT **[12.07 pm]**

RESUMED **[12.12 pm]**

COMMISSIONER FITZGERALD: We'll just resume now. We've got the technical issue sorted. Sort of.

UNIDENTIFIED VOICE: Sort of.

COMMISSIONER FITZGERALD: Exactly. Sort of is good enough. So if I could have Robert, please? Thanks, Robert.

MR DICK: No worries. Good to see you again.

COMMISSIONER FITZGERALD: Good to see you. Grab a seat in the middle there. You know the drill by now? In fact, if you can give your full name and any organisation that you represent?

MR DICK: Okay. My name is Robert Dick. I'm ex-RAAF, 21 years' service. Previously, State President of RSL Tasmania branch and also National President of the RSL until July last year.

COMMISSIONER FITZGERALD: Sorry, can I just clarify, Robert, are you representing any of those organisations, or is this personal?

MR DICK: I'm representing the RSL Tasmania branch.

COMMISSIONER FITZGERALD: Thank you.

MR DICK: But what I intend to do is to read a covering letter, if I may.

COMMISSIONER FITZGERALD: Sure.

MR DICK: With respect to the Commission. The actual attachments that are with the report were compiled out of a meeting we had with all our different state areas that support veterans and Mr Bill Kaine and Mr Geoff Ralph will be talking to that report and I believe they're up next.

COMMISSIONER FITZGERALD: Yes, that's fine. Thank you very much for that.

MR DICK: The Returned and Services League, National Office, initially submitted a paper in response to the Productivity Commission Review into Department of Veterans Affairs. The national office requested input from all the state branches, enabling a consolidated report to be compiled and submitted in accordance with the terms of reference. The only state branch to respond to this request from the national branch was the RSL Tasmania branch and the subsequent report submitted was co-authored in the main by Mr Alex Dick who is the Tasmanian State Branch paid advocate.

The report submitted was a consolidation of experience, views and recommendations garnered from the five veteran support centres across Tasmania. These centres are manned and operated by a collaborative group made up from members of the RSL Vietnam Veterans Association, the RAF Association and the Naval Association.

The Australian Government Department of Defence and the Veteran Community all recognise that the service in the Australian Defence Force is a unique occupation, and all who enlist recognise that by doing so, they are foregoing certain freedoms enjoyed by other members of Australian Society. This also creates a unique issue within family life, serving members, and they are right to expect, they will be cared for both during and after military service. Any notion considering the possibility of passing responsibility of veteran's affairs, rehabilitation and/or compensation to the Department of Defence should be strongly resisted. Defence do not appear to have a good record of responsibility of care for members with regard to rehabilitation, either during service or ones that transition from the military.

Claimants currently have significant issues with the length of time that the claims process takes to process even the moderately complex can't - moderately complex claim. Yet these delays seem minor when compared to the British model where the claims are processed through a military or defence area. In the main, there needs to be an improved level of training

and understanding for DVA delegates, particularly in the interpretation of the three Acts. To truly reflect the intentions by Parliament captured by legislation. The original intention of the Act was to be beneficial to the veteran. However, this is often reflected in determinations by delegates who appeared to have adopted the insurance company style attitude, which at times can be highly adversarial.

Having secondary effect of there being an increased need for appropriately trained advocates to assist veterans through this rehabilitation journey. This indicates the need for an urgent overhaul of the claim system, making it simpler and more user friendly and while the task was currently being undertaken, sufficient resourcing to remedy the problem sooner, rather than later, must be provided. In response to the draft report of the Productivity Commission, RSL Tasmania convened a meeting of veteran support centres across the state including the ex-service organisations to discuss the findings of the draft report. The findings of this report are attached the annex A and as I said, will be addressed in detail by Mr Bill Kaine.

Arising from a meeting, a report of observations from the veteran centres was prepared, attachment A, an additional comment sought from Tasmanian branch of Vietnam Veterans' Association which is attachment B. Additional comment from Membership of the RSL was sought. RSL Wynyard responded and that is attached at C and at this point I would like to point out that we fully support RSL Cygnet's proposal that they put in this morning as well. RSL Tasmania has reviewed these comments and fully support the observations and recommendations put forth in the attached documents and finds them to be broadly consistent with the position set out in the initial RSL Tasmania submissions.

RSL Tasmania, as the administrator of the veteran centres and facilitator of the meeting giving rise to the submission from the veteran centres, does not feel the need to restate its position as laid out in that report once again in detail. As such, given the broadly similar detail between the initial RSL Tasmania submission and the attachment box to the draft report, Tasmania endorses the attached positions and offers its full support to those positions.

COMMISSIONER FITZGERALD: Good. Thanks very much for that. We appreciate it and I've had a glance through those – through that submission. We can talk about some of those. Generally, in relation to the RSL and these veteran centres that you've referred to, one of the issues that you've raised, of course, is this recurring theme which we're hearing. That we never proposed the administration of the veteran scheme (indistinct) within Defence, but we did say the policy should go to

Defence. And there's some confusion about that. This notion of the Defence portfolio. DVA actually is in the Defence portfolio. All we were doing is taking policy into the department. Put that aside, we'll clarify that. You've echoed a view that is now consistent with most veterans and most ESOs that they have no desire to see policy go to Defence. Putting aside the administration which was never going to go there. Just – can you restate for us why you think Defence is a poor place to have this policy? Given that some other jurisdictions, New Zealand and other countries, have it in there, and it's not contentious, but you've raised the issue about Britain and others. So what's the main thing behind the RSL's concern about Defence taking a role in this space?

MR DICK: The main concern, as I mentioned there with Defence, is that as has been mentioned by previous people, Defence's main concern is to have people operationally fit and ready to put into operational areas as soon as possible those that are injured. Whether it be in training and/or, whilst they're actually on deployment, they come back and the deployment – sorry – the rehabilitation of those members is quite often handled within the unit that they serve. And there is this stigma associated with it. They are not fit for purpose at the present time and they are treated as a secondary citizen. And that is consistent throughout Defence, through all three services.

If that person has been injured, he's entitled to rehabilitation and it should be a first priority equal to getting that person ready to deploy on active service.

COMMISSIONER FITZGERALD: So we've made a number of recommendations in relation to injury prevention, rehabilitation within Defence, and obviously transition are all about Defence itself. One of the things that we're struggling with is, and it may be this, that in a couple of areas, we think Defence needs to take a better role, perform a better function. But there doesn't seem to be in the veteran community much appetite for trying to re-educate or reorient the Defence Department in those areas. So they talk to us about those weaknesses and things you said. But the next response is, we (indistinct) that they can do it. In a normal environment, you'd say to that agency that it's actually your job to do it and you should be doing it better and these are the methods you should do it.

So there's a disconnect happening for us, is people to see, that lost faith with Defence, is either willing to or able to really up their game, if I can use that colloquial expression. Now, that may be a wrong interpretation. But I just want to put that on the table and see what you think.

MR DICK: I think you're probably right in that there is a disconnect there between say, the major ESOs, which are the RSL, ADSO and also DFWA. Now, for years DFWA and ADSO and the RSL were separate. The RSL had this, I suppose, arrogant attitude, that we're big enough and ugly enough, we can survive by ourselves, we don't need these other groups. I put it to everybody that all ESOs are there for the same purpose, which is to support veterans. Yes, we should come together and we should re-establish the communication with the Department of Defence at the highest level possible and that concludes Minister for Defence and Defence Personnel and the heads of Defence themselves. So there is a need for that to be re-established.

COMMISSIONER FITZGERALD: Do you think Defence has a culture – and I'm not critical of the individual leadership. I'm talking about (indistinct) of actually becoming more proactive in the well-being of its personnel. Now, I'm not saying they're not concerned about personnel, they are, but they see it through a workable (indistinct) force capability lens. We see that as absolutely paramount, but we also say that's not exclusive in being – caring about the well-being of people that are ultimately leaving the service. Do you share a view that that is possible?

MR DICK: Look. I think there's a narrow-minded view – well, not narrow-minded, but a narrow focus in there with what rehabilitation actually involves. Now, sometimes, and this is not being critical of the likes of Mates4Mates or anything, but you have a situation where they generate purpose for the gentleman or the lady to get involved in a certain project or a certain activity like walking Kokoda track. Once it's finished, it's got the same (indistinct) attitude as Defence: "Oh, we've got them to that point, that's it."

COMMISSIONER FITZGERALD: Finished.

MR DICK: "It's finished." It's not finished there. It continues on after that rehabilitation. There has to be some support for them after they reach that point and it's not there at the moment.

COMMISSIONER FITZGERALD: We recognise that at some points after transition, and we think that should be six, 12 months after discharge, the full responsibility moves to DVA or whatever body it is. In relation to the rehabilitation of – in the Defence area, and through transition, we've made a deep analysis of that and there are some substantial weaknesses in that. Again, can I just ask this? Rehabilitation can be back to duty or it can be back to a lower set of duties, or it can be to discharge. So rehabilitation has multiple purposes. Do you have concerns about the way

rehabilitation is generally being done for both serving and non-serving personnel?

MR DICK: When serving members, I think, there's a break there where, if it's seen that they can rehabilitate somebody back into service life, whether it be in their normal operations or at a slightly lower level, they concentrate on that. If it looks like the person can't be rehabilitated, as Darren pointed out earlier, here's your hat, what's your hurry? And they'll have nothing to do with you. And that person is just cut adrift. And that's where the major problem actually lies because those people suddenly cut loose from, you know, from the family and all of a sudden they're out there by themselves. They've got to learn to live by themselves, whether it be, you know, with their partners but they've got to get used to civilian life (indistinct) again and what's involved with that, like Medicare and so on.

They're not trained for that. They're trained to be solider, sailor or (indistinct) they're not trained when they get out to become civilian and there is a big void between service life and civilian life.

COMMISSIONER FITZGERALD: And Robert, you may not wish to, or not be able to answer this: is there a noticeable difference between the three services? Now, I've indicated before, we've looked at the three services and they do it differently. And Army have a very different process for the discharge of their own personnel, but without comparing whether they're better or worse, are you seeing different outcomes for people coming through different services, or the comments you're making would apply more generally?

MR DICK: I think they apply across the board. I agree with you that the three services do treat people differently when they discharge. And I know when I discharged from the military years ago, it was totally different in the way they do it today. And if you ask me how was my transition, I'd say great, it was really good. But you speak to people today, they're discharged under a different process and it does create problems.

COMMISSIONER FITZGERALD: Just a second thing. You've indicated that you believe the DVA should be given time to be able to improve their processes and the Veteran Centric Reform process is a critical one, which has been in place for a couple of years. You'd be aware that we are supportive of the VCR, the Veteran Centric Reform and we've got a chapter almost devoted to it. And we've also indicated very clearly, it should be rolled out, fully funded and completed by the middle of 2021. So we're supportive of that. Nevertheless, we've also come to a

different view that we think a new structure is necessary. But putting that aside, you've also said that the claims processing needs to be improved. What are the major issues that you're hearing from your members around claims processing, you know, in the last couple of years?

MR DICK: Well, I can't talk recently. Go to the last couple of years, because I've been out of the actual process for probably about five years now. But anecdotal evidence that I'm getting is that quite often people are told, "You need this report." They'll go and get it and then, "Oh, no, you've got to get this to go with it, as well." They're not getting all the information they need at the right time. If they're dealing direct with DVA. And that's no slight on DVA. You know, I think everybody would agree that the process we have is probably one of the better ones around the world.

But I think there has to be more emphasis put on people, you know, talk to an advocate. You don't have to necessarily use them in the future, but at least talk to them. And just on that, to set aside a misconception that some people have that – to see an RSL Advocate, you have to be a member of the RSL. You don't. If you've put on the uniform, you can see an advocate anywhere. And I think that applies to the other organisations as well. But there should be either that information passed to them or during their actual discharge from the military, they are provided with the information to show them where to go to make sure that if and when they do put in a claim, it's done properly the first time around.

COMMISSIONER FITZGERALD: Part of the VCR – part of the Veteran Centric Reform process is to allow greater automation, you know, through technology, and also for quicker acceptance of certain claims. Some people in the advocacy area, not the RSL but others have said to us, that's all very good, and it sounds good but the danger is that the Veteran, if they put in the wrong information, incomplete information and use different terms, could be disadvantaged by that. And I think that's an interesting thought and obviously the case. So the question for us is, in many senses, Veteran Centric Reform theoretically should lead to a lesser use of advocates, not a complete loss. Others are saying to us that could actually have great detriment. So whilst the technology's improving and many claims are now being accepted based on you know, a pre-determined, you know, condition, as being acceptable, some people have cautioned us about that.

Do you have any feedback on that?

MR DICK: I'd offer my caution in the whole thing as well. Again, as you say, if the wrong information is provided or incorrect information at

the time, it can be detrimental to any future claim that the person put in. And I think Darren mentioned a classic case there – not Darren, sorry. The gentleman before him. Where, you know, misinterpretation of information's involved and that person missed out on a claim initially and they're now fighting that area.

COMMISSIONER FITZGERALD: In the submission, your organisations have put in a detailed response to our recommendations and we're grateful for that. But can I just deal with – just this issue. We've made some proposals in relation to the change of review. That is to try to improve, first, the delegate's first decision making; second, have a formal reconsideration phase where the claimant is spoken to and information is developed. A modified VRB and then a – the AAT.

That issue about an early reconsideration, again, you may not have any view about it. To us it seems to be a very important step. It's capable of being done now, but actually formalising that, so that we think that will lead to risk claims having, either to the VRB or to the AAT. Which obviously is a much more expensive option. I don't know whether you have any views about that sort of approach?

MR DICK: That sort of approach could only be beneficial to the actual person putting in the claim. And also, if they're using an advocate to make sure that everything is there in the first instance and it will actually allow the process to move quickly.

COMMISSIONER FITZGERALD: Do you have any (indistinct) view as to why DVA would not have already instituted that years ago? I mean, I'm not quite sure why people don't pick up phones and talk to people. I think Richard and I do it. But it's not part of the system and I think it's been a significant flaw and it's now improving and changing and we are recommending something more stronger than it. But why do you think that is? Why do you think DVA has had a reluctance in the past to actually deal with the claim of a veteran?

MR DICK: I couldn't actually answer that on behalf of DVA - - -

COMMISSIONER FITZGERALD: Well, I'm just asking you to reflect on, on your behalf.

MR DICK: What I can say though, is that in theory that's very good suggestion to actually implement that. But it would require stringent advocation on behalf of DVA, because there have been instances in the past where DVA have gone back to the claimant for information rather than going back to the advocate as well. And the advocate, they're there

because they understand the legislation and can interpret the legislation properly. Whereas, the claimant may not have that. And they may miss something in there, which could cause further delays with the claim. But, I wouldn't restrict it just to talking to the person putting in the claim. It would have to be – include their delegate – sorry, their advocate.

COMMISSIONER FITZGERALD: Richard will have some questions. But I just - flowing on from that – we were of course going to review the Robert Cornell report.

MR DICK: I have a question on that actually.

COMMISSIONER FITZGERALD: We have a copy of it but it's not made public and it's up to the DVA or the Government to release it. We hope that that happens soon, so we can have a discussion about what he's recommending. But just – you have a question or a comment?

MR DICK: Well, throughout the report now, I did wade through the 700 pages that were there.

COMMISSIONER FITZGERALD: You get a gold star for that.

MR DICK: I had nothing else to do. But anyway.

COMMISSIONER SPENCER: That's a very sad life, Robert, I have to say.

MR DICK: It is, it is.

COMMISSIONER SPENCER: Anybody who reads the whole of our report.

MR DICK: But there's constantly, there's reference in there to you were going to put out a report later on, on the advocacy and the need for advocates with that. And I know Mr Cornell has actually released his report. When you actually - - -

COMMISSIONER FITZGERALD: Well, produced it, yes.

MR DICK: Yes, but not to everybody. When you actually put that – your report together, will we have a chance to comment on your recommendations prior to that going (inaudible) final report or will it only be in the final report?

COMMISSIONER FITZGERALD: It depends on timing. I mean, we want to get feedback. He's done a very extensive consultation, as you know, he's been around the countryside to a huge number of communities and it's an exceptional amount of consultation. So I can't be sure, but if we have – if we could come up, look at it, analyse it, come up with some tentative thoughts, we'd be very keen to have a discussion with key people around the ESO area about that. If it is that the report is delayed in its release, that would make it more difficult. So that's out of our hands.

But as you'd know, right throughout this whole process, we've been keen to toss ideas around and take fairly courageous positions on lots of things and we would have the same view with that, but the reality is, we're not able to have that discussion until that report is released. And the Government indicates that it will be soon, but I just don't know. Yes.

COMMISSIONER SPENCER: Robert, just a comment about this issue of Defence's responsibility and you know, very strong (indistinct) people had in mind and that is that Defence should not be given more responsibility beyond the – its current role of preparing for war. I suppose one of the things we're wrestling within that space is that if you did that, you know, tomorrow, that would obviously be a big disconnect and there'd be concerns about it, but this report is meant to be looking over the next 20, 30, 40 years and so I suppose the mind-shift we're trying to do is to say, "Well, it may need some time to get there, but would it be better to have an ADF that actually does make the cultural shift over time to taking on board more of the responsibility we see other militaries around the world taking on. That's not about once again, just to stress the claims administration on all those issues, but it's about its responsibility for the consequences of what happens during service.

Because when we look at other situations where there are workers exposed to, and I know that term is not appropriate to (indistinct words) members but where people are exposed to dangerous situations, the employer has a responsibility and a duty of care at that time and into the future and the evidence shows that causes them to pause and to think more in depth about what they're doing and how they're doing it. And whether the injuries that result from what they're doing are inevitable. But have they been minimised? Are there unnecessary injuries being avoided? And that's the dynamic we see in other areas.

So that's one we often – and I just wanted to put that context. That's why we often come back to this issue and I appreciate the people that say, "Well, if you do that tomorrow, you know, we're not keen on that", but over the period of time would that be a good thing to move towards,

informed by what we see in other areas. So just to leave that clarification with you.

I wanted to come back to the role of the – because you're in a unique position with your experience at national and local roles to see the future of ESOs and I think as we've said several times this morning, we think that's a really important part of the system. And obviously, it's changing for ESOs. The – the history that we heard about this morning is shifting. And so once again, it's to think about, over the next 20 years, where would ESOs be able to provide services that assist for veterans and be able to respond to a different need. Now, that's up to ESOs to decide what they want to do. But you know, as we've said several times, the Government can play a role in being very clear about what they will fund. And how that service will then be delivered by ESOs or other organisations. So – and once again, we've – we see this in other human services. And I commented on it earlier. That people – the people who are often most in need, don't engage with the formal services that are there. In fact, they're intimidated by them. They're not connected or, you know, often to many people at all. And therefore finding what I would call the kind of the soft entry pathways to – and often that comes through peer relationships, building trust, getting alongside the person, ultimately giving them a pathway to a service. And we think there's potential – terrific potential through ESOs to be able to do that kind of work, which frankly Government departments can't do.

So I'm interested and we'd like to hear your thoughts on that. Because the role the Government can play here is to leverage these kinds of services. Do you think there's potential in that? And what are some of the things you think we should be looking at? As to how a government can really support those kinds of roles?

MR DICK: Okay. Firstly, going back to your mention of the cultural change with the Department of Defence. There probably would be a cultural change in the Department of Defence or the hierarchy of Defence, over a period of 15 to 20 years. Because the generations coming through today have a different mindset to the people of my ilk. And where we grew up in the 50s and 60s and so on. And that cultural change has to flow from the top down and I think Barry would agree with me here, in that if you've got a soldier who's, you know, looking for deployment and he injures himself, nine times out of ten, he's not going to go forward and say, "Look, I've got this injury, because it could affect in deploy." Would that be a fair statement?

COMMISSIONER SPENCER: (Indistinct words).

MR DICK: Right. So they're going to hide that injury which may exacerbate over the years and he'll have problems with that later on. It's then proving that it's military. Associated with the military service. So the mindset of the culture within Defence at the moment is if you're injured and you can't deploy, you're upsetting the team management and the team play in this area. You're pushed to one side and put into (indistinct) basically. And then they tend to forget about you. You're seen – as I said before – a secondary citizen in their mind. That's the culture that has to change. And I think the younger guys coming through today will bring that change in, but it's going to take time for that to flow in to the hierarchy of Defence, in that area.

Going back to the roles of the ESO, the ESOs, including the RSL starting the year before last, looked collaborating and working together. So's it – as I said, we're all there for the same purpose which is to support the veteran. And there was a collaboration agreement signed by ADSO, DFWA and also the RSL. Which covered probably the top 30 ESOs in Australia, where they agreed to actually work together and if you go to the original report submitted by the RSL we were very supportive of the other organisations, with what they put in and vice versa. We're all sort of working together for the benefit of the veteran and the veteran's families.

And it's a case of getting that to flow, not just from the national level, but the state levels. Here in Tasmania, we're lucky the organisations do tend to work together through our veteran centres. But that may be an isolated case with the states. I can't comment on the other ones. It would be beneficial for the Government if they had, you know, just a core element who they were actually talking to in regards to veteran entitlements and rehabilitation and service, you know, convictions of service for the current service personnel, which a lot of people forget that in RSL and DFWA, we actually lobbied the Government for conditions of service as well. It's not just for the rehabilitation and compensation areas. We look at the broad scope.

Yes, beneficial if we can formalise that agreement across the nation. And bring everybody together. If you look at the services that are offered by all the ESOs and this was carried out DFWA and (indistinct) RSL again, collaborated (indistinct words) the services that are offered by the three major organisations. The only organisation which covers every gamut of that was the RSL and the others covered certain aspects of it. And the agreement is if you've got the expertise in this area, we'll call on you and you will call on us from where we work. And it's getting that formal recognition through the Government, I think, will be beneficial not just to the ESOs but to the veteran community.

COMMISSIONER SPENCER: And support for that and this is the notion of the hub in that there are different, as you know, models and ways of doing that around Australia, but that kind of coming together in the way you're describing and Governments supporting that effort, that could be, from your point of view, quite a powerful model?

MR DICK: It could be a very powerful model. The biggest issue that you're going to have is parochialism. You know, the states not wanting to give up what they do or if they think their model is better than anyone else's and you know, not, you know, coming together and working as a whole.

COMMISSIONER SPENCER: Right. Thank you.

COMMISSIONER FITZGERALD: Well, I think the view that we have as you know, is in civil society, as in all aspects of, you know, welfare and human services, independent organisations can establish how they like and operate how they like and governments shouldn't interfere in that. The issue – the rubber hits the road, but the Government says "Be prepared to resource a particular set of services" and what's the best way forward. So we're looking at these hubs and hubs are a generic term, because they're different everywhere. But we do actually see, as Richard indicated, that Government could have a role in leveraging off those. Not funding the lot. And certainly it can't fund all of the models, but the question for us is, what would it be funding it for? In other words, what does Government need out of those services and then ESOs can do whatever they like over and above that? So that's a real challenge. And it's not just advocacy. Advocacy is an important but only one part of it.

There are other issues about soft entry as Richard indicated. Particularly with the young veterans that are not sure about what to do. Not even sure about whether they're able to talk about their mental health issues than others. This soft entry point does seem to be an important one and then the second part is actually someone who can explain the system to them and (indistinct words). But it's – but that's you know, those sorts of things, so we're looking at that.

Can I just have one last comment, and I know others will talk about some of this. The two scheme approach and we've heard from Barry this morning. I'm a bit surprised that you're not supporting MRCA and DRCA coming together and I know this is a proposal. We actually think the two scheme approach has got real merit so I don't suppose I could ask – and perhaps (indistinct words) the concerns you have in relation to MRCA and DRCA coming together. Is it simply that it – you believe, it adds a layer of complexity which is unnecessary and I think Barry

articulated very well his concerns. But I just want to check that. We're not trying to combine VEA which would be very difficult. That would – and others have suggested that to us, but it's just not possible.

MR DICK: I suppose if you look at the whole thing, again, going back to the major meeting I had with the three major ESOs last year, one of the things that they were pushing was to have one Act.

COMMISSIONER FITZGERALD: Yes.

MR DICK: It'd be very, very hard to incorporate what's in VEA across the board with MRCA and DRCA.

COMMISSIONER FITZGERALD: Correct.

MR DICK: The consolidation of MRCA and DRCA could possibly work, but it would have to have some – a lot of thought put into it and the intent behind the policy that was – or the Act that was actually written to cover that.

COMMISSIONER FITZGERALD: Yes, well, so what we're trying to do is just to explain (indistinct words) very, very briefly, is our Government in 2004 decided that there would be a different approach for veterans coming forward, as you know, with the MRCA which does have a great focus on rehabilitation and as Barry rightly said, the name reflects that. We don't think – we can go for probably (indistinct) direction take into account that a lot of people can't be rehabilitated to work but they can be rehabilitated to a full and active life.

So that direction, I think, which Government set 2004, we think is an appropriate one. Those in the VEA have a different view, and we respect that. And that's why we've kept the VEA. So our intent is to actually take the best of both DRCA and MRCA and put it together. The issue for us is what are the payment levels, and those sorts of things. And it is complex. But our final attempt is to actually say people are under one Act or another, going forward, as Richard said, in the long term. And not have this – what we think is a very problematic space where people can be under three Acts. And so, in a sense, ours is to try to keep the direction the Government has set, but to try and simplify it and make it easy. But ultimately, you're only under one or the other. Now, how can that be achieved? That's the challenge and that was the sort of thinking you've got. Okay.

Robert, any last comments before we - - -

MR DICK: Just one, if I may. Darren mentioned earlier about Commonwealth Super. Just to point out that again, the three major organisations wrote to the Prime Minister to have ComSuper included in the Royal Commission into banking and superannuation. Because it not only involves defence personnel, but any Government or, sorry, federal public servant is also affected by that. And, you know, a lot of the delegates here can talk to you about issues that they've had and veterans have had with ComSuper. However, the Prime Minister and the Treasurer at the time decreed that no there's enough of an audit system in place to make sure it runs properly, but obviously it's still breaking down and that it's something that's unfortunate that wasn't included in the Royal Commission.

COMMISSIONER FITZGERALD: And just to be clear, it's not actually in our reference either. We're looking at the interface issues and we've made some comments in relation to that, but the actual schemes themselves, just as the remunerations paid for serving personnel, isn't actually within our terms of reference. But we are trying to look at the interface issues and we're doing that. But our report doesn't go to an examination of the superannuation or other entitlements to serving personnel.

MR DICK: No, I think the main point is, you know, to point out that yes, it was put up through the Royal Commission.

COMMISSIONER FITZGERALD: No, I heard that.

MR DICK: But one of the things to consider, too, is that there is a major break down involving ComSuper with some people when they're medically discharged. And it does cause a lot of angst for the personnel, as they're going through that process. And I think that is something that has to be considered even within this - - -

COMMISSIONER FITZGERALD: No, no, it's fine. And we've heard a number of representations and we will pick up on some of those in the final report as well. And we have actually met with some of the representatives of ComSuper, so thank you very much for that. We'll now break and come back at 1.20. We're a bit mean; we're not providing lunch, are we? So you have to find your own lunch, but we will resume at 1.20.

LUNCHEON ADJOURNMENT **[12.48 pm]**

RESUMED **[1.22 pm]**

COMMISSIONER FITZGERALD: So we will resume. We're right on time so that's always good. So Bill and Geoff, if you could both give your full names and the organisation that you represent.

MR KAINE: I don't normally do this, but my name is Bill Kaine. I'm a welfare and pensions advocate for TESSA on the north-west coast. The area we cover in the north-west is from Strahan through to Hawley Beach, so it covers about 13 RSL sub-branch locations, and as I've said, the TESSA organisation - I'll come to that, sorry.

COMMISSIONER FITZGERALD: No, come to that in a moment. And your - - -

MR KAINE: Yes. I had 30 years in the regular army, both as a soldier and an officer. My last appointment was the senior personnel officer for New South Wales, army in New South Wales. I'm a past president of RSL Tasmania and as chair of the joint venture I set up the TESSA network in 2012.

COMMISSIONER FITZGERALD: Terrific, and today, just to be clear, Bill, you're representing which agency?

MR KAINE: The submission was basically on behalf of TESSA Tasmania.

COMMISSIONER FITZGERALD: That's okay.

MR KAINE: Tasmanian Ex-Service Support Association.

COMMISSIONER FITZGERALD: That'll do. And Geoff?

MR RALPH: Yes, Geoff Ralph from, I'm a level 4 pensions advocate under the training and information program.

COMMISSIONER FITZGERALD: Great, thank you very much. So you know the drill so you've got about 10 or so minutes to give us a bit an of overview of the key points that you'd like us to be - to put on the record, I should say.

MR KAINE: You already have my submission but in brief I'll cover a couple of things, and my real point is, the ex-service community ought to be careful what we wish for. The military service, as we've said, is a

unique occupation, and I think that was addressed in the Parliament yesterday or today, there's something about they - that thing about going before Parliament to recognise the unique nature of it.

Productivity Commissions are invariably about doing more with less, and my reading of the report, it's clear that the government, by establishing this Commission, wants to be able to streamline things and reduce the cost effectively. Now, one of the things that, you know, when the figures that were put forward in this was, the very, very expensive, how expensive it is, I actually do run the PBA programs, but what's not in there, if you weren't on a Gold Card you'd be getting this treatment under Medicare, and there's no provision in that to offset. It just says, "Right, this is what it costs", but if it wasn't all provided under that or on a White Card then you'd be claiming it under Medicare. The government would still be paying under a different hat and I think that's an important point.

I come to basically then the big question in our view is, should Defence, should DVA, whatever name it's going to be called, placed under Defence. The answer to that is definitely not. If you have a look at Defence, what they do currently, all base support operations are contracted out and run by civilian organisations. So for instance, you've got, all base services are contracted to the E & IG Group who then subcontracts that out to three prime contractors who then subcontract it out. So the bottom line to it is, Defence is getting a service, but before the service gets down to where it's required at the troop level, you know, the main contractor's taken a bit out, you know, to pay its profits. The next level of contractor's taken a bit out to cover their bit, so what's left basically comes down to, you know, the service of the clientele. Ranges are run by civilian contractors.

Now, if you go to a range nowadays, and certainly people will know this, then you might find a couple of ranges don't operate so instead of having 10 firing points, you might be down to five because what the civilian contractor does, they don't fix it as it breaks down. They've got a weekly or a fortnightly contract so they'll send in the contractor. So if you go to a range then you're filing on less targets that you need to get the practice over with to get back and do your other bit.

Health services, on-base health services provided by BUPA, not by military. Now, my real concern is, what happens when we deploy to Afghanistan, where do our medics come from? Okay? A civilian's not going to go because they put themselves in danger, so they are the issues. So that's where the real problem by handing it over to Defence is. We know that Defence gets it. It won't be uniformed people who are providing the services. It will be the lowest bidder. That's the way Defence works.

The transition, we covered that, is probably the weakest point in the Defence Force, we've covered that already this morning. There is an issue. What we used to do, you know, back in my day, and I got out in 1990, so back in my day you broke a soldier, what you do is put him in the Q store, in the orderly room, keep him with his mates and rehabilitate him. And then we got to another system where if you went through basic training at Infantry Centre at Singleton then you broke a soldier. You took him away from his platoon because he really couldn't keep up with them, and put him over to, you know, in a remote building with the other broken soldiers out of the way.

That created another problem. All of a sudden you've got the malingerers platoon over there, and we come back to the point that Robert made, that the average service person will not admit that they have been hurt because it will affect his or her promotion and posting prospects, and besides, all his mates say, "Oh, you know, you're having us on. You're only a malingerer", so that's an issue that comes back to what we do as advocates and what we do as advocates, the big problem we've got at present is DVA on their website say, "Lodge your own claims".

Our biggest problem is, when it fails they then say, "Why don't you talk to an advocate", so they'll come to an advocate like us, and we then will go to the SOP's for supplies. Now, the average serviceman, the SOP, what does it stand for? Standing operating procedures. They have no idea that the SOP's we're talking about is statements of principles. DVA forget to tell them about that, okay? So you're talking to a person who's been brain wired into the service ways, you know, never knew there was such a thing as a statement of principles.

So when you eventually, we put things straight, get the words right, put them on to the right sort of act, lodge it, then there's two claims in, isn't there. Both differ. One is done in accordance with the principles, and the other one is done, you know, willy nilly. So the first question the assessing officer's got to come to is, "Okay, both can't be true, Which one's the lie?", and hence we start having all this problem at the cause where the it keeps going on and on and on.

So I expect really what I'm coming here is, there is a need for better transition, and it was mentioned already, the transition that ought to be there is, Defence ought to have total responsibility for rehabilitation until such time as all the claims through, Veterans' Affairs are resolved and Veterans' Affairs can then take on - take it over because if you leave the service now, like, you're halfway through a rehab program and that's chopped off and so you're on your own, okay, until such time, six months

later, DVA pick it. So all the work at rehab you've done is wasted. So, true?

Okay, I come now really to the biggest problem. It's even in (indistinct) that Veterans' Affairs under whatever name ought to be handed to Defence, wildly opposed to that for reasons I've already said, okay? We know if that happened we would get a lesser service because it'd be subcontracted out. DVA must be retained in its current format with a dedicated minister to it. It probably ought to be elevated into the Cabinet, but I don't see that ever happening, but it needs to be resourced and better resourced.

And then we come to the processing which caused a lot of problems. If my information's correct, and a lot of the delegates who do the assessments of pensions are recruited, you know, they're not full-time, and I might be wrong, I might have this wrong, but my understanding is they're not full-time, they're on contract, on contract probably with quotas, hence we get the quick process, and so that's not so bad. The delegate, if he's on quota, and if they've forgotten about the act which says should be beneficial, but from the insurance company where you've just come from it's adversarial because how not to pay, okay, then, if that is true, you know, and you certainly get the distinct impression that it is, because we're getting far too many good cases rejected at delegate level.

Now what we do is, we go through and say, well, no use applying for a section 31 or section 347, you know, because you have to have more information. So we gather more information and documents and all stuff like that and we send it in as section 31 or 347 or whatever. Then you have the supervisor who should be looking at it. Very, very seldom would a supervisor with all the new information override the delegate, you know, it's wrong. Hence it's easy then, they'll throw it across to VRB to let them make a decision because, "I don't want to sort of upset my delegate", that's the impression we get. Might be wrong, but, gee, it's hoping far too often.

So basically again, I'm doing my little bit, while Geoff has a talk to you. Transition should remain with the military until such time as all the processes that need to be taken for DVA, and it ought to remain as DVA, picks up the baton.

COMMISSIONER FITZGERALD: Yes.

MR RALPH: I've had very, very little to do with Defence. I'm an (indistinct). I had two years and that was it. there was a case just recently where I had a claim in for a war widow. It took Defence 26 weeks to decide whether this person was a veteran or not. Yes. He had medals.

His wife they thought is a wannabe, and this is what was going on, but 26 weeks, because it took - I mean, I can give you the names later if you want it, but I thought that was absolutely disgusting and consequently there I don't have much faith in the Department of Defence at all.

When it comes to DVA I think they're doing a pretty good job, but what I'd like to do, I'd like to see is some more money directed at giving veterans, or giving veterans' advocates or having more communication with them. I know here, going back five or 10 years ago, if something new happened with Veterans' Affairs they'd come over here to Tassie, someone would come over, and there'd be a meeting there of all the pensions' advocates and they'd tell us about these new things that were happening. That hasn't happened for a long time, has it, Ron. No. Just little things like that. Okay, they don't have the money to throw at it, but it was something that was very, very valuable because it helps the advocates do their job.

What else do I have here as well? Another big, another major issue there as well is the contracted doctors from DVA. If for argument's sake DVA would send one of the clients there to one of these doctors, I believe that nine times out of 10 the end result, the report there goes against the veteran, not for him. The reason why I say that is, I've got a veteran, I write a letter to the doctor and I ask the questions there, "What needs to be addressed?", and generally, the answers that we get are completely different from what the contracted doctors give.

MR KAINE: Essentially what we're saying is (indistinct) the DVA prefers contracting organisations, won't say a condition under the new act, won't say if permanent or stable, and until that happens, nothing happens. That's not quite true because the new payments they've just brought in for people just leaving.

COMMISSIONER FITZGERALD: Sure.

MR KAINE: But that's the impression we get that.

COMMISSIONER FITZGERALD: All right. Would it be okay if we can just raise some questions now? Would that help? So can I just deal with a few things and thank you both for raising some of the practical issues with this. So if I just take the, leading on from the last little bit if I can, in relation to DVAs, it is the new Veteran-Centric Reform, you've heard that we are supportive generally of that. It's very early days, and whilst ESOs are very strongly in favour of it, it will take some time for it to be fully rolled out and we said that should happen, but one of the fears that you may have heard us speak about this morning is, and you've raised

it, Bill, and I'm sure Geoff has a view on it is, lodge your own claim, and you've indicated that there's a potential that somebody puts their own claim in.

Then you as an advocate puts in a nuanced claim and it doesn't get dealt with. How do you think that gets resolved, because the Department is clear that it believes that over time more claims can be put in by the claimant directly. They still see an active role for advocates but not necessarily in the same level as currently, so how does that get resolved? So you're increasing technology. Many of the claims are a little bit easier because some of the conditions are automatically accepted, but how do we deal with that issue that you've raised?

MR RALPH: I have brought that up with the department and even in their vet affairs newspapers there they do not say, "Go and see an ESO advocate", the reason being, they say that if they do and they use an ESO advocate and that fails then they can be sued because, yes, because they've told them to use an ESO advocate.

COMMISSIONER FITZGERALD: And could I ask, Geoff, where does that advice come from?

MR RALPH: I'm not sure which Senior Member of the - it was with a - I personally asked the veteran, the person at congress.

COMMISSIONER FITZGERALD: And it was somebody from DVA?

MR RALPH: Yes, it certainly was.

COMMISSIONER FITZGERALD: Okay. So is it your preference, Geoff and Bill, that even though the system is changing and becoming, to use an expression, more claimant friendly, I'll just use that expression, veteran friendly, you think the role of the advocate remains critical in the placing of that original claim?

MR RALPH: Yes, for sure. Had a veteran there recently there. He took his own case to the VRB. His claim had been done by an advocate. He took his case to the VRB, and the VRB said, "Well, I think you need to go and see an advocate", so they sent him to me. Now, he was going to represent himself. He was doing himself an injustice. And the same thing can happen there. I note all the young people these days are computer literate and so that's why they're pushing, pushing, pushing. But, as Bill said before, they make mistakes and that's gone forever. You can be told something there. There's a prime example going back a fair while now, a lady was claiming a war widow's pension. Her husband died there. It was

in 1964 or something or other like that. She was told by someone, "Don't tell them that he smoked", because he had a heart attack. So that case there went to DVA and it was thrown out. It was thrown out. It went to the VRB, it was thrown out. Eventually they came and saw me. They said, "How can we turn this round?" I said "Have you got any photographs of him?" They did, they found two, one in his suit with his RSL badge on in front of the church with a cigarette in his hand. They found two similar to that, sent it off, it was accepted. That was 49 years and nine months after her husband died, because she had been told the wrong thing.

COMMISSIONER FITZGERALD: Yes.

MR KAINE: The other aspect to carry on, I mean, lumbar the knees, that's one place. The online questionnaire, you know, the lifting questionnaire, how many times, you know, by weight, now days 20 kilos it's sort of like, you know, 150,000 over 10 years sort of thing, but, "How many times did you lift this?" and they'll say, "Daily". Daily is one, all right. But if you're an infantry man and you're doing a route march over 20 kilometres you know you put your pack on, you march for 20 minutes, you take your pack off, you put it back on again. You might do that 20 -or 30 times. One converted to 30, right. But that's what really happens. If you're on a ship, say, and you're doing the stores, they don't have hauling items or lifts to put them in there.

COMMISSIONER FITZGERALD: Sure.

MR KAINE: So you get the old chain - you know, get the chain gang marching stuff across, you know, loading ammunition and stuff like that where you can't get mechanical lifts and these machines into it. Or stairs on ships. You know, "Where did you live?", you know, "And where did you work?" and "How many times did you go up and down that?" so there's three or four or levels. I'd say it's not just daily, once daily, it's, you know, 30 stairs five times a day, you know.

COMMISSIONER FITZGERALD: Sure. So that relates a bit to the statement of principles that you've referred to.

MR KAINE: Yes.

COMMISSIONER FITZGERALD: Would I be correct to - well, can I ask this question, do you think the SOPs are working well generally?

MR KAINE: To answer it, I believe they are. There are some which cause concern because particularly for the older veteran when you throw

in a 25 year - if it doesn't happen in 25 years it's not - you know, it's somebody else's problem, not Defence's.

COMMISSIONER FITZGERALD: Sure.

MR KAINE: So they are a bit of an issue, but I think they are working well. I think they can be simplified. I think they should go to DRCA. You know, and conformed with. I think you're right about the one stream.

COMMISSIONER FITZGERALD: Across the three Acts, yes.

MR KAINE: Bring them across. Down the track I think that's where it all should go. It's going to take a while, as you say, to do it. I think the issue with it might well be that complications, you know, implementing it, and with that - - -

COMMISSIONER FITZGERALD: Sure. Yes.

MR KAINE: But I think one of the problems coming in with that the VEA is dying out and it'll be gone in 2025, and I agree with your determination on that. Yes, there'll be still people gaining some payment from it, but bearing in mind if they weren't getting that they'd be getting the age pension, so - - -

COMMISSIONER FITZGERALD: Sure. Can I just ask this question, but, we've recommended that these statement of principles apply across all three Acts.

MR KAINE: Yes.

COMMISSIONER FITZGERALD: That can happen relatively quickly. But your view is that the statement of principles worked well enough, and but the critical real issue that I think you're raising is that a veteran on their own would not know how to put in a claim that is consistent with what is required under the SOPs.

MR KAINE: Exactly so.

COMMISSIONER FITZGERALD: Yes. Can I just go back a little bit also. You've indicated that, as we've heard from many organisations, your deep-seated concern about putting veterans' affairs within Defence, and as I've explained today, we were never going to put the administration of the scheme in Defence, but we were going to put the policy there, and that's been roundly criticised by ESOs, and we hear that.

But your take on that was a little bit different, Bill. You had a concern because of the outsourcing that's taking place within Defence itself. Can I ask this question, we've observed ourselves the high level of outsourcing in Defence, and as you say it applies to catering, security, mobility, all sorts of issues, and the take we were interested in is two-fold: one is we think that some things should not be outsourced in DVA and in Defence. We have a view that there are some functions that should be maintained for regular workforces, and even in our proposal with the Veterans' Services Commission we believe that that should not be fully outsourced.

But I do want to ask this question, you mentioned about rehabilitation of soldiers and in the past we understood that people, as you said, were moved to lower duties, alternative duties and some time in the special units. The view being heard is that that is less likely to occur now. That people are going to be fast-tracked to - - -

MR KAINE: Kicked out.

COMMISSIONER FITZGERALD: - - -exiting, although I must say with rehabilitation and that. Do you believe that there's been a shift in the way in which Defence deals with people once they've decided that they're no longer going to be part of Force capability? Or do you think it's always been an issue?

MR KAINE: Look, it's always been an issue. Look, we have been discharged, walk up to discharge centre, you know, "Bye", out the gate and you're gone. I mean, you know, as a senior officer, you know, it happened to me. So it happens to everybody, and I don't think that's changed. I think once a person, a serviceman is no longer capable of doing the job within the capability the Defence don't want to know about it, and the sooner they get rid of it the sooner they get a replacement.

COMMISSIONER FITZGERALD: Sure.

MR KAINE: Okay. So, look, I don't think it's changed.

COMMISSIONER FITZGERALD: So in the Army they have these detachment units to which people can be put in a sort of holding pattern. We understand that both in Navy and Airforce they don't exist and so the pathways are quite different. And you may not have any particular view about that, but one of the issues that has become for us is how do you provide a period of time whilst you're still within Defence or shortly thereafter where all of those issues you've talked about, assessments, putting in claims, working out what you're going to do with your life, and all those sorts of things can be better dealt with, and we see that as going

beyond Defence. We think that that's for a period of maybe six - 12 months, even with the ability of people to return to base from time to time if that's practicably possible. So I get a sense that that's the sort of direction you'd favour?

MR KAINE: Yes. Yes, I would, because I think - I would go further than that. I would sort of say it should stay within unit. Stay with your mates who will support you, right, as opposed to going to a discrete organisation somewhere else where everybody else has got a bit of a problem. So I think their unit have a responsibility to the - now, I don't know how that would happen and it may be too much when you're deploying ships and that. That's an issue. But the Airforce and Army ought to be able to do that. And I think there's more incentive to get the person back capable by doing that than shoving them out to civvies and hopefully somebody else will pick up the bill.

COMMISSIONER FITZGERALD: Geoff?

MR RALPH: Yes. This is going - I'm having a look here at 14(2) and this is simplifying payments. We thought originally there that payments like this which have been fought for over many, many years, they shouldn't be discarded because they are already there. Now, I've got a man that I served with, and he's got a 16 year-old daughter. Now, TPI's payment there is approximately $36,000 a year, the TPI component. A private that's just been - come out of the - just come out of recruit training is on $47,300 a year. Now, when a person is on such a small - I mean, okay, this guy, his wife doesn't work. When he's struggling, et cetera, I think those payments there for children with their education should not be removed. Obviously there's not too many now that's still in that system, but I just think it's something there that's important there that should be left there, because it's something that's been fought for, and it does affect some people. It's not going to be a lot of money, but it can be a great deal for some people.

COMMISSIONER FITZGERALD: One of the issues with a large number of those allowances and smaller payments that affect smaller groups of people is we've got a different approach to different ones. Some of them we believe could be paid out. Some of them should be rolled into the actual benefits, and some should be left, and some should be altered. So we are looking at them one by one, but one of the principles I suppose that we've been looking at is whether or not it is better to try to make sure that the various pensions and benefits are of the right level.

MR RALPH: Yes.

COMMISSIONER FITZGERALD: Rather than having a very large number of specific purpose allowances. Now, we understand the history of those, and I'm not critical of those, but I suppose our approach is to say, when a system starts to have a very large number of add-on allowances perhaps the fundamental payment structures aren't quite right.

Now, people will have a different view to us, but I suppose when we looked at it, that's what we've been trying to work out. The more of the add-ons you have understanding where they come from, the more likely the system is to be very complex but also maybe the payment structures are not quite right, so that's where we were sort of coming from for a number of those allowances. We weren't trying to say there was no need. We were just trying to say is there a better way of doing it.

MR RALPH: Okay.

COMMISSIONER FITZGERALD: But, again, we understand why people have a very different view to us on some of those allowances.

MR KAINE: Two other aspects I would like to raise.

COMMISSIONER FITZGERALD: Sure.

MR KAINE: One is your proposal on war like, non-war like.

COMMISSIONER FITZGERALD: In relation to the SOP?

MR KAINE: Yes. I think a person who's been in the regular Defence Force for one day with the same entitlement that somebody who has fought and that, five or six deployments to Afghanistan is a little immoral basically. That's the inference I get from some of the recommendations.

I think that the SOPs can be modified, statement of principles, and I think they can be modified by adding another sub-paragraph that gives those who have had deployed, operational service where they've been exposed to greater risks like somebody trying to kill you, I mean, nobody else goes through that here, except some people, you know, if you're walking down the street and in their car, but basically there ought to be a difference in entitlement or burden of proof on those who have had operational service other than those who haven't.

Having said that, I believe anybody who signed on the line, and I'll take Vietnam for example, and those who were called up, not everybody was required to go to operations, but they were certainly needed here in the base support, the training base, the supply base. They were all a central

part of the commitment to Vietnam, and any other commitment we do. So all who are signed on to say, "I'll die for the country if I'm asked to do that", but they're not asked to do it, you know, it's not their fault. So I think there ought to be - you know, all ought to be entitled to most of the same conditions and benefits but there ought to be a little bit in it somewhere for those who were physically deployed. So that's on that one.

The last one, and I put in my submission, I don't know whether you're aware of section 9(a) of the Defence Act, amendment back in Danna Vale's time. I didn't realise it was around until it was pulled on me just recently. That's basically saying, I'll just read a bit:

> *To avoid doubt service is rendered before and on or after the MRCA commencement date whether the service spans the commencement date or is rendered during separate periods before, on or after that date.*

In other words from 2004, my interpretation of this is that when you lodge a claim no matter what you actually lodge it under after 1 July 2004 it will be treated as a MRCA claim. That' what that Act says to me, and it's just been pulled on me just recently, brought in by Danna Vale. Goodness, how long ago was she the Minister for Veterans' affairs? Twenty years maybe. But it's been there. But all of a sudden it's being used. Now, I know in one of your recommendations that that should happen, but it's already in the Act.

COMMISSIONER FITZGERALD: Thank you for that. We'll have a look at that in more detail. Just going back to your first point, it is an issue for us. We think the SOP should apply across the three Acts. The question for us is if you were designing the system you would normally design it with only one burden of proof. We've got the two. A previous inquiry recommended that there be only one but there'd be a mid-point between the two. So, look, we're looking at the options. Most ESOs are urging us to keep the two different burdens of proof so we are looking at that, and in our report we didn't recommend which one.

So from a simplification point of view, and from a normal scheme point of view there'd only be one, but we do understand where these came from and we hear your point. We are of the view, just generally, that an injury is an injury, and we've used that term, and young veterans talk about that all the time. They are quite strong about that view. So we've got an emerging group of people that are really saying to us, well, wherever the injury occurs it should just be recognised as an injury. And part of that is because they now get remunerated for deployment in a way that you didn't, so when you look at this you can't just look at the DVA stuff.

You've got to actually look at the Defence. And so the remuneration arrangements have changed. So the modern trooper is getting, whether it's generous or not generous is not the issue, in a very different way from older serving personnel and so that gets taken into account, whereas the older veteran looks at really just the compensation side. So I don't want to complicate it but we are mindful of your views, and it's been put by a number of people. The only point that I would make is there does seem to be a change of view emerging from younger veterans for a number of reasons. But that's all I'd say.

COMMISSIONER SPENCER: Bill, you made a comment in your paper that Productivity reviews are about doing more with less. We think we're breaking the rule here. We think we're going to do more with more. Okay. As Robert mentioned earlier, some of our draft recommendations at this stage, if they were accepted, would actually increase the level of resources, so I just wanted to mention that at the outset.

From your comments about Defence having more responsibility during transition the Joint Transition Command idea that we've put forward that seems to align very well with your thinking. So am I right in that?

MR KAINE: Yes, I think that that would sort that out. I mean, because clearly you've made the point, it's been made, the point, Army Navy and Airforce do it differently.

COMMISSIONER FITZGERALD: Yes.

MR KAINE: So there needs to be a commonality within that, and that could well be if it was staffed properly and resourced properly it could well be a good as.

COMMISSIONER SPENCER: Yes. Yes. And our concept of that is to bring all of the key players, people from DVA, from Super as well and so you have a whole effort, combined effort and expertise around the transition issue. So that's good. I go back to the comments you made about what you're experiencing at the moment about reconsideration. It goes back to what you said earlier, if there'd been a phone call or information at the right time very early on it could've saved a whole lot of grief and time. You shared the view with us that your experience is they don't seem to want to question the original delegate's decision, and there may be reasons for that and it tends to then go to VRB.

As you know, we're really wanting to bring in a proper reconsideration, an arm's length reconsideration. Your thoughts on that, as to how that could be done, because I think we would all be in agreement an earlier sorting

out of any confusion and issues would enhance the system enormously. So what could help to do that, to overcome some of those issues you identified?

MR KAINE: If you look at the VRB system now or the ADR a similar system may well be better earlier, does that make sense? Because the ADR system now is pretty good because you have the outreach conferences, and we get the advice then that if you go forward as it is then it's likely to fail, but if you have this and this and this, right, you go away then as a delegate and as an advocate and marshal that and put that in. So a fair few of those cases I understand, Brian, are now being resolved at the ADR level. Having said that, the VRB is a critical part. The last place you want to go to is AAT. It's about law then. Okay, so the VRB as a review board is good, should be kept. You know, should be bumped a bit, probably resources. But if we were to adopt that same system earlier in the playing process, you know, I think there might be a less need to go on, because if the delegate was able to come back and say, "Oh, a bit weak here", and we had a bit of a review before we lodged a section 31 or 3.7, right, then it would make our job much easier as advocates. You know, that comes back to the other point, and I know it's part of this, the ATDP, and so that's another issue that needs addressing.

COMMISSIONER SPENCER: Yes. Well, what you're describing there is very much the direction we want to go in, and as you know we've said we believe and what we've put forward at this point is there'd be less need for the VRB to be making decisions of the ADR process and the Outreach process over time at an earlier point in time could make that unnecessary, and so only very rarely would cases go to AAT, and most likely in a situation where there's a clarity of law needed. So there would be a good use of the AAT rather than perhaps being used as a backstop.

So let's pause there. You commented several times about issues that you experienced about the turnover of staff, the outside contractors.

MR KAINE: Yes.

COMMISSIONER SPENCER: And I know that this is - and no doubt DVA would have some views on their resourcing. They may not - we can always use more resources, but they'd probably have some views about how they get a stable and experienced workforce. But this is all part of the implementation of VCR, so it's still early days. But your experience of the changes taking place that you're observing, what's going well? You know, where do you continue to - you've pointed out some of the problems, but are you seeing signs of progress, signs of things getting better?

MR RALPH: Well, yes. I mean, I'd like to see things stay there with the Department of Veterans' Affairs. Most the people there are good to deal with. They really are very supportive. There's a few minor things there that probably need to be changed. I mean, yes, little things, and as far as, as you say, as far as communication is concerned between the different departments there, sometimes records get lost and things like that, and I think one of the biggest issues there is that decisions can be made in Victoria and then payments can be made out of Western Australia. And I know there's an occasion there where there was four people in one department and because it was Christmas holidays staff there with children, okay, they've all got Christmas holidays and there was five weeks there where nothing happened, because one case couldn't be transferred to another, and delays can be caused by that.

I don't know how you overcome problems like that. Rostering holidays there is a, you know, it seems to be an issue but, I mean, that's one of the few complaints there as far as Veterans' Affairs is concerned.

MR KAINE: I think the other thing is sometimes the delegates aren't looking at the files properly. For instance, I had one just the other day referred. This is a man who lives at Latrobe. He got a letter or a letter was sent to a psychologist at the Norfolk Island Hospital, and I don't know what type of place there. So I had to ring up and say, "You don't really want this bloke to fly to Norfolk Island, do you?". You know, when he actually lives down here. He can probably get one at Devonport 20 kilometres away. So it's the form letter sort of thing, and that reinforces the feeling that, okay, they're on a quota, yes, bang got it away, we used a form letter, bang and - well, you missed a bit. I know my daughter had a claim in and when she went to see the doctor he said, "How long did you spend in the Navy?" "Oh, it was 20 years in the Army but never been to the Navy". Okay, so there are - the delegates - look, it come back to bloody training, to be quite candid. I don't - if they were employed full time and received the right training and right supervision I think a lot of problems wouldn't occur.

COMMISSIONER SPENCER: Right. And as Robert as mentioned earlier we're very supportive of the VCR process, and I think, as we've commented several times, that will go through to 2021. And our suggested changes, most of those are post that period, so it has a chance to be rolled out successfully.

My last question was you mentioned permanent and stable, but now with the interim payment arrangement tis that a continuing issue? Presumably - - -

MR KAINE: Yes. Okay

COMMISSIONER SPENCER: I just wondered whether you were wanting to alert us to anything about that?

MR KAINE: It's only just come in, the latest payment.

COMMISSIONER SPENCER: Yes.

MR KAINE: But still it's the specialist, I suppose, who was loathe to say for a 40 year old that, "Your condition is permanent and stable", because it might improve up and down. Now, you've mentioned something in here which is good. After two years if it's still permanent that makes sense, like, fix it then.

COMMISSIONER SPENCER: Yes.

MR KAINE: And if it comes good afterwards, congratulations.

COMMISSIONER SPENCER: Yes.

MR KAINE: All right. If it goes downhill we'll lodge another claim, but right now people are sitting holding out until, you know, somebody is prepared to say permanent and stable, and if it doesn't then it keeps dragging on, dragging on, so - - -

COMMISSIONER SPENCER: Right. So you're supportive of what we are suggesting?

MR KAINE: I'm supportive of - - -

COMMISSIONER SPENCER: Yes.

MR KAINE: After a set period, if it's two years, whatever it might be, then let's say that is right, but they need to keep those payments going until then, until that final decision.

COMMISSIONER SPENCER: Right. Okay. Good. Geoff?

MR RALPH: Actually this is probably a comment against DVA, because it happened to me just recently. I had a guy with a heart condition there. He was told, okay, we need to wait for 12 months to see whether it was really stable or not. He thought all his claims had been finalised, et cetera. He didn't have a clue. I had to go and write to the department and

say, "Hey, what about this guy's claims?" They don't flag it and say, "Okay, it's 12 months' time. We need to go and contact the veteran". That fellow almost missed out on $75,000, because they hadn't flagged it to say, "We need to see this fellow in 12 months' time".

COMMISSIONER FITZGERALD: One of the issues they've raised is about the non-proactive aspects to DVA, and irrespective of the VCR process, DVA is not a very proactive engager with the claimants, and that's a recurring theme. So whether or not VCR changes that dramatically or not I'm not yet sure. But one of the things is that unlike some of the other schemes that we see where there is a genuine outreach and an ongoing conversation, not in all schemes but some, that is not a feature the DVA approach, and the formal letters they get, and we've had lots of complaints about the letters and the correspondence and all that, over time, so I think we understand some of what you've said.

Can I just finalise, because you had a little chat to us, Bill, beforehand. We're looking at the Robert Cornell report on advocacy, but I think you wanted to make a couple of comments about advocacy down here in Tassie, just a final - - -

MR KAINE: Yes, just briefly. The document I handed you which is - - -

COMMISSIONER FITZGERALD: Yes.

MR KAINE: - - -the TESSA website, that's Tasmanian Ex-service and Service Support Association, TESSA is now online as at the day before yesterday on the web at www.tessa.org.au, so that's important. And that basically lays out what the support centres do and the support centres under TESSA, RSL, Vietnam Veterans, Navy, Army and Peacekeepers - sorry, Navy, Airforce and Peacekeepers. The three organisations got together back in 2012 based on DVA's initiative under the service integrated system, and they provided there a bit of resources for us. But come with that are all reports that a volunteer, pensioners, and welfare advocates have to do to gain funding. Tasmania last year, TESSA, got $90,000. Just under $90,000 to service the whole State to do what we do, and that provides internet connection, telephones, stationery, printers, computers, travel, and there are restrictions on travel.

So that's the system, but the real problem with that is there are too many ESOs and too many small ESOs. For a little while there, there was only - you know, you had to be a big ESO to get it, but that's how come the TESSA came about. But last year everybody and his dog if you're an ESO got some money. Not a lot, just a little bit, so the government sort of, you know, gives it out and not keep the resources where they actually use a lot.

Now, to get onto the DVA grant all you need to do in an organisation is 60 hours of welfare. And how that works is a factor, all right. You need 30 factors. A welfare hour is worth half a factor. So 60 hours - you know, so anybody who meets a 30 factor can put in a claim for assistance under the vets program. And that's basically wrong because most of those organisations do nothing to support the veterans.

The other real issue, and Robert didn't mention but DVA see the ESOs providing all the support, and I say which ones are you talking about. The only ESO that has national coverage in all major centres is the RSL. Now, we're in a bit of a pickle at present because of what the hierarchy in various States did. Not in Tasmania, thank goodness. But DVA see the RSLs providing all support. Most RSL sub-branches are no longer trading. For instance, when we sold that building, we sub-branched, sold the building to the social club because they were getting,-in 1977, $48,000 with a 50 year cost to retain an office there and the resources for a $1 a year (indistinct).

But DVA don't seem to understand that there's probably only three or four, half-a-dozen of sub-branches in Tasmania that are trading. The other resources they get is from capitation, most of which goes into the State in Canberra. So in our case we charge $25 a year to be a member of the sub-branch. We don't provide much other than a little - a Phoenix newsletter. We keep $5 of that, the rest goes to Hobart, $15 of that goes on to Canberra. So that's the way it sets up. The only other way we could resource in the sub-branch, and it'd be the same for all the others, is selling poppies, you know.

COMMISSIONER FITZGERALD: Sure.

MR KAINE: Or badges. So that's our resourcing. Now, when I go back to what came out from the ATTP, and I'll just mention because it caps on.

COMMISSIONER FITZGERALD: Sure, briefly.

MR KAINE: The ATTP, it came out that unless we had ATTP qualified people by 2019, then we will be ineligible for funding, put simply. And to do that at a level 3 I had to do a level 2 course. Geoff, who taught level 4 and qualified some of these assessors in Canberra University has to go back and do level 2. That's demeaning, it's stupid. They are not using the RPL system properly. Okay. So that's on that side.

But then they came out and said, "Unless you have them, you're not going to be eligible anymore". Now hopefully that's gone, but we're going to

find out next year when we put our bid in. So the real problem with the RSL sub-branches they should be looking after - the only ones with national coverage. All the others, VVA, Hobart. Have you got an office in Hobart? You know, that's it. Capital cities. That's all that the other ESOs cover and yet they're given the same credibility as the RSL and the RSL is providing most of the pensioners welfare support nationally.

COMMISSIONER FITZGERALD: We will be looking a little bit - we are not looking at the whole of the ESO landscape but we are looking at the way in which the ESOs can be better utilised as part of this system, and we are looking at Robert Cornell's report, which we hope will be made public by the government at some stage soon and see what he's recommended in relation to this space. So, as we've indicated previously, because of his work we were not going to put much of that in the draft, but we'll put a bit more of that in the final case. So thank you very much.

COMMISSIONER SPENCER: Thank you very much.

MR KAINE: Thanks.

COMMISSIONER FITZGERALD: Could we have Brian McKenzie please. Brian, if you could give your full name and any organisation that you represent.

MR McKENZIE: Brian McKenzie. I represent the RSL and the VVAA. I actually occupy an office at the RSL where I'm helping out as a national level 4 advocate.

COMMISSIONER FITZGERALD: Sure.

MR McKENZIE: I'm a Vietnam veteran. I served with an infantry battalion in 1967/68. I know what soldiering is about, especially the infantry, and one of my people I was involved very much put in through the old package that trained advocates, the TIP program, and one of the problems with the new system, I endorse what Bill was saying.

COMMISSIONER FITZGERALD: We'll come to that in a second. I just need to understand clearly, whilst you're involved in those organisations are you representing them today, or are these views that of your own? So the views you're going to put to us, are they in your own capacity or are they in the capacity of any of those organisations?

MR McKENZIE: Yes, both of them.

COMMISSIONER FITZGERALD: So you are here in your own capacity and also representing those organisations?

MR McKENZIE: Yes.

COMMISSIONER FITZGERALD: That's fine. That's all I need, just so that when we quote, we're quoting correctly. Brian, as you know, the format for this is you've got about ten minutes to give us the highlights or the things you want to put on the public record and then we'll have a conversation.

MR McKENZIE: Yes. I'd like to speak on rehabilitation in particular. There's actually - I've been doing quite a lot of research on the effects of military service. For instance, military recruitment training and culture is to ensure that new recruits will follow all orders, to kill their opponents in war. Army training indoctrinates unconditional obedience, stimulates aggression and antagonism, overpowers a healthy person's inhibition to killing and dehumanises the opponent in the recruit's imagination. Recruits are taught that stressful situations are overcome through dominance and that the soldiers are superior to civilians.

There's been a lot of research done on this. There's actually a book that was written or released in 2007 and the book title was "Psychological Reality of Military Training" by David Gee. And the reason I'm looking at this is simply because of rehabilitation. How do you - how can you undo that military training. And I think the department and a lot of countries in fact are finding it difficult to come up with that solution once people have been exposed to - had that sort of exposure. And of course that then reflects on that person's mental state. I deal with a lot of veterans. Mostly these days Afghanistan veterans, the younger veterans. I think veterans from each conflict are different. They differ in age, like my cohort, my grandfather was an Anzac, my father was a Second World War veteran. So I lived in a veteran's household and I've got a connection to the military. Now a lot of the younger fellas haven't. They haven't come up with that sort of thing because, thank God, we don't have a regular war every now and again, we have commitments in Afghanistan and places like that. I remember as a young boy going to Anzac Day in the morning and how all the people were together; there was a cohesiveness in the thing and today's society I don't think that cohesiveness exists except when they come to see an advocate because you are then able to manage their case. This might sound a bit long-winded but I think it's important, because we've had lots of suicides of recent veterans. That that's part of the thing. For instance, we don't get any training in that regard to - we get suicide training and that sort of thing as well. So there's a certain responsibility that's now being created on advocates to go over and above

just putting in the paperwork with DVA. There's a support structure that's got to operate as well.

One thing I've noticed, I was out of the advocacy area for quite some years. Since I came back I've noticed that there's been some significant changes in DVA liaison and building relationship with DVA staff. And one of the problems is that years ago we used to have what was known as "Veterans' Awareness Week" where veterans went in and mixed with the staff and told their - had ten minutes to tell their personal story. And it was more to educate the DVA staff than enough. That used to go on, I think it was a national thing, it started in Tasmania here, and it's like a lot of the work that's done, and being an old government bureaucrat at one stage, there's lots of information and lots of work that DVA can do if they connect with the advocate. And I can remember when I first came back I'd ring a person that was doing an investigation and I could tell within 30 seconds whether that person wanted to talk to me, and by the language they were using was that they were having a tough time trying to make a decision on me, on the claim and so forth. So a lot of it I think is to do with training. People are not taught and I don't know what the training program is. Some years ago I actually did what was known as a CCVS course, which was what DVA claims assessors, and that was when we were training - basically training advocates.

So there seems to have been, from when I left and come back, there's a disconnect between people that work in the department doing the investigation on the cases. Now I recognised that, so when I get a letter from DVA I ring the person that's doing the investigation and I build a relationship with them, and I indicate that I can get documentation and stuff that would probably make their job a damn site easier. Sometimes people don't take that up, they - the thing just goes on and on and on and on. And I see myself, advocates see themselves as part of the team that's getting help for their mates. That's basically the philosophy. I've see those things over a period of time and I've worked alongside First World War veterans, Second World War veterans, Korean veterans, Malaya, Borneo, Vietnam, Afghanistan and Iraq, and each veteran cohort to a degree is different. And I can understand sometimes the department not being able to connect because I don't believe that they've got a system set up to realise that, that there's a cohort of veterans that they need to manage and handle. That's basically all I've really got to say.

COMMISSIONER FITZGERALD: Brian, and I understand you're an advocate for somebody that previously presented today or their son.

MR McKENZIE: Yes.

COMMISSIONER FITZGERALD: And you've had a long history. Can I just deal with the issue of rehabilitation. The transition. We've put a lot of effort into understanding transition and made some recommendations about that, but one of the most important elements is good quality rehabilitation whilst you're in the service and, if you need it, post-service. We had a roundtable last year in relation to rehabilitation providers and we've heard from various people in these public hearings. What's your insight into rehabilitation as it's currently being provided, maybe just in the DVA field or the defence, to deal with the sort of issues that you've raised for us?

MR McKENZIE: What I can do is tell you the model that worked for me. Now I did two years' National Service and came back at 21, and then I got out of the system and I had major adjustment problems. I had a really good job with Telstra at the time and there was just something missing. So I joined up in the reserve and I actually think that that actually let me down after coming back with a pretty lively sort of tour in Vietnam, that it actually helped to - for me to come down from the high tempo that I had just experienced. Now I did that, basically did that myself, but I still think there needs to be - there needs to be a set strategy and a pattern developed and yet they're going to have to do it for veterans of different conflicts because the nature of - look I find the young fellas, because they wear, you know, armour plate, they carry a lot more weight. I think their backgrounds are a little bit different, that's why they're all different. And I understand for them to get treatment and be looked after, because it's an ever-changing environment, and I think DVA have some difficulties keeping up with that changing environment. Like, you know, somebody that was in the First World War, Second World War, you know, all the other little conflicts we've had as well.

COMMISSIONER FITZGERALD: So that affects the way in which DVA deals with it, but what about at the rehabilitation provider level. Do you think - again you may not have a view on this - the current system is providing rehabilitation providers that actually understand what you've just talked about? Because a lot of that is contracted out and that may be okay, but do you think that the rehabilitation providers and the system actually understands those differences and then adapts the rehabilitation strategies to meet those differing needs?

MR McKENZIE: No, I don't think they do, because I've had to educate them. As part of the team, the rehab provider sits there and contacts me and we have meetings with defence in Anglesea Barracks, especially if you've got somebody that's got a great stack of claims and they're being basically med discharged, and we actually went and fought and said, "Look, they need to stay in the system", so at least you've got some -

because if they cut the umbilical cord what are they going to do, walk around in circles? Because the back-up support in homes is different again. I mean parents are not fooled with this. If you've got a young fella that comes back after being exposed to war, I know parents who are walking around in circles, "What are we going to do? What are we going to do with him?" I've got a young fella now who - I asked him to fill out a lifestyle form a couple of days ago and he sent it to me and he told me that it was - his mental health condition was causing enormous problems in his family home; that he had conflict with his father because his father didn't understand. So, you know, there needs to be - and it's information. Like I still don't believe that even some of the younger fellas today are being told what's happened to them. You know, they're very confused, they've got mental health issues and all of a sudden they've changed and become irrational, aggressive. The army did that. So you can understand the confusion that exists in households and if parents don't understand and people are being damaged, there needs to be an almost - an educative booklet or course or something.

COMMISSIONER FITZGERALD: Has it been your experience, Brian, that - certainly there are those that leave the Defence Force already exhibiting mental health issues, and we know that. Has it been your experience that the people you're dealing with are developing those sorts of characteristics or problems, you know, immediately after discharge or, as we've heard earlier today, it comes on a few years later?

MR McKENZIE: Yes. I'll give you an example profile. A young fellow, three trips to Afghanistan, one to Iraq with close protection in Iraq, all of a sudden came back, went to the Commandos in Sydney. Found out, well the term he used, "I felt that I was losing it so - and I was embarrassed about it, so I then just took my discharge". Never said one word about his mental health condition. Now that young guy came in and he couldn't talk. I was asking him questions and he was that badly affected his throat used to go up. So I then have to build a relationship with him, get him a cup of coffee and all that sort of thing. So it's not all - and as Bill was saying before, most of us that do this work voluntarily in this area it's just really, really sad to see those kids, where you can actually see yourself.

COMMISSIONER FITZGERALD: Sure.

MR McKENZIE: So there's just not those services. We actually started - got the department to - because we had a number of people that were - went down on one knee and they were put on pensions, and we went to the minister and lobbied him - I used to the national president of Vietnam Veterans' Association - and we lobbied the minister to bring in what was -

what's now known as Veterans' Vocational Rehabilitation Scheme. That was because people just didn't - wanted to get back to the workforce and there was no provision for them to do it.

COMMISSIONER FITZGERALD: So just take the example of the young man, I presume he was a young man, that came back from those particular deployments and didn't disclose - didn't say anything about his mental health, and so he ends up in your presence. What's available for him in Tasmania? What do you do with that particular individual? Just so I have an understanding, how do you assist that person through?

MR McKENZIE: Yes, well I normally get them to fill out a lifestyle questionnaire because it gives you really good information about how they're feeling, and then I then steer them to Open Arms now, or link them in with Mates4Mates, because the crucial thing is linking them into those services. It's not filling out paperwork, it's linking them to those services, gauging their condition and then linking them into that service.

COMMISSIONER FITZGERALD: So you're arranging that, and Mates4Mates is a different concept. So where do you think responsibility sits for DVA in that? Obviously they're eventually going to deal with a claim. But do you think that ESOs, you know like yourself, are the critical link in actually getting people starting to deal with those issues independent of the claim process, or do you think it's essential that it's actually dealt with through that sort of claim process. From what you've said it's - - -

MR McKENZIE: When we introduced that, we actually got funding from DVA and we actually were seeing people coming from the counselling service and they were getting counselling and some of them were improving. And then we built a shack up in the lakes area and we had people building that. We had them doing things because we had people that were builders. They were builders in the army and builders when they got out, so we used their skill and we created that sort of stuff, and that with counselling, some of them have quite remarkable recoveries.

COMMISSIONER FITZGERALD: And you've come up with that scheme and government provided some funding.

MR McKENZIE: Yes. It was back during when - the principal counsellor at the counselling service is Wes Killam, and he - we provided that stuff, fed that up through the counselling service. We had a group in Tasmania called the Younger Veterans Consultative Group and it was mostly comprised some Malayan veterans, Vietnam veterans, and we were talking directly to the department. They were actually sponsoring the

meetings. They were providing reports back to the secretary of the department as well, and then all of a sudden all these support groups sprung up around the thing. Like there was like the fishing club, things like that, and it was all part of initially social rehabilitation before we went on to vocational rehabilitation.

COMMISSIONER FITZGERALD: Does the current DVA or others provide ongoing funding for those sort of innovative and sort of flexible processes?

MR McKENZIE: Yes. Yes, they've actually got funding targeted for the younger veterans, the contemporary veterans, Iraq or Afghanistan. They put in for a grant.

COMMISSIONER FITZGERALD: The ESOs put in for the grant for those programs?

MR McKENZIE: ESOs, or even a group. It could be the Afghanistan Fishing Club and they - what they do, it's a once only grant and then they use - it just manifests itself and they finish up with a thing, you know it's not a full ESO type thing but an informal thing.

COMMISSIONER FITZGERALD: Yes, sure. Okay, that's good.

COMMISSIONER SPENCER: Yes, Brian, you raise a really important issue and you gave a very graphic description of the conditioning that goes - that young recruits go through, and we've certainly heard that story of a shock of coming out of military with the sense of superiority to civilian life, but they're not finding their way in that.

We have talked about social integration in our report and reintegration. They sound fairly tame words for a really significant transition that people go through. I sometimes wonder whether what's cause and effect when you think of mental health, is the failure to assist the person through that transition successfully actually a cause and contributing cause to the mental health issue. So when we give a White Card and we say to the person, "Well you can go and get the help you need", at that stage we're trying to perhaps deal with something that could've been addressed at a much earlier point. And it seems to me the work you're doing is fantastic because it's very proactive. It's really almost, look in a much more benign setting in cross-cultural issues the assumption is for people who have been deeply involved in another culture not their own, they go back to their own culture. You don't wait for the effects of that, you anticipate them and you have a series of structured programs over a period of time to be

very much on the front foot about all of that. And it seems to me, you know, that that's what you're doing.

So I think the question here is whether, from your point of view, there is an appreciation of just how significant that early intervention is in their reintegration back into a civilian world. Terrific to hear of the sort of programs you're involved with, but how does that become more systemic; how does that become the norm, that we anticipate this rather than waiting for it to happen and then trying to repair what may have been remedied at an earlier point. What thoughts do you have on that?

MR McKENZIE: Well I think there needs to be - DVA could actually generate information about, you know, the consequences. I don't know whether the army would be happy with it but - I mean we're actually looking at some people that may have by following the law, in the case of national service or someone that was called up for conscription, being trained to - against their personal beliefs, that the army can train passive sort of people to someone to be quite violent. Now I don't know what that causes in here but it's certainly a big change in a normal person walking the street, and that's what we were, that's what veterans are. And then all of a sudden they're exposed to all this stuff first of all. And I think in cases, I think the war experience is just a little bit more icing on the cake; I think the training before you even go to war is - encourages poor health.

COMMISSIONER SPENCER: That raises a very profound question, which is - goes to some of the earlier discussion we've had today about how does one encourage Defence to think about those kinds of issues. What is necessary in terms of their duty to prepare people for what they're going to encounter and what they're expected to do. But also how do you balance that against the longer term duty of care that - and particularly when we have veterans these days who go in at 17, maybe out at 27. The rest of their lives, if unintentionally, nobody would set out to do this of course, but if unintentionally part of that experience in service can have profound implications later on, which may be able to address with better knowledge and understanding of what's happening through that first phase.

MR McKENZIE: Yes.

COMMISSIONER SPENCER: So you would agree with that, that there's something there to be maybe thought about and looked at?

MR McKENZIE: Yes. I mean I spent an hour last week talking to a young fella who had three attempts to kill himself, and he wrote - he initially wrote me a couple of papers and that got me this research stuff

going because all he was saying is that, "I was this person before I went away, and I went to East Timor and I went to Afghanistan and I come back and everything's foreign to me. You know, I can't even explain it to my parents". You know, I mean we're not talking about one veteran here, we're talking about the whole family affected by the whole thing. I mean that's exactly what happens. Our mean our wives at VVCS, we actually had to fight to get, initially to get the thing because VVCS provides help to family, veterans' families. And I was actually the chair of the committee that used to run that and I did that from 2001 to 2009 and we raised the issue of children, like our children were committing suicide mainly because - and we were hearing, I was actually advisor to the minister at the time, and we went to - I went and had breakfast with all these kids around Australia because they - the counselling service appointed virtually a children's psychologist because there was a high incidence of the children of Vietnam veterans committing suicide because of the lack of emotion in the family because of the father predominantly.

COMMISSIONER SPENCER: Brian, just a question for you. You referenced a book earlier. I mean you've obviously been, you know, a very keen student of this whole issue and have been looking at what there is available to inform what should be done about it. Have you come across research, either here or elsewhere in the world, that's helpful to inform what can be done about this?

MR McKENZIE: Yes, I've got the website and this is title of it, it's "Rewiring the human brain to train it for obedience and violence. The psychological reality of military training", by David Gee.

COMMISSIONER SPENCER: That's the book that you mentioned.

MR McKENZIE: You see there's really no - if you look at treatment regimes now, I often wonder where that's gone. Is it for the accident - someone's in a car accident, because there is different obviously medical conditions and because we're all wired differently, how would you come up with a course to try and solve that problem. Maybe that's why the professions stayed away from it for so long.

COMMISSIONER FITZGERALD: I think a lot of the focus has been on post-trauma impacts, whether it's PTSD or other mental health issues. So I think there's been a growing awareness of the impacts of trauma and many of those that have been in the military will have suffered some episodes of or in fact long periods where trauma has been part of that. But I think what you're saying is it goes beyond that. It's actually not even about trauma so much as about the whole change in your personality, what

you have to accept, and that in and of itself has a consequence later on, which I think is a broader notion and it's a very interesting notion.

Just to conclude. You mentioned the other aspect, which was your concern about the staffing within DVA and whether or not there's a Veteran Services Commission which we're recommending or it's DVA or something else. It is important that those people are trained up and understand veterans. I was just wondering about that. You talk about Veterans' Awareness Weeks and things like those sorts of aspects. Your assessment at the moment in relation to DVA generally, and we can't assess this, but independently, do you think that they are more aware of the needs, if not the backgrounds, of those that, you know the people you're representing as an advocate, or do you think it's just the same as it's been? I just - - -

MR McKENZIE: No, there's been a dramatic change in the relationships that develop between advocates and people actually making the decision, doing the investigations.

COMMISSIONER FITZGERALD: Positively?

MR McKENZIE: Yes.

COMMISSIONER FITZGERALD: And that's been, what, the last year or two or over a longer period, do you think?

MR McKENZIE: Probably the last 18 months. Yes.

COMMISSIONER FITZGERALD: And that relates to the Veteran Centric Reform programs and stuff like that.

MR McKENZIE: Yes.

COMMISSIONER FITZGERALD: That's good. Is there any final comment you have, Brian, that you'd like to leave with us?

MR McKENZIE: No.

COMMISSIONER FITZGERALD: You've done very well. Thank you very much for that. That's good.

MR McKENZIE: Thank you.

COMMISSIONER FITZGERALD: I just need to check if there's anyone else that's going to make a final statement. Anyone else going to make a final statement? No. Going, going, gone.

MR THOMPSON: Rob, could I just correct something you said earlier on about Navy, if I may.

COMMISSIONER FITZGERALD: Do you want to put it on the record?

MR THOMPSON: Yes.

COMMISSIONER FITZGERALD: This is the formal part of the process. You can talk to me in five seconds about other things but just give me your name again, please, for the record.

MR THOMPSON: Darren Thompson.

COMMISSIONER FITZGERALD: Yes, and what comment would you like to make?

MR THOMPSON: You were saying before about the transition process, how Navy doesn't have a group as such. We actually have in Navy - or Navy had in the set up in about 2005 a core where they could land sick, injured, criminals, whatever to a holding pattern ashore at the major establishments. It's now called the Personal Support Unit and it's up and running at all establishments. Basically anyone that is not fit to be at sea, on their ship or submarine, will be landed to that unit for admin purposes or farmed out somewhere else until the process goes through. They normally also have another person attached to the command who is there to actually help the transition of complicated cases like mental cases. So the Personal Support Unit is normally made up of an officer, warrant officer and other people to administer these people until they actually transition out or get fit, go back to their ship. And what the ships and submarines do is they'll ask for what they call an operational lift. So somebody will be grabbed from ashore, who is seen having a nice rest, and they'll go back to sea or submarine. Submarines actually have a separate group called the Submarine Support Group where they've got about 30-odd people. These guys not only provide operational reliefs for the two year period within this group, they also travel around Australia to provide respite for the crews during port visits and things like that. So I just wanted to put that on record, that Navy does manage the people. It is in a pool, and it's grown from an infant state into a much more formal process now, where they try and look after these people and transition them either back into service or out of the service.

COMMISSIONER FITZGERALD: Good. Thank you very much for that clarification. So again, the last comment, anyone else? No. Well that just leaves me to adjourn the hearing today until we meet in Sydney in about ten days' time. So again thank you very much for your participation today. That brings to a conclusion today's hearing. Thank you very much.

MATTER ADJOURNED AT 2.45 pm
UNTIL TUESDAY 26 FEBRUARY 2019

Australian Government
Productivity Commission

PRODUCTIVITY COMMISSION

COMPENSATION AND REHABILITATION FOR VETERANS

MR R FITZGERALD, Presiding Commissioner
MR R SPENCER, Commissioner

TRANSCRIPT OF PROCEEDINGS

AT ADINA APARTMENT HOTEL, 359 CROWN ST SURRY HILLS ON TUESDAY 26 FEBRUARY 2019 AT 9 AM

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COMMISSIONER FITZGERALD: Good morning everybody, and thanks very much for participating in today's events. I've just got a formal statement which we read at the beginning of each of the days, so I'll just do that.

Firstly, again, welcome to the public hearings of the Productivity Commission inquiry into veterans' compensation and rehabilitation following the release of the draft report in December of last year.

I am Robert Fitzgerald. I'm the presiding Commissioner on this inquiry with my fellow Commissioner, Richard Spencer, and we've had the pleasure of meeting many of you in consultations that took place last year.

The purpose of these hearings is to facilitate public scrutiny of the Commission's work and to get comment and feedback on the draft report. It's also an opportunity for us to clarify, as we go through the day, misunderstandings and confusion that exists given the size of this report and the number of recommendations. We've been hosting hearings across Australia, and they've included in Adelaide, Perth, Darwin, Canberra, Melbourne, Wagga and Hobart, today in Sydney. The next two days are in Brisbane, and Friday in Townsville. They will be followed by some further informal consultations and perhaps one or two round tables as we contemplate the final report.

The report will go to government at the end of June of this year having considered all of the evidence presented at the hearings and in submissions as well as other informal discussions. Participants and those who have registered their interest in this inquiry will be advised of the final report's release by the government. The draft report is released by the Productivity Commission itself. A final report is released by the Commonwealth Government, but it must be released in full within 25 Parliamentary sitting days after the completion of the report.

We like to conduct all of the inquiries, all hearings in a reasonably informal manner, although you might question whether this is very informal, but I remind participants that a full transcript is being taken and for this reason, comments from the floor cannot be taken, but towards the end of the proceedings for the day I will provide an opportunity for any persons wishing to make a very brief presentation right at the end.

Participants are not required to take an oath but the Productivity Commission Act requires that the evidence being provided is truthful. Participants are welcome to comment on the issues raised in other people's submissions, and other presentations.

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. Any media representatives attending today would need to just to see our staff in relation to certain rules that apply to the reporting of these hearings.

Just in relation to occupational health and safety legislation just to remind you that there is an exit at the back of the room which takes you out to the lifts and there is a fire exit on the right-hand side of the lift foyer. And obviously if there is any emergency you are to listen to the hotel staff.

Otherwise, we'll get under way. I just want to say a couple of things if I can. We've had terrific feedback from the report; some positive, some negative, but most importantly it's been very educative and informative for our work. We understand it's an exceptionally long report. We understand that very few brave souls have had the chance to read all of it, but it has been important, and many organisations have put in considerable time and effort, and we very much welcome those responses, and we look forward to those today. So if we could have RSL New South Wales to start us off, that'd be terrific.

Hi, how are you? Good morning. So just the procedures are I'll ask you to give your full name and the organisation you represent and then you've got about 10 or 15 minutes to give us an opening statement and then Richard and I will have a discussion. And that will be roughly the way in which the whole day proceeds. So if you could give us your full names and the organisations you represent?

MR BROWN: James Alexander Brown, president of RSL New South Wales.

MR DALLAS: James Lloyd Dallas, and RSL New South Wales.

COMMISSIONER FITZGERALD: Good. Thanks very much. Those microphones are only for recording purposes. If anyone is hard of hearing and there are some, I can't imagine why, they should come to the front of the room and you can move your chair as close as you like, but they don't amplify, so that's it.

So if you could give us your opening presentation that'd be terrific.

MR BROWN: Sure, Thank you very much for having us this morning. RSL New South Wales is a membership organisation of 35,000 people here in New South Wales. It's part of the Returned Services League of

Australia. I'll speak on behalf of the board of RSL New South Wales and outline our response to the report from a policy perspective, and James Dallas is a veteran himself and one of our professional support providers, and will give a practitioner's perspective on a response to the report.

I just want to note that we're currently directly assisting more than 3000 military families both through our network of sub-branches and volunteers, but also through our professional support team in the Sydney CBD.

At the outset I want to acknowledge on behalf of RSL the depth of the Commission's analysis and also particularly your willingness to truly consider the system from first principles. You haven't left many sacred cows untouched in this one, and the conceptual framework outlined in the draft is bold. To give you our bottom line upfront it's too bold. There are a number of recommendations in here that we support and I'll speak to several of the major ones at the outset, and in our written response we'll talk to some of the smaller recommendations that we support, and there are a number of recommendations in here that we do not support. Chiefly, we do not support the dismantling of DVA at this point in time.

Essentially we believe that the conceptual structure outlined in your draft report would be too great a shift from the current system at a time when veterans centric reforms are showing some degree of success and are showing some degree of enhancement of the process that veterans go through when they encounter DVA. To shift to such a new concept would cause significant disruption to the delivery of compensation and rehabilitation particularly to the largest generation of veterans, mostly Vietnam here and national service here are veterans who are now entering their seventies and understand the current system. The system may be a useful system in the future, but not right now.

We strongly support your draft recommendations to harmonise impairment, compensation and assessment of liability across the three Acts, and we quite like the way you've outlined how that might happen. We see the differing provisions in the different Acts as being one of the primary sources of friction within the system at the moment. They, as you rightly identify, are unnecessarily complex and in some cases are very unfair.

To that end we strongly support the recommendation to gradually transition DRCA into MRCA and the eventual transition to two schemes for compensation and rehabilitation, and we gratefully note the recommendation you've made there that existing payments under DRCA would be grandfathered. We see a number of inconsistencies in the way

veterans under DRCA are treated, and we're grateful that you acknowledge that.

We agree that the Commission's proposal is the best way to significantly simplify the system whilst minimising the disruption to existing DVA clients. We strongly support the recommendation to transition responsibility for major commemorative activities from DVA to the Australian War Memorial. We spoke on this very recently. We don't think that the department is the best place for people or the skill - with the skills and the structure and the systems necessary to run major commemorative events at home or overseas. That's very different from the skill set of looking after the compensation and rehabilitation of veterans, and we think it would be best moved to the War Memorial, who have the budget and the leadership necessary to run that. At worst giving DVA responsibility for this increases its span of activity and distracts from its main role in looking after the health and wellbeing of living veterans.

We don't support the Commission's recommendation to reduce the responsibility of the VRB, and I just want to spend a little bit of time explaining that. We see the VRB as a particularly successful system mostly because of the culture and the environment it creates in which problems can be resolved, and particularly it's important to acknowledge here the state that many veterans who come before the department are contesting some of the decisions made by the department are in and how VRB acknowledges, respects and facilitates that state.

We understand the Commission's desire to improve the accuracy of DVA's initial decision making processes and we agree that there's much work to be done there but we don't see a reason that initiatives targeting some of the shortfall in that decision making process can't sit alongside a strong VRB.

From our perspective for our members and the veterans that we help with claims we see that VRB provides an independent review and that's very important; that actual and perceived sense of independence is very important. We think that it's a calming and deliberately non-adversarial environment that restores a sense of agency to the veterans and that's very important given that moving through the bureaucracy can be very debilitating in the loss of status and agency that veterans feel, and we believe that the VRB has demonstrated its success in minimising processing times for some of these claims that are being contested.

A couple of other points I make. We would be concerned if the Commission's final report recommended the adoption of a single rate of

permanent impairment compensation for both operational and non-operational service. We see the arguments you've made in the draft report about reducing complexity and unfairness, but we don't think at this point they're sufficient to justify the removal of this condition of service for the current generation of veterans. The Australian public I think has demonstrated that it clearly expects that those who have served and suffered will be compensated and it also expects that those who have had the unique exposure to combat and combat related operations that often from operational service will be somewhat more generously compensated and certainly that's an expectation our members have as well.

So we would think that the maintenance of - you know, we understand that you can be severely impaired during non-operational service and you can suffer severe trauma during an operational service, but we think there is something unique about operational service, and it does need to be maintained in the system of compensation and rehabilitation. For the same reasons we don't support a move to a single standard of proof for linking a condition to service for both operational and non-operational service.

I'd also like to speak to the Gold Card. To clarify, we understand the Commission's arguments that the Gold Card scheme as it currently is laid out doesn't specifically target veterans with specific service related health and wellbeing problems, and we acknowledge that there is a potential for a portion of veterans and advocates to inappropriately see the card as some sort of prize to be gained, and for that reason we made comments in our original submission talking about changing the name.

But the Gold Card does acknowledge that the holder has been particularly severely impacted by their service. It is most importantly an attempt to limit the obstacles a veteran might have in receiving whatever care is required to manage the pain they've been left with, and at this stage we see that rorting and misuse of the Gold Card is currently far below a level that might justify a move away from the card altogether.

We don't think that general or targeted limitations on Gold Card access is a fair or appropriate path forward, and if there were to be limitations on the scheme in the way that the draft recommendations have outlined it would need to be carefully grandfathered in because people do join the ADF with the knowledge that they will receive the Gold Card when they turn 70, so that would need to be considered right from the start of the recruitment cycle.

At the moment access to a Gold Card is granted at 60 impairment points for MRCA claims which represents a severe degree of disability, and one

of the key things we see in the feature is that at that point if you were a White Card holder for every additional issue you would need a new claim to be submitted and processed, and to give you a very practical example of that one of the veterans we have helped was a special forces soldier who received significant injuries to his abdomen and including gunshot wounds to his abdomen to a point where his impairment was severe, and before he was awarded the Gold Card he had significant difficulties in having his claim for irritable bowel syndrome accepted by the department, and you could imagine the impact that has on somebody when they're suffering from stomach gunshot wounds and they're having to argue that the irritable bowel syndrome is in some way related to that injury. That's where the Gold Card really comes into play for those who have been severely impaired. It reduced the friction in the system, the moral insult and the frustration that can arise from normal bureaucratic activities which can be really crippling in its own right.

And my final point is that we do not support the draft recommendations that point to the removal of dependent benefits. We're particularly conscious of the intense burden for Australian national security which is currently shouldered by Defence families and we think it's entirely appropriate that the veterans compensation and rehabilitation system should factor in the wellbeing and support of military families during service and after service particularly because the care that they often provide is the critical ingredient to whether a veteran flourishes after their military career or fails. Thank you very much.

MR DALLAS: Very short for me. I just wanted to highlight that on the ground we are experiencing a significant success working with the developing DVA and the Veteran Review Board. The Veteran Centric Reform is creating a positive reform within the department, and we do have a concern that such a significant overhaul of the service provision could reduce the impact of the Veteran Centric Reform.

COMMISSIONER FITZGERALD: Good. Thank you very much. If I could just raise just a couple of issues and then Richard will do the same. If I could just go to the Veteran Centric Reform, as you appreciate, we are supportive of the VCR, and we've indicated that it should be fully implemented by mid-2021, and that any structural change would take place after that date. So we agree with you that it should be able to run its life. Where we probably disagree is we think that a good military compensation scheme requires a different structure going forward to the next 10, 20, 30 years. So I just want to flesh this out, nobody is trying to disrupt the VCR, and in fact, our timing is deliberately cognisant of that fact. But where we have come to is a view that based on all of the modern experiences in Australian history no compensation remains within a

department, and there's very good reasons why that's the case. So nine governments have all moved away from that model and they've done so with good reasons. I just want to clarify what's the concern there. If VCR runs its course and it gets adopted into the new Commission what's the disadvantage do you see in that?

MR BROWN: I suppose there's two concerns we would have: one is you have a very large generation of veterans moving through their seventies and eighties at the moment.

COMMISSIONER FITZGERALD: Sure.

MR BROWN: And the timing you've outlined would still impact on that generation. If assuming that the system you've outlined is the best, one of the most appropriate ones, and I acknowledge the point you've made about other transition schemes or other compensation schemes elsewhere, you would need to wait until the period after the Vietnam and National Service veterans, because that would give you more of a window to implement that kind of scheme, but we're now talking about a long way down the track.

COMMISSIONER FITZGERALD: But why does that affect the nature of the organisation as distinct from the benefits? So the VEA stays roughly intact with certain modifications. So that anybody that is currently eligible or would be eligible under the VEA stays that way forever if they so choose until there's a cut-off date. Equally MRCA and DRCA you've agreed should come together, so in terms of the major benefits, both impairment and incapacity, it doesn't change. So the back office, in a sense, which is the structure, why does that matter if the VEA recipient is not in any way disadvantaged, and they're not deliberately, how does that impact? I'm struggling between - if we were changing the VEA for example radically, yes, but we're not. We're not changing it at all for existing and new claimants up to that cut-off date.

MR BROWN: One of the unknown factors in that for us is the recommendations that the Cornall inquiry will make, because the infrastructure that surrounds whatever system is proposed is probably the area where we have the greatest input, and the ripple effect of effectively retooling our volunteer network - - -

COMMISSIONER FITZGERALD: Sure.

MR BROWN: - - -to support a new system would be considerable. Commencing in 2021 would put significant strain, I think, on the ESO,

advocate networks and on the ESOs if they are to remain a part of the advocacy system.

COMMISSIONER FITZGERALD: So we have the Cornall report obviously but we can't use it until it's made public, so we're encouraging government to make public the Cornall report and as a consequence of that we will then use it and comment on its proposal in our final report.

Can I just go to a couple of other things? I presume the other thing in relation to the structure that you're opposed to is Defence taking over policy, which seems universally the case, although there were a couple of participants recently that have supported that proposal, but it's true to say not many.

What is your concern about that? We've heard it from many different angles, but what's the great concern that you have about policy residing in Defence department? It already sits within the Defence portfolio which most people don't seem to understand, but what's the problem with policy being in Defence?

MR BROWN: We spoke to a number of members about this. Members have a history of times when more veteran related functions have been more closely integrated under the Department of Defence and the Defence forces. Their chief concerns are a perceived conflict of interest both between the way Defence operates, its, you know, war fighting requirements and the administration of a veterans' compensation scheme. The other significant concern that has come from our members if the culture within Defence, which - and to give you a fairly real example of this, a number of soldiers will actively seek to hide injuries that they have because of the perceived loss of status in a medical downgrade or in needing to be taken offline from an operational unit and putting into a hold cell.

There is a strong cultural bias within the Defence Force at the moment to not fully acknowledge the extent of injuries people might have, and there are some efforts underway to change that culture. To some extent that culture will always remain because of the operational necessity in which the Defence Force operates.

So Defence may not necessarily be culturally equipped to administer the kind of programs you've suggested they might administer here and the skill set of the people making decisions on those kinds of programs may not necessarily be aligned to the most beneficial outcomes for veterans.

COMMISSIONER FITZGERALD: So just a couple of things, as you know we only talked about policy going to the Defence. We didn't talk about the administration of the scheme going to the Defence department, and many ESOs have misunderstood that. But putting that aside, the question for us is given, as you say, that there are cultural issues is the long-term objective to get Defence more understanding of the impacts of its service has on its members? And I'll just put this in context, in New Zealand policy for veterans sits within the Defence department, and everyone says that's terrific, no problems at all. And in other parts of the world Defence have a dual responsibility; one is the defence of the nation, and the second is the long-term wellbeing of its personnel. And that seems eminently reasonable. But in Australia the second part of that is highly contested, and so veterans groups have been saying, as you have, Defence doesn't understand, doesn't really care, it's not culturally. Our question is should they? Should we be trying to move Defence to a better alignment in relation to the interests of its personnel in the long-term, and as a consequence become more involved in policy and maybe funding some of those impacts, or do you think we've got that wrong in terms of the direction we'd like to go.

MR BROWN: I think it's a reasonable aspiration, but if you look at the complexity of the Defence Force at the moment what it's scaling up to do, the operational environment it's going to be in for the next 10 years, it's capacity to - and it's running, you know, cultural programs on a number of fronts, its ability to undertake that program I guess is a question. You know, it works in New Zealand because New Zealand is a much smaller and less active Defence Force potentially.

COMMISSIONER FITZGERALD: Sure. But it's not just New Zealand. There are other Defence Forces which have a very clear recognition that the wellbeing of its personnel, its members is in fact seen as a lifelong duty of care. Here we seem to say Defence stops there and then somebody else has to take it over, whereas in some other jurisdictions that's less clear. All systems are different, so there's no universal right system.

MR BROWN: No. And I guess on the principle of that we see some merit in the proposal you've outlined to increase Defence responsibilities during the transition period.

COMMISSIONER FITZGERALD: Transition.

MR BROWN: You could potentially make that 12 months rather than the six months - - -

COMMISSIONER FITZGERALD: I was going to ask you about that.

MR BROWN: - - -to give ongoing stability. So I think the essence of what you're getting at is right, but we just at this point can't see how you could shift the entire system into Defence strictly.

COMMISSIONER FITZGERALD: No. Just one other question, then Richard will have some and then I'll come back. In relation to the harmonisation of various provisions across the three Acts, and the ultimate merger of MRCA and DRCA, we are pleased that you support that. In fact, I think many organisations do, but not all, but your issue around recognising operational service, if I can use that term, as distinct from non-operational service the feedback we've been getting from young veterans is that an injury is an injury is an injury, and, as you know, the government, through the introduction of MRCA in 2004, basically started us down that track. So our proposition is not very radical at all. It continues that trend.

When you say there should be a differential in terms of acknowledgement for operational, precisely what to you want to retain? So if we make MRCA and DRCA come together and come to a standard rate for incapacity and for impairments, what are we left with? Are we left with the two standards of proof in the SOP, and perhaps the Gold Card issue? Those are the two central things that at the moment differentiate that or could in the future.

MR BROWN: Yes. I mean, this is tightly linked to our argument on the Gold Card, and I might leave James to speak to the SOP point.

COMMISSIONER FITZGERALD: Sure.

MR BROWN: But, look, we'd acknowledge that the blur in between operational and non-operational is significant and particularly if you look at naval deployments on border protection. It is partly an emotional issue. But it is a consistent piece of feedback we've had from our members. That process of deploying from your home location, being absent from your home location, being absent from the normal support networks of family and friends that would help you manage any injury that you might have is an additional factor and it is something that does make that experience unique even before you get to the question of whether you experience combat or you experience a combat related role. But our members still very clearly see that differential between an injury that might be suffered in training or in domestic operations and something that might be suffered in a more adverse environment. And, James, I don't know whether you want to speak - - -

MR DALLAS: I think you highlighted the cultural aspect of it quite well. The additional aspect I'd like to raise is in regards to DRCA. DRCA is a peace time service of peace time coverage, so if that were to come across to the statement of principles, it would not in fact have the reasonable hypothesis, standard of proof, and would only in fact be covered by the one anyway.

COMMISSIONER FITZGERALD: Unless we chose to change that. So let me put this proposition to you, if we are of the view that statements of principle should be applied across the three Acts and ultimately the two schemes, the question in principles terms one proof is better than two, just as a principle, but I hear the arguments. If it were to go to one standard only of proof, what would it be?

MR DALLAS: To be honest, at the moment, we're unsure. We were looking at a few different models to try and ascertain exactly what it meant to be one standard of proof. Making sure that a benefit was not lost by a group of veterans, and it was as equal as possible within the current legislation. We're unaware of a system that would create that currently, however, we'd be very open to seeing any model.

COMMISSIONER FITZGERALD: Sure. No, that's fine. And we are looking at all the different options in relation to that.

COMMISSIONER SPENCER: Thanks, Robert. I'd like to just explore a little bit more some of the thoughts and recommendations you've given us on the role of ESOs. And as we know with the Cornall report we'll see that shortly hopefully, and that will be mainly around advocacy I would assume but also other additions as well.

What strikes me, and thanks very much for the extensive submission you've given us on what ESOs could do in the future. I think there's a lot of interesting material there. When we come to the consumer directed care model, which you've explored in your paper, which seems to have a lot of promise, and we'll have more to say about this in our final report, we did hold back a little bit about the role of ESOs because of the Cornall Report, you've mentioned alternative therapies, you've mentioned what's happening in aging and also in disability about consumer directed care. Could you tell me a bit more about how you see that operating, because there does seem to be potential. There have been some trials, as I understand it, but very modest trials at this stage. So when you look to consumer directed care in the future what do you see as a role that for example RSL New South Wales could help to facilitate in that space?

MR BROWN: Do you want to speak to the ground level and then I'll speak to the system?

MR DALLAS: This is not an area of my expertise. However, we see huge benefit in providing additional choice to the veteran. In this age everyone of all ages are more well informed than we've ever been before, and veterans see a huge benefit in not necessarily just doing the one dictated strategy in terms of medical treatment and recovery and have huge benefits in being able to decide what they're able to do on the ground.

MR BROWN: So just to pick one specific example, so we've run programs around equine therapy, getting veterans to work with horses, we have - you know, we work with some racing organisations who provide us with their older horses, and we found that that's successful in some veterans who, you know, have emotional needs or service related needs. That's something that comes off our own back. There's no funding within the system that's really directed at those sorts of initiatives and that's quite different from, for example, the disability sector.

So one of the big issues we look at is we're at a point where because of our declining volunteer base ESOs really need to make some hard decisions about potentially professionalising their services. That doesn't mean no volunteers but it does mean the weight will probably shift to more staff like James. But currently there are no structural incentives in the government system to do that. There are no real structural incentives from DVA to build that kind of capacity within veterans organisations and that's very different from the way it works in other sectors, particularly the disability sector where essentially the service is funded, and then the community partner, the not for profit partner, the charity partner, can meet that service and build the capacity and it has that sort of certainty of funding to enable it to make decisions that, you know, might take three , four, five years to implement. At the moment we couldn't commit the level of funding required to build the capacity that would help with some of these things, whether it's in advocacy, whether it's in consumer directed care, because it would just be too much of a risk for the organisation to take.

COMMISSIONER SPENCER: So what's been of interest to us is we've looked at the ESO community, it's a huge resource, and to be frank in many ways an under-utilised resource in terms of services to veterans that some would argue only ESOs can provide. And often that's around points of connection. So sometimes the people most isolated from services, most in need don't engage with government, don't engage with government agencies, but through your networks, the volunteers and also your

professional staff there can be outreach, there can be ways to bring those people in. So we start with an assumption that there's a huge resource. How is that best made use of?

The hub notion is one that's obviously getting quite a lot of interest. We've been to Townsville and we've seen what's happening up there with Oasis. Often this comes back to an issue you've raised, and that is, an investment. Frankly some of us have been a bit surprised at the amount of investment that's made in the networks, and in other areas, and other areas of human services sometimes, and we had an inquiry into this last year, it's a matter of government looking at where can they leverage community resources within that sense.

So in this context, how can government leverage the value, the potential value, and the added value you can bring to this system? So we don't think of it as a government system, we think of it as a whole system of which you are a part. So you've given us some thoughts about what that could look like. And could you just expand a bit on, you know, if the investment was there, what would that look like for you and other ESOs to really provide services that frankly would be very difficult for government to provide?

MR BROWN: So I think you've hit the nub of it which is that the interface, you know, the sort of help, the sherpa role really, our volunteers are sherpas for people navigating the system, they path find services, they bring together all - you know, as services become more specialised having someone who can bring it all together, it's informal case management in a way and welfare, that becomes a critical role the more complex the system becomes. Just the physical presence as well as a lot of these services that we're talking about are highly centralised. A good number of our members live in isolated places and where they don't have access to these services, so in between visits or contact with professional service providers our volunteer network is providing that reassurance and contact and socialisation or, as we have referred to it throughout our history, camaraderie. So that's very important.

I think in terms of how we leverage the huge volunteer base that we have we have a proposal before government at the moment for them to fund training of our volunteer base. in a couple of ways that will - essentially first response contact counselling, which will help to identify people who might need professional services, and which will also help in crisis situations as well. And there is no real program at the moment that does training for the ESO volunteer network on the scale that we propose, so we're hopeful we will have some success in that proposal before government, but that's a way that you can help to reduce the number of

veterans who end up in protracted and complex disputes with DVA or other service providers.

MR DALLAS: In its simplest form Veteran Centric Reform is providing choice back to the veteran, and I can use an example of a recent initiative from RSL New South Wales in a positive manner, that being Veterans Sport Australia, in creating the newer way of rehabilitation through sport and additional rehabilitation. A more recent initiative is working with rugby league, Rugby League Australia in regards to a coaching program, acknowledging that, well, rehabilitation isn't just about seeing your local doctor and going through a standardised process. It can be far more broad than that.

So the RSL New South Wales and Veterans Sport Australia can certainly fit in and assist veterans in that space. It doesn't necessarily just have to be down a medical avenue. However, another example that we have a longstanding veteran we've been working with very severely incapacitated due to war service injuries. For him one of the biggest benefits that he found was through art and through yoga. These are two things that aren't covered due to the very narrow medical doctrine that DVA follow and so he was unable to receive those services. So for him it's about the acknowledgement that DVA are able to have a broader look or the government are able to have a broader look on what is going to benefit him, but acknowledging that there is still a space for organisations like Veterans Sport Australia to fill additional responsibilities.

MR BROWN: And one final example I'd offer is in the transition space too. No-one else has the network that the RSL has in terms of the physical presence across the country. In terms of facilitating transition for people we have a pilot project underway working with Defence so that when people discharge to an area they can voluntarily notify the ESO, in our case, the RSL, who essentially welcome them into that community and give them a point of contact and access to local services and other veterans. More specific building of capacity in that kind of space could be very helpful for the system you're trying to fix.

COMMISSIONER SPENCER: No, look, thanks for those comments, and just - and obviously what we're signalling is we're looking at this issue is what sort of investment can make sense to leverage the value of you and other ESOs in this space, so we think there's most likely potential there.

Look, and I just make a general comment, you haven't made this particular point, but a number of people have been really concerned about the Productivity Commission is on a cost-saving exercise, and, look, that's not what we're about. We're really trying to look at the current system. How

do we maintain what we've got, and how do we improve it. But how does government get smart and focused about what actually achieves outcomes and results, and I think part of taking a look at the whole system it's enabled us to step back and we may not have all of this right, but that's what 's driving it. Where do you invest, and we think actually overall our report will require additional investment by government, and not a cost-saving, so I know you're not making that point, but I'm just wanting to, in this context, clarify that particular issue.

MR BROWN: And one thing we will mention in our more detailed written submission to this draft report your recommendations on both additional research in the sector and additional performance measurement I think are critical. You know, you can't manage what you can't measure and both in the compensation and rehabilitation system in terms of measuring outcomes, the services given by government but also in the ESO sector I think we've got a lot of work to do to work out how we measure what success looks like, and therefore how we allocate our resources.

COMMISSIONER SPENCER: Thank you.

COMMISSIONER FITZGERALD: Just the VRB if I can, just for a moment, we've heard many submissions along the lines that you've made in relation to VRB. The whole focus of our attention is to improve the quality of the initial decision making and then to introduce into the system a new level, a very rigorous level of reconsideration before you get to the VRB, and so that second stage is critical.

But if we were to actually start to see success, that is better quality decision making by the initial delegate, and much more effective reconsideration of the initial claim, and we have the benefits of the alternative dispute resolution procedures that the VRB is operating, whilst we understand why people want and admire and like the VRB, what we're trying to say is it's not necessary, it won't be necessary to have two decision making bodies, the VRB and an AAT if those things happen.

So is it so simply people are yet to believe that that's possible and therefore they want to keep what they've got, because very few other parts of Australia in public policy have two external decision making. And as you know there's been previous inquiry to recommend the abolition of the VRB and merger into AAT, which we have not recommended. We have recommended the retention of the VRB for a period of time.

So can I just get to the essence of it, what is it that concerns people about it losing its determinative power but being retained for its, what is very effective, it seems to be very effective, dispute resolution processes?

MR DALLAS: So we find huge benefit in the Veterans Review Board acknowledging with improved services within DVA and improved processing may reduce the need for a VRB. However, as you've just stated the Veteran Review Board are unique to veterans.

It is a system that in the future may be reduced in its capacity, however it stills stands as a place, as James Brown raised earlier, it's a non-adversarial easier approach for a veteran to go through what is a very traumatic experience rather than going through the full AAT. So a very different experience going through AAT than it is to the Veteran Review Board.

COMMISSIONER FITZGERALD: Sure.

MR DALLAS: And acknowledging that a lot of matters that go through DVA and to be accepted can be quite complex and the Veteran Review Board allows that additional ability to pull apart the complexities of those matters.

COMMISSIONER FITZGERALD: But would you accept that the VRB's existence in fact took some of the pressure off the frontline in DVA? In fact it had a perverse effect, that in fact we've heard from many people that there was a sort of an unsaid, "Well, if you get it wrong in the first instance it'll go to the VRB". So instead of driving improved behaviour within DVA it had a perverse effect of actually reducing quality upfront all being pushed to the VRB and clearly our whole intent is to change that, and you don't just change it by saying it, you've got to change it in some ways by changing different levers. But would our assessment be right that in fact it did have a perverse effect?

MR DALLAS: So at the moment I would hate for the government to lose a positive organisation, that being the Veteran Review Board, due to inadequacies at an earlier stage. So DVA have even changed their current way they're processing and re-vitalised their internal revision processes.

COMMISSIONER FITZGERALD: Sure.

MR DALLAS: And however we are still seeing a significant increase in matters that are going through the Veteran Review Board. So in the future there may be - this is a discussion that may be reapproached in the future,

however, at the current time in the space that we operate in we do not see a success in reducing the capability of the Veteran Review Board.

COMMISSIONER FITZGERALD: Sure.

MR BROWN: I think the point that you're making is that people might be letting VRB catch it and then being less diligent and upfront. Yes, I mean, look, we haven't got visibility on that but we understand that you might get that perverse incentive.

I think it comes back to two things: I think the aspiration for much more successful first round decision making is a critical one, but we are dealing with government, and without wanting to cast aspersions on our loyal public servants in a big bureaucracy you will always have a level of problematic decision making, so I think for some time we will have that need for a backstop.

And the second is the culture of our members and the people who are going through this process; soldiers by their very nature don't trust the higher command. They don't trust the bureaucracy and that is a critical part of our culture and psyche.

COMMISSIONER FITZGERALD: Sure.

MR BROWN: And so that idea that there can be an independent review that is external to a degree I think gives people great comfort going through the system which should not be underestimated, although I acknowledge that at a first glance the beneficial inclination of the VRB might seem to be a very unusual thing.

MR DALLAS: I would also like to highlight that the welfare around the RSL New South Wales, RSL DefenceCare, is providing a professional approach to claims assistance, lodging initial claims to DVA. Even with this approach we still see a number of those matters go through to the Veteran Review Board. So even with the best effort put in at the earlier stage we still are utilising Veteran Review Board.

COMMISSIONER FITZGERALD: And I'm sure that will continue for some time. And, again, just to be clear for the audience, we are retaining the VRB and what is emerging is it's most important and successful aspect which is the ADR, although that's still to be rolled out I think in Queensland.

Can I just go back to health cards, which is the sacred cow area, and it's a very important area. Just to be clear we've been very explicit that nobody

that's currently receiving a Gold Card or is currently entitled would lose that entitlement. So nobody that is currently entitled or has a Gold Card would be disadvantaged. But we are trying to look at the way in which we deliver health services to younger veterans and dependents.

So it's a hard area. It's full of emotion and it's full of judgment, and we're trying to work our way through that. So we understand the attachment to the Gold Card, but in your recommendations, as I understand it, you've made a recommendation that the non-liability health cover, the White Card, in relation to mental health conditions could be or should be extended to family dependent members; is that right.

MR BROWN: Yes.

COMMISSIONER FITZGERALD: Can you give me your rationale for that?

MR BROWN: They're a critical part of the treatment process and frankly even for someone in a privileged position accessing the mental health care under the White Card on a non-liability basis can be frustrating, and, you know, it is a generous scheme, but even myself going through that scheme I found it difficult, administratively difficult. Having family around that process who can support the veteran is beneficial to the overall system but that comes at a cost for those family members, and we see at the moment that the mental health cost to carers from families is one that is largely not acknowledged. The alternative for them would be to go and access a GP and get a mental health plan under Medicare.

COMMISSIONER FITZGERALD: Sure.

MR BROWN: And that really doesn't provide sufficient contact with mental health professionals for the kind of cases that, you know, we're dealing with with veterans. So we acknowledge that there's an additional cost to it, but we just think that firstly the frequency of visits - of consultations you can get under the Medicare system is not sufficient for carers for veterans, and there's no guarantee that the people they'll be going to have any experience with the veteran world at all.

COMMISSIONER FITZGERALD: So just at the moment the White Card is effectively going to be issued into the future to anybody who served in the military if they apply for it. Is it your proposition that any family member of any veteran would be able to access that card, or do you believe it should be restricted to those dependent members where there has been a claim for impairment or incapacity, so I'm sure your full

submission will explain that, but what's the basic eligibility for a White Card for dependents?

MR BROWN: Yes. That needs to be clarified and ultimately that's going to come down to a cost factor. You know, you could start at the latter suggestion you made which is limiting family access to cases where there is a specific need and see whether that's sufficient or not.

COMMISSIONER FITZGERALD: Okay. Thanks. Richard?

COMMISSIONER SPENCER: Yes. No, that's good. Thanks.

COMMISSIONER FITZGERALD: Thank you very much for that.

MR BROWN: Thank you.

COMMISSIONER FITZGERALD: Much appreciated.

MR BROWN: Thank you.

MR DALLAS: Thank you.

COMMISSIONER FITZGERALD: Thanks very much. Could we now have Kel Ryan and Richard Kelloway? Good. Thanks, Kel and Richard, if you could both give your full name and the organisation that you represent, please?

MR RYAN: I'm Kelvyn Donovan Ryan, Defence Force Welfare Association and national spokesman for the Alliance of Defence Service Organisations.

COMMISSIONER FITZGERALD: Thank you.

MR KELLOWAY: And Richard Neil Kelloway, Air Force Association and Chief Scribe for ADSO.

COMMISSIONER FITZGERALD: Thanks very much for that. And if you could just give us a 10 to 15 minute opening presentation and then we'll have a discussion.

MR RYAN: Commissioner Fitzgerald and Commissioner Spencer, thank you for the opportunity to present this response to the draft report of the Productivity Commission's inquiry into compensation and rehabilitation for veterans.

You reproduced a voluminous draft report of over 700 pages in length with an overview of 73 pages, an immense undertaking on your part, but for us in the veteran community a rather daunting challenge to respond to in a considered way in the time available. Also to give a response that will acknowledge our credibility and provide you substance as you finalise your report.

Gentlemen, the Alliance of Defence Service Organisations or ADSO represents the interests of 18 ex-service organisations that have a national footprint with a collective membership of over 90,000 members. The member ESOs pride themselves on being determinatively collaborative and increasingly transformative as the veteran community faces the changing environment that is the 21st century.

ADSO members are focused on the future and are increasingly shunning the organisational structure and strictures of the past. It is these that have done untold damage to the veteran voice in the dynamic environment that we face today.

Gentlemen, the ADSO response will be presented by myself, national president of DFWA and spokesman for ADSO, and I come to these positions with over 30 years' experience and involvement in veterans organisations and the many issues that swirl around the veteran community, and Richard Kelloway, the Air Force Association national vice president for advocacy entitlements and coordinator of this ADSO response.

Underpinning the future: ADSO is committed to a future where there is a generational obligation to ensure well-legislated beneficial entitlements are no less than those enjoyed by veterans of previous generations committed to the passage and the implementation of the military covenant. It is the covenant that must resonate across all veteran related legislation. Beneficial intent must resound through DVA when interpreting and applying legislation in a just, fair and consistent manner.

Strategic purpose: as you will hear from Mr Kelloway ADSO has taken a strategic view in developing our response to the draft. Individually ESO members of ADSO have been encouraged to ground their response to the draft report on the issues that are relevant to or are important to their particular constituency. This is as it should be. And annex A to the ADSO response summarises members' responses to the draft report.

ADSO is moving towards incorporation as a company limited by guarantee. This move is progressing at a pace commensurate with change in organisations that are realising that the future success in advocacy of

the many issues we face is not in the practices of the past but rather in the future. This demands a corporate structure that enables it to meet regulated good governance demands as well as veterans' demand that have until recently only been met by volunteers.

ADSO's response to the draft report has been crafted by volunteers from across the organisation, from across the country, and indeed from input from travelling scribes overseas. We realise that if we are to better represent the issues of all in the Australian defence community ADSO must become a professional organisation. I'll now hand over to Richard.

MR KELLOWAY: Thanks Kel. Good morning Commissioners. Thank you for the opportunity to participate in today's public hearing. We understand the value that the Productivity Commission must place in its independence. We also understand how complex the interactions between lived experience, professional education and organisational culture. The ADF, Defence organisation, ESOs and veterans and their families are no less complex. The differences between the inquiries and the ESOs' positions could probably not be more disparate.

However, ADSO is not here today to reiterate those differences. We wish to go beyond them. In this respect criticism comes easily. Achievable ideas require hard work. Our participation today is intended to start building a bridge. Our objective is to, with the inquiry, find the means by which the best possible outcome for government, veterans and families and the Productivity Commission is achieved.

It is for these and many other reasons that we are taking a helicopter view. Our submission did not address in detail the inquiry's findings and recommendations. We sought to address the underlying assumptions. We are forthright in expressing our opinions but we do so and did so without rancour.

In our, and we are sure your, experience differences of professional opinion are inevitable. The draft report and our response illustrate that reality. We are motivated to bridge those differences. We recognise that the inquiry is also. Our response to the draft report and our evidence today are the foundations. We trust that the final report is approached collaboratively. We envisage a report that to the maximum extent feasible represents shared views. If we achieve that outcome we will both have advanced the power of our advocacy.

Again, gentlemen, ADSO is very grateful for this opportunity to get the helicopter airborne. We understand that you have read our response. You will therefore be well aware of our objections. You will know and know

why we cannot agree that: first, DVA is not fit for purpose and should be abolished; second, that governance and administration of the veterans' support systems should be transferred to the Defence portfolio; third, that the cost of veterans' compensation should be contracted to commercial workers' compensation insurers, thereby moving an uncapped expenditure out of consolidated revenue and capping it by profitability in the marketplace; and, fourth, veterans' legislation should be amended to enable the preceding and other recommendations.

We do not resile from our objections but we do not need to repeat them here. From the helicopter we are looking forward to the opportunities suggested in the draft report. We have the following in mind: first, daily our advocates see the result of Defence not having fulfilled its workplace and health and safety obligations. Our advocates are appalled by the number of 28 to 32 year old veterans with the body of a 70 year old that they are seeing. Then there are those on suicide watch all with severe mental health conditions, or others with multiple disabilities resulting from exposure to industrial toxins. We therefore support without reservation commanders' responsibility for their subordinates wellbeing and advocacy and that those responsibilities must be reinforced. We note, however, within the commander controlled based organisation there are other ways to incentivise behaviour change, therefore we cannot agree to Defence being charged a premium so as to enable market based workers' compensation insurers to access veterans' entitlements.

Second are the prospects for significant improvement of the veterans' support system. We see still much scope for improving DVA's ICT systems, veteran focused culture, delegate's knowledge and skill, research into veterans and family health and wellbeing, service delivery, and outcomes based monitoring and evaluation of DVAs and its contractors' performance.

Third, the veterans' support system is truly a wickedly complex system of systems. We see enormous scope, indeed a critical need for risks to be identified, risk mitigating strategies with sensitivity analyses to be developed.

Fourth, no changed program is complete without an implementation plan. Once again we see a critical need for development of a clear costed implementation pathway with outcomes based milestones.

Fifth, effective monitoring and evaluation is an absolutely critical improvement. As the draft report identifies this process must be outputs based. We recommend strongly that the inquiry require DVA to adopt impact assessments. In our experience this multidisciplinary mixed

quantitative and qualitative research methodology is the only way in which the output of the veterans' support system, that is to say, veteran and family wellbeing, can be measured.

Undoubtedly impact assessment is a challenge for any organisation, but the Project Lighthouse team's co-designed methodology, the outcomes it has achieved spur optimism that DVA has the wherewithal to implement impact assessment.

Six, importantly, impact assessment will need to engage stakeholders well beyond DVA. This brings us to another fundamental opportunity, the role of ESOs and ADSO in particular. Wellbeing advocates maintain lifelong contact with veterans and their families. As the title "wellbeing advocate" suggests, they, supported episodically by compensation advocates, live the results of DVA's transformation process. Therefore, irrespective of the government's model recommended by the scoping study, ESOs and their advocates have a crucial wellbeing, co-monitoring role with the Department of Veterans' Affairs. This responsibility has consequences for advocacy training and development. ADT must include in its accreditation process knowledge and skills developments in impact monitoring and case management.

Seventh, and by no means least, there is the weakening of the rules based (indistinct), the strategic recital in human risks associated with any changes to veterans' legislation entitlements or administration have profound ramifications for Australia's defence posture. Jointly, we have an obligation to ensure that Australia's defence is not undermined. If we can transform the proceeding opportunities into reality we will markedly improve veterans' and their families' wellbeing. If radical change results we trust that it is effected in full awareness of the risks and the implementation pathway. To achieve reality risks must be understood. To really understand risk, those who will be impacted by the envisaged changes must be engaged in the evidence-gathering and analysis. We now turn to the design and engineering of that bridge.

The title of the - - -

COMMISSIONER FITZGERALD: You'll have to be quite brief so that we can have some time to - - -

MR KELLOWAY: Yes, I've almost finished, sir.

COMMISSIONER FITZGERALD: Thanks. Good.

MR KELLOWAY: So it's about a minute away I'd say.

COMMISSIONER FITZGERALD: That's fine. Thank you.

MR KELLOWAY: We now turn to the design and engineering of the bridge. The title of the draft report is "A Better Way to Support Veterans". We are not yet convinced that this title is appropriate. However, if we work collaboratively, co-designing the final report, there is a real opportunity for us to jointly ensure that the title becomes a reality. Like you, our deep concern is the future of the veteran and her or his family, the tempo modern warfare, the effects on families and the deteriorating strategic environment demands nothing less.

We are committed to ensuring that future veterans' entitlements are no less beneficial than those we and our families, and those before us, have received. We honour the commitment that future ADF personnel will make to defend from external threat our nation's strategic, economic and societal interests. We note how vastly different is the nature and tempo of modern combat from that of our generation that our forefathers fought.

We honour the vastly different demands on contemporary ADF veterans, our members' professionalism that contemporary defence family support. In a deteriorating geostrategic environment, what must concern us all is the strength of Australia's deterrence and the demands that future ADF members and their families will face. The inquiry and the ESO community have an opportunity to collaborate to ensure that together first the strength of Australia's deterrence is not undermined, and second, that the future veterans' support system responds to the future needs of future veterans and families.

In conclusion, gentlemen, to be thoroughly well-prepared for the future, ADSO is looking forward to ongoing constructive dialogue that will fundamentally improve the veterans' support system, transform opportunities into reality, create strengths out of weaknesses. Future veterans and families and the wider Australian community are counting on us to do so. Thank you.

COMMISSIONER FITZGERALD: Good. Thank you very much, and we appreciate the positive approach that ADSO has taken in relation to these matters, whilst disagreeing with a number of our recommendations.

MR KELLOWAY: Of course.

COMMISSIONER FITZGERALD: Which is perfectly fine. Can I just go back a little bit, just a clarification. You, in your submission, have indicated that you, like just about every other ESO, has agreed with the

goals and principles that we've set out both in terms of outcomes for veterans and of the system itself, and so we are on a shared page and that's an important start. We started with trying to understand what this system needed to provide for veterans , and what were the underpinning principles behind it. So would I be right that in fact there is almost no disagreement at all in relation to those outcomes?

So the question then is simply how do you get there, and of course we're going to have slightly different views. Can I clarify one position. At no stage have we recommended that this be outsourced to workers' compensation insurance arrangements at all. In fact, the government is outsourcing a lot of its stuff currently. We're actually recommending that it stays within government through a statutory authority owned and controlled by a government reportable to the Minister for Defence Personnel and Veterans, and be totally dedicated to a veterans' or military compensation scheme. So I just want to clarify we have not recommended that proposal at all.

What we have acknowledged is the government at the moment is outsourcing, and we've certainly looked at the outsourcing in relation to health services, rehabilitation services and all those and made some critical comments in relation to how that's being done at the moment so I just wanted to clarify that. This is not outsourcing to a private sector workers' compensation scheme, and there's nothing in the report that indicates that we would think that that's among our recommendations, so just let me clarify that.

Could I come back to a couple of other ones? The military covenant is an important document. What is it about the military covenant that you believe is so informing in relation to this scheme, and I want to go back to the point that you've raised yourself around Defence, so this is not an inquiry in DVA. It's an inquiry into Defence and DVA. So what is it in that military covenant that you think we need to be especially mindful of when we look at this both Defence and DVA, or Defence and Veterans' Affairs in our consideration?

MR RYAN: We see the military covenant as an expression of the nation's support for the unique nature of military service pure and simple. We see it as a recognition of that unique nature of military experience and the implications that flow from that. Unless we have that front and centre in legislation, it tends to get - drift off into the ether and we believe that it needs to be prominent in every piece of legislation.

COMMISSIONER FITZGERALD: And would it be your view that the current legislation, poorly drafted and very complex by and large, meets

the needs of that - sorry, by and large gives full expression to that covenant?

MR RYAN: Yes and no, if I can be vague. We see the terminology, there is some discussion as to the term "military covenant". Others see it as a veterans' covenant, and the term "veteran" is synonymous with World War I and World War II and you and I have had this discussion.

COMMISSIONER FITZGERALD: Sure.

MR RYAN: The term "veteran" is problematic in the Australian context to the extent that we've moved from now veteran being a returned man from World War I, and that flowed through to the RSL's membership criteria which had bedded down a lot of other ESOs membership, to what we have today is a veteran is moving towards recommendation of being one day of military service and there is much debate about that within the veteran community, but that aside, the term "veteran" is synonymous with military service, and we see it as necessary for the covenant to be a full expression of that and the nation's support for it.

COMMISSIONER FITZGERALD: And so as you know, the definition of "veteran" is established by the Commonwealth Government, not by the Productivity Commission.

MR RYAN: Yes.

COMMISSIONER FITZGERALD: We simply, the terms of reference are based on the government's definition, not our own.

MR RYAN: Yes.

COMMISSIONER FITZGERALD: So we've not entered that debate, but it does have a practical implication when you come to the benefits. If I can just come to that, am I reading your submission correctly that you believe the distinction between operational service and injuries that arise from that, and non-operational services, using my language, and injuries that arise, should continue to be treated separately or differently?

MR RYAN: Yes.

COMMISSIONER FITZGERALD: Or do you think eventually you moved to a recognition that an injury's an injury?

MR RYAN: No, we believe there is a difference. Operational service or military service, and the nature of our military service is changing

dramatically. Traditionally we have expressed military service, operational service overseas, whereas, as we know now, there is operational service being conducted across, for example, across the top of Australia. Now, is that operational service in the traditional sense? Do they, members who take part in that entitled to be called veterans in the traditional sense? Or where does it fit? There is a blurring we have at this stage, but there needs to be a definition.

COMMISSIONER FITZGERALD: But that - can I just be clear, isn't it the case that blurring's going to get worse, the whole nature of warfare and the whole nature in the way which military operates with multiple deployments happening more rapidly, people moving in and out of the ADF as full-time, as part-time, as reservists. In fact, these distinctions between what was warlike and war and non-warlike, and peace time all become merged, so in a sense if we are designing a system for 20 or 30 years hence, doesn't the logic eventually say that those distinctions will no longer be appropriate going forward?

I understand why they're in the past I understand that and I respect that. I also understand that older veterans were not well-remunerated for the deployments that they were sent on. Today's modern soldiers are much better remunerated and much better recognition for deployment. So isn't there an inevitability about the direction the Commission's taking it, arguing about the timeframe, but where we're going is to recognise an injury is an injury.

MR KELLOWAY: It's the way the injury is occasioned that's the issue, Commissioner, and our argument is that in war-like operations, and certain non-war like operations, the risks are commensurately higher, and therefore the response throughout the lifetime of the veteran and his or her family should therefore be taken care of at a different level of compensation at least, not necessarily rehabilitation.

COMMISSIONER FITZGERALD: I'll just make the point, and obviously I don't think you'd agree with it. We were very conscious that one of the reasons why we're concerned about policy is there's a very big disconnect between the policy in relation to serving personnel and those that have left. We think it's a continuum. We think we should look at the life of a veteran and their family in a continuous way and policy doesn't at the moment. It's Defence and it's not Defence, and we think there's a problem with that.

We've come up with a solution which nobody seems to like so that's okay, but there has to be a recognition that the policy is not right. One of those is, there's a link between the remuneration you pay a serving member and

compensation. They're not discrete. So if you start to increase remuneration for military service personnel, it has to affect compensation. Everything can't stay the same. So I suppose I just want to put it back to you. I'm not asking you to agree with our position, but is there not some logic in what we're saying, both in terms of what I said before about the changing nature of the military service, but also if there are in fact different remunerations now for deployed personnel that has to be factored in in a way that at the moment we simply don't do that.

MR RYAN: I hesitate to agree with you.

COMMISSIONER FITZGERALD: Well, it'd be nice if somebody did. We like agreement occasionally during these days.

MR RYAN: But there is obviously, the way you express it, there is that transition to a new way of looking at military service and the consequences of that service, and we are more than open to listening to those views.

COMMISSIONER FITZGERALD: Sure.

MR RYAN: But I don't think that we've got to that stage yet.

COMMISSIONER FITZGERALD: No, no, I fully appreciate that.

MR KELLOWAY: Commissioner, if I could just come in there with a slightly contrary perspective.

COMMISSIONER FITZGERALD: Sure.

MR KELLOWAY: We've quite deliberately raised the issue of the strategic instability and I guess it therefore depends on whether one takes the glass half full or glass half empty, and so its proposal is that we do nothing that in peace time would compromise Australia's defence posture in the future. It is a fact, without doubt, that it is necessary now to pay a higher level of remuneration to a service person to get them to fight on our behalf, but that doesn't necessarily mean that the strategic consequences to that mean that if we are faced with something far worse than we currently have that the country then has the wherewithal to support them for the remainder of their lives after that strategic confrontation.

COMMISSIONER FITZGERALD: Sure, and we, as you know, are fully supportive of a beneficial or generous, and I know people object to that term, but that term, military compensation scheme, so the question is, how do you shape it for the future?

MR KELLOWAY: Yes.

COMMISSIONER FITZGERALD: Can I just deal with one issue before and hand back to Richard. One of your recommendations, I think, has been to disagree or query the Joint Transition Command. Already 80 per cent of transition takes place through the Defence Force, so from our point of view it is logical that Defence should have the bulk of the work in the transition space, and what we've got is a rag bag of approaches all over the place, and it doesn't come together well for veterans. There are new models being trialled at Holsworthy and in Townsville and we're aware of those and we've commented on those, but I am a bit surprised by your reluctance to endorse that model given it actually directly deals with the issues we've heard from troops on the ground and who are currently transitioning.

MR KELLOWAY: Perhaps I can come in there Commissioner. It strikes me that the issue is not necessarily the transition itself inside Defence. The issue is beyond Defence what happens there, and that's where the Department of Veterans' Affairs and the ex-service organisation's advocates in particular have a lifelong role, so in other words, Defence is simply adopting a preparatory role or a preparatory phase that then continues for much longer, and looking at it another way, Peter Shergold of course has been arguing for 20 years about the need for whole of government, and if there are imperfections in the current system, it's probably because of the institutional cultures and all the reasons that Peter Shergold has pointed out why whole of government is difficult to achieve.

COMMISSIONER FITZGERALD: We would also say that one of the problems in the transitions phase is, people keep coming up with very good ideas, but you've got to change the system and the structure to implement them, and at that time we're putting forward a proposal which will meet most of the objectives that we've heard. Without structural change we don't think you can get there.

MR KELLOWAY: Yes.

COMMISSIONER FITZGERALD: So I think we agree where you need to be, it's just the structure.

MR KELLOWAY: Yes.

COMMISSIONER SPENCER: Just a couple of quick clarifications. In your submission you've mentioned what you describe as unfortunate

inferences, and there were two in particular, so look, it's just for clarification. One that you said that it would seem to give a message that we're minimising changes to VEA entitlements to remove possibly older veterans rejecting the final report, so that was not our intention.

So I just wanted to clarify that because we have obviously had really, you know, very extensive consultations across all groups, all cohorts of veterans. We were responding to what we believe is a loud and clear message that VEA is valued, the benefits that people are getting under that scheme are valued, therefore in moving to the two scheme approach that we talked about, that was what was driving us in that direction. So just to clarify, that was not the issue there.

Look, the other issue is, and you've suggested we've been perhaps, and others have said this as well, that we've been unduly influenced by those people that are highly critical of DVA. So that's the next clarification. Our recommendations around a new structure in the longer term, over a 20, 30, 40 year period, it's not around the performance of DVA, that's not what's driving it. A few years ago it might have been, frankly, but as we've said already, we recognise what's happening with VCR and there are improvements taking place, but the question is, when all of that has happened is DVA still the best structure for what needs to happen? Now, what we've said in the draft report is, we don't think so. We don't think the department structure works, so I just want to clarify, we're coming from that position, not because DVA's not performing.

Look, the third area, and this, once again, you've referred to this well. Whenever we refer to workers' compensation schemes and use the word marketisation, and once again it's clarification, what we're looking for is, where is the best practice when you look at injuries and illnesses and how people in institutions respond to that. What was really evident to us is, when we sat down, and in fact in this room several months ago we had a round table. For those organisations and institutions outside the military in different contexts, they're responding to, how do you have from day one a way of prevention, rapid response, case management and treatment which is ultimately in the best interests of the individual? And there are substantial and significant things happening in that space which we don't see currently in the military system.

So when we refer to workers' compensation schemes, we're not saying, as Robert said earlier, it's not handing it back into that system. How do we take the best practices and bring those into the long-term health and wellbeing of veterans? So that was informing our thinking about the independent statutory corporation.

So look, just very quickly, I'll come back to one issue. I think I heard you saying at the beginning, "Look, Defence or ADF has more work to do around its duty of care to its serving members", and we've certainly heard that from a number of people. So how does that behaviour change? So we've made several recommendations. The first one put policy into Defence. I've heard people don't like that idea so that's one. Joint Transition Command was another way to give both focus and responsibility to Defence and there are different views on that.

Another way which plays in other areas is the notion of some fiscal responsibility for the long-term consequences of what happens, the premium notion, and once again, you know, you've raised your objections to that, but you've said that you believe there are other ways to incentivise change of behaviour in Defence. Where do we go with this? Because I think there agreement that Defence has a duty to prepare around capability, but also has a duty of care. How do we help, how do we give the right incentives to Defence to strike the right balance around that really challenging issue?

MR KELLOWAY: Perhaps I can come in first before Kel. It strikes me that if I recall correctly, about a decade ago commanders attended a command course, and that command course started to alert them to something that was off their radar previously, and that was their responsibilities for workplace health and safety. So as the draft report recognises, culture change is an enormously difficult process. It's time-consuming and it requires a strategic objective with defined milestones and appropriate resources.

I would hesitate to guess that the fact that workplace health and safety obligations now recognised by Defence and are starting to be responded to is a classic example of a very large, very complex organisation responding to a culture that has not been on its radar previously. So you know, your mention of the 30 or 40 year timeframe is perhaps appropriate in a different sense and that is that any transformation, especially one that involves culture change of the magnitude you're proposing is going to take a long time.

On the other hand, we have an organisation that has already established a culture of relationship with veterans. Despite the voices of a few, it is trusted and I think the, what am I trying to think of, the satisfaction surveys illustrate the fact that the majority of people are in fact satisfied with the current structure and therefore with the current culture that that structure is evidencing, and it's not to say that there aren't further improvements necessary. We don't resile from that comment either.

COMMISSIONER FITZGERALD: Well, I must say I - - -

MR KELLOWAY: Sorry, can I just make a point there. The issue of command responsibility is very essential in this. The nature of military command is that commanders are responsible for the welfare and the wellbeing of those that they command. We see that there is a conflict there if you then move DVA into that if the potential for an uncertainty as to where responsibilities lie, whether it's with pure military command system or what we call DVA within the Defence structure. There is the potential for conflict there, you've got two different responsibilities, two different roles. It's how you resolve that is, don't put it in there.

COMMISSIONER SPENCER: Yes, I just make a quick comment on that, because in the New Zealand example, for example, that is in Defence, all of those issues, and so the balancing that duty of care and duty to prepare, what we heard was, and there is absolutely no question that all commanders have the wellbeing of their troops uppermost and foremost, and there are strong incentives around the capability and readiness of course.

I suppose the issue is, you don't know what you don't know, and what we think sometimes or what we've observed and what we hear from other systems is, there's much greater inside information and data available, but the long-term consequences of what's happening, which can inform what's happening during service and particularly during training, that's a bit of a missing piece for us, and we are searching for ways to really try and put a bright spotlight on to that issue through some of the mechanisms we're exploring in the draft.

COMMISSIONER FITZGERALD: Can I just deal with one final issue. As we've indicated, we will be doing a bit more work on ESOs and advocates and hopefully government will release the report in relation to advocacy and we'll have some further comments, but can I just deal with this. ADSO, as you indicate, is going to be incorporated.

Can I just ask, we've heard from New South Wales RSL this morning, you may or may not have seen their submission in relation to the establishment of a peak body, and as you know, Richard and I know a lot about community services and human services and have run and been in charge of peak bodies, so I know a lot about those two. Where do you think the landscape of ESOs needs to be five years from now? What do you think would be the ideal shape? Now, I want to make one point, it's not up to government to shape civil society or organisations, but it is able to shape it by who it wishes to deal with and who it wishes to fund so that's what it

does, but where do you - what is your preference five years from now? What would the ESO landscape look like?

MR RYAN: The challenge we have in the ESO community is one of frankly confusion. We have an RSL that does not speak with one voice in that each state branch and different state sub-branches speak independently. We have different ESOs that come to this sort of issue independently and differently, and that adds to the confusion in the space. I would, my preference would be that the ESOs speak collectively on major issues like this rather than listening to the low hanging fruit and we've talked about that before. There are major issues that affect the veteran community and their families, and I include families in the community. We need to develop a cohesion, one voice to do that.

Now, ADSO is in the process of incorporating. That does not include Legacy or the RSL. Who do we speak to in the RSL that are not being overly critical? It's a reality. What we have to do is start to come together and that's up to us in the veteran community to come together. It's not up to government, I agree with you, but it's a fraught exercise if government started to, but government needs to acknowledge that, as I said in my introduction, these sort of papers that we respond to are developed by pure volunteers from across the country, and to present a paper to a volunteer entity five minutes to Christmas and ask us to develop a 700-page paper and ask us to develop a response in three to five weeks, maybe six weeks, is a big exercise, but we've done it and many other areas have done it. We need to professionalise to achieve that sort of outcome, and the only way to do that is with government's assistance in the short term, but we then need to become independent of that assistance.

COMMISSIONER FITZGERALD: Could I ask just, then, you may or may not have a comment on that, if there were to be a peak body of national ESOs, if there was to be a peak body, and assuming government would provide some financial support for that, as it does in other areas of particularly social policy areas. What do you think the role of ESORT is going forward. Now, again, you may not have a view on that, but how does that fit into your likely scenario?

MR RYAN: Do you want to say something? I'm happy to.

MR KELLOWAY: Perhaps if I could just take us back 30 seconds if I can, thanks, Commissioner. In the context of the scoping study it'll be advocacy that, if I understand correctly, is the peak body that's recommended. That being the case, ADSO's first response to the Productivity Commission, and in fact the scoping study proposed for the creation of a professional institute of advocates, that that would be the

body that would do all of the things that you'd expect a professional institute to do. So a subset of Kel's comments is in fact that proposal which sets - that has been developed over the last couple of years.

COMMISSIONER FITZGERALD: But that will deal with the claims advocacy, perhaps welfare advocacy.

MR KELLOWAY: And wellbeing and both, both most certainly.

COMMISSIONER FITZGERALD: What about the general, beyond that, beyond the formal advocacy? So I understand advocacy. We haven't got a view yet. We're looking at that report as I'm sure government is at the moment, but in relation to the broader issue of support of veterans through the ESO, do you have a view about ESORT at all?

MR RYAN: ESORT at this stage comprises 14 ex-service organisations. A lot of ADSO members are members of ESORT, as is the RSL and Legacy, but the Vietnam Veterans' Federation. Some of the larger, smaller, if you understand that, ESOs are not members. ESORT is just, has developed over time. Its membership is at the whim of DVA.

COMMISSIONER FITZGERALD: Sure.

MR RYAN: ESORT, I believe, needs to become a more substantial body. It needs to take on tasks through DVA to review issues and that means that government or DVA then government acknowledges ESORT as the governing body, if I can use that term, don't quote me, as the governing body for the ESOs for which the government, and DVA need to work.

We have a surfeit of ESOs in the country at present, too many. Many are on social media and they confuse the space unfortunately, many a single issue. We need to tighten up the whole approach to ESOs and government's approach to veterans' issues.

MR KELLOWAY: And if I could just come in too. ESORT has in the last 12 months decided, and gained support, of the senior leadership group in DVA, that its focus will be strategic. That opens up the opportunity for a completely different role to the one that ESORT has taken in the past, and within ADSO there is the view, and this is expressed, shared also with Legacy and RSL at the national level, that ESORT should transition into a veterans' advisory council and adopt a quite different responsibility and gain a significantly different level of influence to ESORT.

COMMISSIONER FITZGERALD: All right, thank you very much, Richard. Thank you very much. So could I have Nigel and - is it just Nigel? Noel, sorry. It's my misreading. Sorry about that. And Kel, you're staying?

MR RYAN: Yes.

COMMISSIONER FITZGERALD: Good.

COMMISSIONER SPENCER: You do the talking.

COMMISSIONER FITZGERALD: So we've - so these sessions are just slightly shorter than the opening two, but again I will ask you to give your full names, the organisation you represent first.

MR McLAUGHLIN: Thank you, sir, my name is Noel David McLaughlin. I'm the chairman of the Royal Australian Armoured Corps Corporation.

COMMISSIONER FITZGERALD: All right, and Kel again?

MR RYAN: Kel Donovan Ryan, wingman for the Royal Australian Armoured Corps Association.

COMMISSIONER FITZGERALD: That's fine, and firstly I just want to acknowledge the very extensive submission you've given to us. It's very detailed and very thorough and we're very grateful for that, so thank you for that.

MR McLAUGHLIN: I just have one thing to say about that, sir. Have mercy on me, be gentle.

COMMISSIONER FITZGERALD: We're very gentle. But you've got 10 minutes to give us your key points.

MR McLAUGHLIN: Thank you, sir. I've lived with this for 75 days as today since it landed in our inboxes on 14 December.

COMMISSIONER FITZGERALD: You might need to just speak up a little bit just so the people at the back can hear,.

MR McLAUGHLIN: I've lived with this and breathed it for 75 days since it landed in our inbox on 14 December last year. On behalf of the Royal Australian Armoured Corps Association I thank the Commission for inviting me to appear before it today, and I commend the Commission

on the sheer depth and subject matter it covered in its draft report. Congratulations on what you actually put out. I thank Mr Ryan for being my trusty wingman here today as well.

This opening statement addresses very briefly only some of the matters discussed in our formal response. It is well settled that an advocate's duty is to the law and their client and to represent their client with frankness, honesty and candour. It is in that representational context the corporation's former response to the draft report was compiled, and it is hoped that our response and what is discussed here today will be accepted in the spirit in which they were tendered.

The report in general. The report is a huge document travelling vast distances across the veterans' rights and entitlements landscape. It is a document of tremendous breadth and depth. However, on a closer analysis, it is a document many in the ESO community struggle to relate to, and shows very little, if any, empathy with the veteran community. Notwithstanding the nine propositions we support in the draft report, the document is considered to be anti-DVA due to what it proposes is anti-veteran.

The Commissioner's hubristic assertion at page 45 that the VSC will "replace DVA" is a frightening dangerous assumption. It suggests an economic rationalist wish list demonstrating the Commissioners' distorted thinking arising from its biased attitude to veterans and DVA. Such a bias renders the Commissioners' impartiality open to challenge by government, ESOs, veteran and Defence communities.

Uniqueness of military. The nine references to the unique military service are noted and the Corporation reinforces to the Commission that the uniqueness of military service is considered by every former and currently serving Defence member to be holy writ. The unique nature of military service requiring ADF members to apply lethal force, and to very possibly suffer death as part of their terms and conditions of service, is so vastly and manifestly different from any other occupation that it must be treated as unique in terms of compensation, repatriation benefits and entitlements.

Abolition and dismemberment of DVA. Abolishing and dismembering DVA will see functions devolve to NDIS, My Aged Care, Centrelink, and potentially a private sector model compensation and insurance scheme all of which are anathema to veterans, and we note your commitment not to go private on the compensation, sir.

To replace DVA with a Commission with limited powers run by part-time commissioners, as opposed to permanent commissioners, is completely

misplaced. DVA will be gutted, filleted, and shoe-horned into a statutory authority which, unlike DVA, will have limited control over its own budget, and will be budget depending relying on handouts in the form of government transfers forced to operate with reduced funding and reduced staffing, culminating in shrinkage of service delivery.

The end users, namely, veterans, serving members, their families and widows will be the ones who will suffer and suffer grievously now and into the future. Devolving DVA functions to the Department of Defence as projected, Defence is considered by the Corporation and kindred organisations to be not fit for purpose on any level.

Defence's primary role is to raise, train, maintain and deploy a viable and operationally effective fighting voice to protect this nation requiring serving members, particularly in the corporations' context soldiers to break things and kill people, and if necessary, to die as part of their job description. DVA is a pioneer government department with a long and proud history of veteran support and care and highly developed subject matter and expertise accumulated since 1916. It follows that any assertion DVA is no longer fit for purpose is rebutted.

Wellness model. The Commissioners' proposed wellness model is supported by the corporation. In order for the model to be effective, harmonising existing legislation or repealing and replacing it with omnibus legislation will be necessary.

Inconsistent treatment of claims. The issue of inconsistent treatment of claims is supported, particularly in light of certain tables in GARP V M, and the provisions of section 67, MRCA. The application testimonials 23.1 and 23.2 in GARP V M is oppressive and manifestly unjust. They act as a fetter to equitable and equal treatment of MRCA compensation claims in monetary terms. The corporation supports the Commissioners' proposal to harmonise tables 23.1 and 23.2 in GARP V M, subject to the caveats it argued in its response at page 23.

Special rate option. The corporation rejects recommendation 13.6 at page 527. Excising SRDP from MRC ignores on every level the catastrophic effects of service on veterans who now find themselves unable to remain the workforce. The Commissioners' are urged to have regard to the four contentions in the Corporation’s response at page 29. It is not an exaggeration to contend that the Commissioners fail to demonstrate a true appreciation of the catastrophic effects of military service resulting in the veteran being granted a TPI or SRDP.

Gold Card issues. The Corporation's detailed response, pages 55 to 67, establishes quite clearly and unequivocally the vital importance of the Gold Card regime. It also rebuts the assertion by New South Wales RSL that the Gold Card is seen to be a cash grab and a prize akin to winning Lotto. The Corporation also notes the New South Wales RSL's failure to acknowledge that Gold Card recipients include widows in receipt of a war or Defence widow's pension. We completely reject the assertion that rorting and misuse of the Gold Card exists. We find it grievously offensive, not only for the veterans who actually have their hands through what is a traumatic process for them, sometimes taking years, but to the veterans who expend blood, sweat and lots of tears in helping veterans through that process and widows.

Service pensions not phenomenon. The corporation rejects the Commissioners' assertions that service pensions are a phenomenon. The corporation strongly contends that the service pension remains a critical and vital component of the current veterans' pension and compensatory continuum under VEA and MRC, and subject to the qualifying service criteria and must be retained.

Open Arms. Open Arms continues to be a vital link in the chain of support to veterans and their families as part of the wellness continuum. Its value to veterans, serving members and families is incalculable. It must always receive sufficient funding to enable it to carry out its charter. It's absolutely fantastic, gentlemen.

Veterans' Review Board. The corporation considers the VRB to be the court of last resort for a veteran or veteran's widow. It is a body that is highly regarded by veterans and advocates alike. The ADR process is but one limb of the VRB's function and it is not always successful. The corporation welcomes since the beginning of this month trialling a single board member adjudicating on less complex matters on completion of an ADR process. These expedited hearings enhance the administration of natural justice. The VRB must retain its primary statutory function as a merits review body and make determinations and hand down decisions according to law. These must never be diminished or repealed. The legislative prohibition on legal practitioners appearing before the board must remain in place.

Defence reservists. Defence reservists must be defined in MRCA. They currently are not. MRCA does not provide any cover for reservists who render standard reserve non-CFTS service only and who incur or aggravate an injury, illness or disease during their reserve commitments. The Corporation considers the application of this policy under MRCA to be an unacceptable gap in the DVA support continuum, while failing to

look after those who serve the nation either as CFTS or non-CFTS reservists.

Insurance and compensation. In view of the facts as enunciated in this response at pages 91 to 95, the Corporation rejects the Commission's proposal to implement an insurance scheme that does not remotely resemble the current compensation regime for veterans, and again we acknowledge what you said here today, sir, in that regard.

Closing remarks. The creation by DVA of a policy committee is welcomed by the Corporation. We look forward to the opportunity in joining with our ADSO colleagues and DVA in a collegial and discursive process to help guide the five year plan to enable DVA's ongoing transformation. DVA has engaged in major cultural staff and attitudinal reform via the VCR process and the corporation welcomes the significant improvements in this regard.

DVA has sustained some damage, but not fatal enough to justify abolition. It has the 2013 capability review, sir, learned and continues to learn from its mistakes. DVA's achievements such as straight e-claims and reduced claims processing times from 109 days to 33 days exemplifies the success of the VCR process. DVA is the catcher's mitt for Defence members who are subject to politicians posing for happy snaps and selfies and who, by virtue of their military service, end up broken in mind and body long after the politicians with their selfies and happy snaps have departed.

DVA bears the brunt at first instance of the consequences and casualties of Defence's strategic decisions. As a department with over 102 long very hard years of accumulated corporate experience DVA is deeply embedded in our national psyche and should be elevated to Cabinet status.

DVA's operational changes are demonstrably and pleasingly positive. They auger well for DVA and the veteran community in toto now and into the future. DVA's leading strategic edge in veterans' care confirms it is on every level considered to be world's best practice and we look forward to discussing that aspect of it with you later, sir. The evidence clearly establishes DVA's entitlement to remain as a stand-alone department of state. It begs the question, is DVA fit for purpose? The unequivocal answer to that is, yes, it is. DVA must not be abolished.

In conclusion, the corporation commends its former response to the Commission and congratulations once again on the work it is doing. We wish you well in your future endeavours. I look forward to reading a final report that is better informed, balanced, more veteran-friendly and strongly supportive of DVA remaining on the departmental order of battle

as is DVA's right. I commend this opening statement to the Commission. Thank you, gentlemen.

COMMISSIONER FITZGERALD: Good. Thank you very much, Noel. Just a couple of things if I can. How do you know that DVA is delivering outcomes for veterans when there's no data that shows that?

MR McLAUGHLIN: I'm not expert enough to answer that, sir. I come from down in the trenches where I'm actually out there with a trench knife fighting for veterans.

COMMISSIONER FITZGERALD: So we acknowledge that the processes in the last two years because of $100m a year funding by government has made a significant difference, and we support that, and as you would have read in our report, we are quite supportive, although the evidence is not yet in to be quite as effusive as you are, but we will wait and see.

But one of the things that is clear is that this is a system in which it is incapable of actually determining whether the outcomes for veterans has improved or not, whereas many other workers' compensation schemes, they have very robust ways of determining that.

So I'm not trying to criticise your position about DVA staying, but it is an article of faith in the veteran community that because you get benefits processed, that's actually increasing the outcomes when proving the outcomes for veterans, and we're saying you should keep the benefits. We are, VEA, MRCA, DRCA, and we're actually saying you should be able to determine whether that's actually improving outcomes and that's a holistic approach. So the approach we try to get to, you would support, I would imagine, better informed, better understanding, better outcomes.

MR McLAUGHLIN: I agree. I agree completely.

COMMISSIONER FITZGERALD: So structures in governments change all the time. They evolve, they develop. We learn. We learn from overseas, we learn domestically, we learn from each other, the nine governments of Australia. So again what Richard said before is, we're trying to take the best elements of those learnings and apply it to a military compensation scheme which is in itself unique, and sometimes that's about structures.

But I get the sense that your organisation does not believe that any new structure is necessary to achieve these outcomes, or, can I ask this, is there a deep suspicion or scepticism about new structures, or is it both?

MR McLAUGHLIN: I think it's a human nature thing, but there's always a suspicion of change. Even in the army when they re-man a unit every 12 months, and you are reposted within a unit, you've got new changes, and some soldiers get a bit suspicious of that and cynical, but if I could put it another way.

Americans, when they recruit soldiers, they smash the soldier to pieces and they put these pieces back together and they don't end up with a perfect product. In Australia we take a recruit, we improve on that product that Mum and Dad give us. I would see that as being applied to DVA. We should have this department. Yes, it's got its warts and all and its lumps, but we should be able to build and improve on it and probably have a very, very well-structured, internal audit process to measure outcomes against the expenditure. I get the feeling that's what you're saying, that there is nothing there to measure these outcomes, and the only thing that I could look at outcomes in your report was more or less achievements with the list of things you put in one of those boxes about VCR. Am I on the right track here?

COMMISSIONER FITZGERALD: Well, we've actually looked at the outcomes for veterans, so what is the demonstration, and I'm not asking you. This question is Gold Card, White Card, anything? Where is the evidence that any of those are actually improving the outcomes for veterans?

MR McLAUGHLIN: I can't measure that.

COMMISSIONER FITZGERALD: No.

MR McLAUGHLIN: But I think the initiation of the Gold, the White Card for NLHC cases as has been explained by the two previous entities, is an outstanding achievement in its own right.

COMMISSIONER FITZGERALD: We support the White Card, but what I'm just trying to illustrate, it's only an illustration, is to try to say that we actually started, completely contrary to what everybody else seems to think, we started with the wellbeing of the veteran and said what is the system that would need to support that man or woman throughout their life, and then we said, and one of the principles, the outcomes that you would seek to achieve, and then what's the best way of achieving that. So we actually didn't start from structures and we didn't start from money, despite what people say. We have not had a conversation about reducing costs in the Commission because that wasn't our starting point.

But can I come to a couple of ones you have mentioned. You've agreed that in order to enhance wellness that you would need to do some stuff with the legislation and the schemes.

MR McLAUGHLIN: Yes.

COMMISSIONER FITZGERALD: And I think you're broadly supportive of some of our measures in relation to that
.

MR McLAUGHLIN: We support nine. We found nine measures and proposals there that we could support and we thought they were good. I mean, you'd be a fool to go to a document like that and not support something, you know?

COMMISSIONER FITZGERALD: Sure. You've supported the harmonisation effectively the movement to two schemes. We've supported the Open Arms and all those sorts of things.

MR McLAUGHLIN: Yes.

COMMISSIONER FITZGERALD: I presume you support improved transition?

MR McLAUGHLIN: Yes, we discussed the transition as you saw in our report. I gave evidence to the Molan Committee in Sydney in October. There are some things there. I have discussed one part aspect of that transition with the secretary of DVO on 15 January about the training.

COMMISSIONER FITZGERALD: So if you look at the core where we're improving transition, reducing unnecessary injury, improving and increasing rehabilitation, maintaining VEA, improving - simplifying the system through harmonisation and those other arrangements, taking a life-long approach, commissioning better mental health services, tranching the ESOs so that they are better leveraged by government, how do you come to the conclusion that's anti veteran?

MR McLAUGHLIN: It was anti veteran from that comment that DVA will be abolished. When you look at that - - -

COMMISSIONER FITZGERALD: What's that got to do with the department? Well, it's got to do with the department. We talk about structures all the time.

MR McLAUGHLIN: But to turn around in a draft report, with the greatest respect, sir, and say will be abolished, it's a little bit early in the piece when not all the runs are on the board yet.

COMMISSIONER FITZGERALD: Well, it's called a draft report, but can I just make the point is, the fact that we constantly look at systems and structures, that's part of our job, doesn't mean we're anti either workers or women or children or when we did the paid parental leave we weren't anti children or mothers, but we look at structural issues. I just want to go back to it. I don't understand how you can come to the conclusion that it's anti veteran. It may in fact have a negative view of the DVA and it does, and that's contrary to your view and I understand that and I appreciate your view, but I don't appreciate, and I can't understand where you get to the view that it's anti veteran.

MR McLAUGHLIN: If I could put it like this, there are about 90 references to remove and its variations in the document.

COMMISSIONER FITZGERALD: And you know how that - - -

MR McLAUGHLIN: And that means take, take, take.

COMMISSIONER FITZGERALD: And do you know how that - how did you come to that figure?

MR McLAUGHLIN: There are different - I counted them with control search.

COMMISSIONER FITZGERALD: You did a control search which included when we said not remove?

MR McLAUGHLIN: Yes.

COMMISSIONER FITZGERALD: Which included not remove and replace by. So you did a search to find the word remove.

MR McLAUGHLIN: I did, yes.

COMMISSIONER FITZGERALD: There is no way that we are changing or removing 90 allowances of every description so a word search now becomes the, and we heard this at a number of seminars where people have said there's 87. All you've done is taken a word search of remove, even when it says don't remove, it comes up in that word search.

MR McLAUGHLIN: I can see your point, sir.

COMMISSIONER FITZGERALD: So is it not true that despite your extraordinary examination of the document you've ascribed to us a motive we don't have and that is, we are anti veteran and that's not true.

MR McLAUGHLIN: If I could put it like that, if you're looking at abolishing a department, any abolition of that department and the creation of a new one is going to create untold stress. I think other speakers have said that within the veteran community, particularly the older veterans who are not in good physical or mental health. That's going to land on them a tremendous amount of stress and grief again that will flow down to their families. To me, I see that remove of something that they've, shall we say, lived within its protective care and support umbrella, has been anti veteran by being abolished and put into a commission that may not be good enough to manage them.

COMMISSIONER FITZGERALD: Well, let me just put the point. I fully appreciate that people have very strong views about whether or not DVA should be abolished, I accept that absolutely and we look at that, and we will have consideration in it. I just want to make the point is, I would hate it to think that anyone in this room actually thinks the Commission, particularly Richard and I, have anything other than great admiration for veterans, and I don't need to go into that any further.

The point that I do want to make is, this is all about trying to enhance the wellbeing of veterans 20, 30, 40 years from now and I just want to put that on the table because I'm fully appreciative that some of our recommendations are not welcome in the veteran community, but our entry point was absolutely about their wellbeing.

MR McLAUGHLIN: Thank you for that, sir, and I appreciate your honesty and your candour in supporting the veterans, I really do. Thank you.

COMMISSIONER SPENCER: Noel, just some thoughts about what you've said because you're saying earlier you're concerned and other are concerned that this is a pathway to people going to NDIS, My Aged Care and more mainstream services.

MR McLAUGHLIN: Yes.

COMMISSIONER SPENCER: Once again, we're not saying that, so I just want to be clear about it, but look, I think this illustrates another point and that is that, and look, I just want to give a little bit of background here because you kind of put the economist rationalist label on top of us, and

both Robert's background and my background is extensive in community services.

So in community services if you look over the last ten to fifteen years you have an extraordinarily important part of civil society and the ESOs are part of that, motivated to help those people most in need so there is just no question about intention about wanting to do the right thing by the individuals. Frankly that's why we're pushing back a bit about the sense that this is anti-veteran because we're not coming from that place.

So if I go to community services, and I've led organisations in that space and I've had people say to me when I 've said, "How do we know we're making a difference? How do we know we're really ultimately doing the best by the individual, and how do we know the" - and funds are always scarce in community services. How do we know we're getting the best outcomes for people in that space? So I've sat in a room a long time ago and somebody said, "Oh, you're an economic rationalist". I said, "No, I'm not. I care about results. I care about when there are limited resources. How do we know it is achieving the best?"

So when we reference systems like NDIS and My Aged Care, it's not about saying, "Oh, we'll jump into that". It's saying, "What have we learnt there? What is informed better outcomes for older people, people with a disability?", and they're some of the great social reforms that have gone on in Australia. So when I come back to, and I commented on this earlier in the earlier session.

When I look at this issue of what ultimately is in the best interests of the veteran, there is a lot of learning and a lot of practices and a lot of structural changes in other parts of society that demonstrate you can get better results for the individual. So, for example, just to give a, you know, what does that mean, so we look at the outsourcing currently that goes on around rehabilitation and health care needs, and as we've commented several times, you know, the sort of collection of is that working, is that getting good results, we don't see that data and information when we're looking within the military system. We see a lot of concern and a lot of interest about those in other systems.

So once again, we're trying to look outside the military system to say, where can we take, where can we learn, where can we bring together something around the veteran in future. We're building a system for the future that's actually going to incorporate that thinking/learning evidence and at the end of the day it's all about the veteran being at the centre of those efforts.

So there's much - there are very different points of view about how you get there, but that's the opportunity through an inquiry like this is to really scan the horizon and go and talk to people in other systems and other experiences and say how could that assist in what we're trying to do here.

MR McLAUGHLIN: Thank you, sir. I think my wingman would like to respond to that, sir.

COMMISSIONER FITZGERALD: Sure.

MR RYAN: Can I just make a point. A lot of it's in the language used. We are a suspicious lot in the veteran community, believe me.

COMMISSIONER SPENCER: No, no, and look, I always welcome that comment.

COMMISSIONER FITZGERALD: Absolutely.

COMMISSIONER SPENCER: If what we're intending is not coming across, we absolutely need to hear that because the language has got to convey the meaning.

MR RYAN: When you use terms like civilian compensation and equate it to ballet dancers and all this sort of thing, the - - -

COMMISSIONER SPENCER: Oh, the opera singer.

MR RYAN: The opera singer, yes, better. Music's good. That raises concern amongst people and use it as an example, that's fine, but we are, as I say, we are a suspicious lot so the language needs to be couched at people you're trying to convince as opposed to the broad spectrum, and I know that's going to be a challenge.

COMMISSIONER FITZGERALD: It's a huge challenge.

MR RYAN: Yes.

COMMISSIONER FITZGERALD: And we're going to fail to some degree in being able to do that.

MR RYAN: We hope you don't fail.

COMMISSIONER FITZGERALD: Because our audiences are multiple, as you know. They're government, they're bureaucrats specifically and obviously they're the veterans' community, and they're the

wider Australian community. But can I just go to a couple of other things. Your position in relation to the ESOs, Noel, I haven't got in front of me exactly your recommendations in relation to that, but do you have any comment, and you would have heard the previous discussion with Kel and then James this morning about better utilisation of the ESOs going forward, which is not part of our draft but will be part of our final.

MR McLAUGHLIN: No, sir, I think it's fantastic it's on the table. I spoke with Mr Ryan last night and my colleague, Mr Del Geddes in relation to to this matter. I was surprised to see that was that well advanced in incorporating, and I think, given the Aspen report which found in October 2016 there were 3,000 ESOs out there, and June the following year that ballooned out to five and a half thousand, and lot of them pop up on social media, and they are acting in an inchoate manner. They're completely uncoordinated. There needs to be something pulled in to have them speaking as one voice and I endorse ADSO's proposal because being a member of ADSO we will probably be part of that one voice.

I do agree, too, that the RSL and Legacy are separate entities and they go their own way. The RSL nationally, up until the previous national president deposed, was very much a great friend to ADSO and (indistinct), and they are on board with us, but at the moment, as my colleague said, they speak with different voices now. It's almost as if they're at war with each other. There's no coordination from RSL national because there is no RSL national president, no CEO, no RSL national vice-president.

I speak as a life member of the league now, not as the chairman of the Corporation, and we need to get that organisation get its act together because we are telling veterans that we consider the RSL to be the lead in veterans' advocacy in this country because of the sheer size of the organisation, and the fire power it commands, but I do agree, we have to get coordinated, we have to speak with one voice. We can't go and be as organised as a bucket of worms for the next 20 or 30 years. It won't work.

COMMISSIONER FITZGERALD: And just, if I can just deal with your health recommendations just very briefly, I understand your recommendations in relation to Gold Cards and what have you. Are you seeing from your members a need for more proactive commissioning of services by DVA in the mental health space or health generally? So you've got the cards and they fund the services, but what are your members telling you about the actual ability to access services and the adequacy of those services, however funded?

MR McLAUGHLIN: I've not experienced any, shall we say, negative complaints The only comment I've had, and our organisation's rather unusual. We provide representations for 12 unit regimental organisations, associations. Out of those, eight of those are army reserve units, the older soldiers, we call them, former CMF soldiers. The other four are for the hard core, hard line units, tanks and cavalry.

There are two advocates. There is one in Western Australia with our entity over there and there's me here on the east coast. I'm winding back for obvious reasons, but the thing is, I've not heard any problems at all with this. I will be speaking to the armoured corps conference at the School of Armour in March and I'll no doubt find more. I just do know that a couple of warrant officers I have spoken to do have the triple eligibility under the three acts have found it an absolute nightmare to navigate and these are highly intelligent men. That's, I think to me, more grist for the mill to get this thing harmonised.

COMMISSIONER FITZGERALD: Well, our intent is that in time people will be under one Act, whatever that is, and hopefully some of the confusion and tension can be reduced over time.

MR RYAN: Well, DVA legal say it will cost an awful lot of money to do it, more so because they're going to the plain English approach to the laws, as you can appreciate. I'd like to see the dollars, how plain English can be more expensive than a whole host of $50 words that nobody understands any more.

COMMISSIONER FITZGERALD: We will be recommending that the acts be simplified.

MR RYAN: Fantastic.

COMMISSIONER FITZGERALD: Not only in terms of how they operate.

MR RYAN: Fantastic.

COMMISSIONER FITZGERALD: But the wording. They're unduly complex.

MR RYAN: Good.

COMMISSIONER FITZGERALD: VEA's an exceptionally difficult document to read, and hopefully whilst retaining the benefits it can be

slightly modernised in the way it's actually written, but anyway, that's up to government.

MR RYAN: You mean the VEA or the MRCA?

COMMISSIONER FITZGERALD: No, all of them frankly.

MR RYAN: Yes.

COMMISSIONER FITZGERALD: The VEA's very old and very convoluted, and then MRCA and DRCA have their own problems.

MR McLAUGHLIN: But I beg you, sir, please keep in the Henry the VIIIth clause.

COMMISSIONER FITZGERALD: Which is?

MR McLAUGHLIN: 121D.

COMMISSIONER FITZGERALD: I'll have to look it up.

MR McLAUGHLIN: No, it's the clause whereby if a decision is going to come down, say, from the common law is very adverse to not just a veteran but a whole cohort of veterans because of its decision, that the minister can turn around and draft a regulation overturning that adverse decision.

COMMISSIONER FITZGERALD: That's fine, well, we're not changing that stuff, no.

MR McLAUGHLIN: Good. That's great, sir.

COMMISSIONER FITZGERALD: All right. thank you very much and we'll now take a ten minute break. Thank you.

SHORT ADJOURNMENT **[11.00 am]**

RESUMED **[11.15 am]**

COMMISSIONER FITZGERALD: Okay, we will start. If I could have Malcolm Whitney please. Good, thanks Malcolm.

MR WHITNEY: Thank you.

COMMISSIONER FITZGERALD: If you need to go to the toilets or get a cup of tea during these presentations please feel free to do so, but we just have a full agenda and we'll just keep rolling. So Malcolm, if you can give us your full name and the organisation that you represent please.

MR WHITNEY: Yes, thank you Commissioner Fitzgerald and Spencer. My name is Malcolm Hugh Whitney and I am the vice president and trustee of the Roseville RSL sub-branch.

COMMISSIONER FITZGERALD: Thank you very much. And if you can give us a ten minute precise of your main points, that would be terrific.

MR WHITNEY: Thank you, and thank you for the opportunity that you've given us today. I am deeply concerned and disappointed over the assumptions, conclusions and recommendations to come out of the draft veterans' Productivity Commission report. The inquiry says the objective of veterans' support should be to improve the wellbeing of veterans and their families to rehabilitation and social integration in a scheme like workers compensation. However, the objective of the recommendations appear to be more about government cost cutting rather than veterans' welfare.

Page 160 of the report refers to the objectives and best practice criteria and quotes the Insurance Council Australia who say, "The ICA considers one of the objectives of workers compensation schemes is to be affordable, financially viable, charge employer's premium that are affordable, reflect risk and fully fund reliability". In other words, all about cost saving for governments and employers.

I worked in the general insurance industry for 45 years. Sold hundreds of workers compensation policies and set up a legal compliance area for one of Australia's largest general insurers and dealt with some of the workers' complaints. The need to control costs was always far greater with this class of business than any other.

On p.331 of the report it says, "The Commission is of a view that the existing divides between operational and peacetime services are not justified. This is on the basis that an injury is an injury regardless of where it occurred. Moreover, there is nothing about operational service that justifies lower medical evidence before a condition can be said to be related to a causal factor of service. While personnel on operational service can be exposed to more risks than individuals on peacetime

service, this would affect the frequency and severity of any - sorry - of any risks that individuals on peacetime service. This would affect the frequency and severity of any resulting conditions not the underlying issue of whether they were caused by the service". I wonder whether our prime minister is happy to include these words in his Anzac Day address, and what reaction he would receive from veterans across Australia. Yesterday we saw veterans' reaction to the change of the time for the Villers-Bretonneux service.

As a national serviceman who served in Vietnam between April 1967 and April 1968 I believe there is significant difference between a member of the Armed Forces who suffers an injury or disability in a war zone compared to an injured worker in a civilian life who is rehabilitated under workers compensation. There is also a big difference between a member of the Armed Forces injured in a war zone to someone who is injured in Australia. Most war veterans will remember their service and overseas involvement for the rest of their life. Emergency service personnel in Australia also suffer bouts of depression and anxiety as a consequence of their job. But they are far more likely to receive greater support and understanding from their friends and family and they weren't injured in a foreign country. I agree, it is important to get war veterans back into civilian life as soon as possible, but they deserve to be treated better and respected a lot more than is recommended in this report.

The report recommends that the Department of Veterans' Affairs be abolished, despite DVA clients giving it an 81 per cent satisfaction rating in a recent survey. The report provides various examples of how well veterans are compensated and even questions whether taxpayers are getting value for money from DVA. It suggests the veterans' Gold Card should be more needs-based. It questions why those who qualify at age 70 should receive the card. It recommends doctor co-payments. Even suggests there will be savings from reduced over-servicing if we change the colour of the card.

Having read the report at length I am concerned that the recommendations are more about government cost saving than improving veterans' entitlements or welfare, and it's an insult to those thousands of men and women who served this country in war and lost their lives or were left disabled. On p.77 the report says: "Military service is a unique occupation which presents a number of challenges and risks to ADF members and their families. These include higher than average risk of injury or death, lack of autonomy and frequent locations". On p.88 it says: "The Vietnam veterans' family study compared the outcomes of children of Vietnam veterans to children of Vietnam era military personnel who were not deployed. It showed high incidence of mental

health problems, suicidal thoughts and behaviours and substance abuse among the children of the deployed veterans".

Page 93 gives us an insight into ADF remuneration, which is supposedly meant to be very good. An army colonel can earn between $147,000 and $197,000 which is less than a newly elected politician who previously sold fish and chips or who was a radio shock jockey. A captain earns between $68,000 and $128,000. A sergeant earns between $62,000 and $102,000. A private can earn between $47,000 and $85,000. There are some other allowances but surely this is pathetic for those men and women who place their lives at risk so you and I can live in freedom.

Page 142 tells us what is driving the increasing costs of injury. It says: "DVA initiatives could be driving up the number of claims, including enabling claims to be submitted online, the use of online DVA advices, closer liaison between the ADF and DVA, enabling veterans to claim for multiple conditions using the one form. The ADF notes of the lifetime liability associated with the medical cost of new injuries have risen on average 55 per cent each year over the last five years". Surely this isn't a failure of the system but confirmation the system is now giving a true account of the cost of injuries. The only benefit put forward for abandoning DVA is the long-term sustainability of veterans' support system based on costs over a lifetime. Once again, the focus appears to be on the cost of the system to the government. Surely war veterans' service to the nation is what we should be acknowledging.

Then we come to the Gold Card. This is another example where the Commission fails to understand the difference between a war veteran and a civilian. The Gold Card to a war veteran is more than just a card for health-related services. It is a form of recognition that the country expects these veterans to be entitled to a special level of care and benefits following their service. The fact the card is gold is recognition in itself that these individuals are special. Simplifying the system has merit, of course, but I'm not convinced there is anything in the Productivity Commission findings that will necessarily achieve that result, especially the recommendation to do away with the existing DVA body. To simplify DVA you only need to reduce the criteria around veterans' assessment. Maybe you will end up paying a little bit more in money for health services but there will be assessment savings as a result. For instance, why not give every war veteran with six months' service in a war zone a Gold Card? Obviously the cost will be significant but you immediately remove the need for veterans to be assessed or go through a tribunal process. Those savings alone will be immense.

The rest of the responses were in my submission to the Commission and at the January meeting of the RSL New South Wales Northern Metropolitan District Council they passed a motion that my submission to the Commission received their total support. The NMDC represents the RSL Sydney Sub-branches of Berowra, Brooklyn, Chatswood, Gladesville, Hornsby, Hunters Hill, Kirribilli, Lane Cove, Mosman, North Ryde, North Sydney and Roseville.

In conclusion, you've got around about 100 submissions and there's just a general theme coming right through from all the organisations. One is this area of workers compensation which people are opposed to the concept and the idea. They see no reason to replace DVA, a body that you are suggesting should be funded by the defence budget. Why? There seems to be no logical reason. They oppose the removal of the Gold Card and they are angered, I think, by the overall thrust to achieve government cost savings. Simply, I believe our war veterans deserve better.

COMMISSIONER FITZGERALD: Good, thanks very much for that and thanks for your considered submission. Can I just go to a couple of issues that you've raised and then Richard will. We haven't proposed the abolition of the Gold Card, so you'd be aware of that. All current entitled people - - -

MR WHITNEY: For future though.

COMMISSIONER FITZGERALD: For some groups, so just be very clear about that.

MR WHITNEY: Yes.

COMMISSIONER FITZGERALD: The second thing is that you've indicated one of your recommendations is to extend the Gold Card to anyone who has served six months of service generally, and you say well that will come at a cost. To what extent do you think governments should be concerned at all about the value for money, given the scheme itself? I mean I know you say that we come from a cost cutting approach. That's not true. As Richard has indicated our scheme will cost more. There will be more money in the hands of veterans, not less, after our proposals, and there will be certainly more services available in transition, rehabilitation and mental health services. So at the end of the day our proposals will cost government money, which might surprise people. But do you think governments should be concerned about the costs of entitlements?

MR WHITNEY: Well, you obviously must have some ability to look at what costs are, but in the last four years this country has spent probably

billions of dollars recognising war veterans, mainly from the First World War. No one even questioned that. So, yes, maybe some things do cost money and I don't think that necessarily has to be checked to the last sort of dollar. If something goes over costing, like the Gold Card, I think you just accept that.

COMMISSIONER FITZGERALD: The second point about that, and given that you've worked in workers compensation areas or at least selling the insurances and being involved in that, shouldn't we be more concerned about the outcomes that are being achieved, irrespective of how that is funded? Whether it's a card, it's direct service provision and so on. The point we've been trying to say is that going forward for contemporary veterans, and that was this scheme is really about, is to try and say it's about outcomes. Getting people back to work if that's what they are able to do. Helping to live full lives. Providing appropriate rehabilitation services and so on. So whilst I understand cards and funding arrangements matter, shouldn't the focus be on whether this is the very best way to achieve good outcomes for veterans?

MR WHITNEY: I don't think it necessarily is and I don't think a workers compensation type scheme achieves that. Veterans are different. I have made reference, you may have noticed, that I am referring to war veterans rather than veterans Australia, and I think there is a dramatic difference, but I think because of that, that's why I believe there's a dramatic difference. If you were talking about a person who had worked for 20 years in the army in some sort of barracks, a workers compensation scheme would work. But I think that's very different for war veterans who have - it's more than just an injury, it's more than just losing an arm, it's more than just being injured for the rest of their life. There is an emotional, there is all these other factors there. I went back to Vietnam in 2008 with some war veterans. We went to Saigon, we went to Bun Tau. Everyone was laughing and joking. We ended up in Doi Dat and every one of those war veterans, especially the blokes from RAR, it was just sudden silence. They were back, back in the world. And that's the difference. That's the huge difference that has to go together with a disability.

COMMISSIONER FITZGERALD: And you would appreciate that we've been very conscious of the fact that transition back into civilian life and so on needs to be significantly improved and that's been something the government and others have been working on.

Can I just deal with this issue, if I might. The issue in relation to war veterans, to use your terminology, being treated differently. Our proposal is that war veterans largely in terms of incapacity and impairment

payments remain. They are not diminished at all. They stay. All we're looking at is whether or not people that have been injured in non-warlike environments should in fact have their benefits raised or changed. So in the MRCA/DRCA, bringing those together, the question there is not whether somebody that served in the war - a war or in deployment gets less. It's whether or not the person that's injured on the way to that battle, on the way near training should in fact be paid more. So that's what we're looking at. So our proposal is not to diminish the war veterans, it's to see whether or not the young man or woman whose damaged badly in training, you know, can in fact or should be treated in a similar way.

MR WHITNEY: You do make reference though in the part that I had brought out there, you're making reference that you saw no difference, so an injury of a person who's whatever type of area of the armed service they're in, that the injury should be treated the same, and I had - - -

COMMISSIONER FITZGERALD: And young veterans, we've now had round tables on multiple bases, both our Air Force, Navy and Army bases, with contemporary veterans who are serving and those that are about to discharge. And they have explicitly said to us over and over and over again that an injury is an injury is an injury. Is there a generational dimension here between those that have served in the earlier conflicts and the current service men and women who do see the world just slightly differently? They're not saying that war should not be recognised. They're not saying that at all. But they are saying in relation to injury, the gap should not be what it is today.

MR WHITNEY: Well, you have spoken to those but I have also seen only a matter of one month ago a veteran who committed suicide. The young bloke, 32 years of age with family, who they had a wake for him at our Roseville Club and you saw 200 people come together for that person, and if you saw the emotion and reaction of those people there, it was - they had the wake there, I'm not quite sure where the funeral was but they had the wake there and I think - and most of those - a large percentage, not most, a large percentage of them had served in Afghanistan, and you could just see that, it's camaraderieship or whatever it is that you have when you've served overseas and you've seen people that have been injured. You may not have been involved yourself but you're part of that, and I can't see that there would be any difference today to a person who has served in Afghanistan or in Iraq to myself who served in Vietnam. I can't see there could be a difference.

COMMISSIONER FITZGERALD: And our report doesn't go to that camaraderie or the difference.

MR WHITNEY: No, I accept that, yes, yes.

COMMISSIONER FITZGERALD: It is simply about whether or not the scheme, both in terms of incapacity and impairment, how they should recognise that and that's the issue. It's got nothing to do with not - diminishing.

MR WHITNEY: No.

COMMISSIONER FITZGERALD: And I would hope no one reads that into our report. But anyway we'll put that aside.

MR WHITNEY: But that sort of comes out of it, do you know what I'm - what I'm trying to say is - - -

COMMISSIONER FITZGERALD: No, I understand that and we can't write reports that are intimate in terms of our - you know, we come as an objective outsider, not an insider to these issues. Can I make one other comment. In terms of the way in which the scheme operates, you've mentioned the satisfaction survey. But as you will know, that in that satisfaction survey there is a very distinct difference between those over age 50 and those under. So over 50 it's around 80 per cent satisfaction. Under 50 it's about 40. So in fact, going with what we're seeing is a very significant difference in the veteran community, represented in the ESOs, surveys and our own discussions. And we would think that's normal. We would think that's absolutely natural and normal.

MR WHITNEY: Yes, but I think you'd get that, if you were asked that same sort of survey about the government, you'll get the same sort of reaction because I think younger people expect things to happen instantly. As you get a bit older you're willing to accept things probably.

COMMISSIONER FITZGERALD: Or it could be they want something different.

MR WHITNEY: I'm not saying that DVA couldn't be improved or changed, but what I am saying is I can't see why you would want to change an organisation which we know is working effectively. It may not be perfect. You certainly can't say that you're going to create a new system which is going to be perfect either.

COMMISSIONER FITZGERALD: The level of imperfection we might disagree on. That's about it.

COMMISSIONER SPENCER: Yes, just to give some context and again we've said this several times this morning, but to go there again. We're looking still about a 20 or 30 year time horizon, so - and this takes us all to an uncomfortable space. What, if anything, should change? Several speakers have said this morning we've been bold and in some people's eyes too bold about what we're putting on the table. But I just want to clarify something under the Veterans' Services Commission because, once again, we're not proposing this be outsourced to a civilian workers compensation scheme. In fact we're saying there's a very - there's a military context to this and that's why it's quite deliberately the Veterans' Services Commission, which would be set up as a statutory corporation and would have governance around that direct to the minister.

But look I go to another point and I just want to explore this with you, because with your background in the area of injury and illness, one of the fundamental starting points, as you know, is prevention in the first place and the duty of care that an employer has. And I know in the military context we talk about members, we don't talk about employees, but it's this challenge that we've had and we've explored a few times this morning about the responsibility of Defence, and we are hearing constantly a very clear view that Defence is about capability and preparing for combat. But it's this notion of duty of care; what encourages, what gives incentives to Defence to be conscious of, and thinking about, and proactive, around what it could be doing differently that appropriately prepares people for combat but minimises unnecessary injuries and long-term consequences of that, both physical and psychological. It is an extremely difficult challenge. Other military systems do wrestle with that within their departments but we've had this very strong view that Defence doesn't. That goes to DVA.

One of the things we're constantly running into is, that seems to us to miss a very important part of the lifetime wellbeing of the veteran from day one of their service. It's a continuum through their service and post-service. We currently divide their lives into two and give it to different departments. We have put some things on the table and we've got a lot of pushback; policy to Defence, no, don't like that. The idea of premium, you've commented on that, you don't like that particular mechanism. We've got the joint transition command idea to give Defence more responsibility - a bit more responsibility for what it does at the moment. How do you see that part of the whole system, to improve that part of the system; what could we do structurally to really - - -

MR WHITNEY: You are really meaning about improving - saving injury or stopping injuries.

COMMISSIONER SPENCER: You know during periods - yes, when they're in the ADF, when people are in the ADF, how do we - - -

MR WHITNEY: Yes, well I mean the same - I mean there's no difference of that in the workplace as well and you'll find a very, very high percentage of workers compensation claims if you go - you'll see that somewhere in the system people haven't followed the correct rules, the procedures that were meant to be followed and that's why they get injured. I mean that's no difference in the army or to in any factory. I remember in early times, I'm not quite sure of what happens these days, but factories that used to have guillotines and there was a guard, and every employee didn't like having to wait for that guard to come up and down, so they used to prop it up and they'd put their hands in and cut their hands off. But that was an employer's responsibility, to make sure that their employee didn't do something like that. I didn't have a problem, the army should have the same responsibility. But it is very hard stopping individuals from doing something sometimes, and I don't - I can't imagine it's any different. I mean take Vietnam. One of the large percentage of serious injuries and deaths occurred because of land mines and a lot of those happened because people were laying land mines that they'd been trained in Australia with a different type of land mine. So we caused the injury ourself. It's just a fact of life.

COMMISSIONER SPENCER: When we've met with representatives from other schemes we've heard examples, and you would experience this no doubt, of a feedback of information about long-term consequences; how did the injury occur, why did it occur, should it have occurred. So it's a whole investigation that goes on to continually inform practice within - in the workplace. Because it comes back to something I said earlier. There's no question that people don't set out to harm anybody and the wellbeing of individuals within your responsibility is taken - it's back to that issue, you don't know what you don't know, and unless there's the feedback work about long-term consequences of how things are done, injuries both physical, psychological, long-term mental health issues, if that started back during the period of service, are people aware of that, do they know it?

Now, some of the mechanisms in the best practice schemes have that feedback group of information and insight to help leadership and commanders really think about how do we strike that balance, the right balance between duty of care and duty to prepare. We see that - frankly, we see that missing and we've been trying to work out how do we give Defence, frankly, more responsibility or line of sight to help them with that challenge, which is - it's a really tough challenge but it does have long-term consequences for a lot of individuals.

MR WHITNEY: A lot of that is definitely in the current Army. My son was in the Army Reserve only up to a few years ago, was there a number of years, and he was always frustrated, as I would've been, by some of the controls and regulations that were there, to stop injuries and things like that. But some of them probably went, you know, too far. But I think that's there. But you'll never get a perfect situation where you'll stop someone doing something wrong. You know, a person will have some drinks the night before, or something like that, and they drive a truck. It's reality and unfortunately that's no difference I don't think in - won't be any difference in the defence force to in the commercial world where you see employees injured in work situations.

COMMISSIONER FITZGERALD: The only difference of course is, and again we've heard disagreement with this, is that in any other workplace you bear the financial cost of that and in this case Defence doesn't. And so it's the only employer that we know of where the employer, and I know that ADF people talk about themselves as members and I accept that, doesn't bear the financial burden of that. In every other government agency, statutory authority, Productivity Commission, everybody, you bear the burden of that through insurance premiums. And so Defence is a unique beast, and it may well be that it's appropriately unique, but that's just the reality, it's the one missing piece. It's got the same regulations. It's got an incentive in order to - in terms of force capability to have, you know, men and women ready for deployment as necessary, but it's just that missing link.

MR WHITNEY: Well, maybe so, but I don't necessarily go along 100 per cent with that because I do think the army do have a lot of controls and regulations there and surely if I was the captain and five of my people would be injured through something that was totally my fault, then there would be blame back on me from my superior. I think - - -

COMMISSIONER FITZGERALD: I totally agree with you, but that's true in the army - sorry, that's true in all aspects of work, including the police and fire brigades and the first responders and all that. There's not a single commander of those units that would not be worried about that. It's just, look, that's where we're coming from on that and we hear that view.

MR WHITNEY: Yes, yes, yes.

COMMISSIONER FITZGERALD: Are there any other questions?

COMMISSIONER SPENCER: Just a quick one. You made some comments about the RMA and I just wonder whether there is any further

comments you wanted to make about that. You queried the role of the RMA.

MR WHITNEY: You will have to remind me, but I remember you refer to the RMA.

COMMISSIONER SPENCER: Yes, RMA. The RMA, yes, the medical authority and the SOPs.

COMMISSIONER FITZGERALD: You might have to do that.

COMMISSIONER SPENCER: Okay. You had referenced Agent Orange and you said that the suggested six month period would appear to be totally unrealistic and why is it necessary to impose any limitation.

MR WHITNEY: Oh, right, right, yes.

COMMISSIONER SPENCER: So I was a bit curious about that because we actually have suggested that there be an investment, further investment and further resources for the RMA to speed up decision-making about contemporary medical evidence and knowledge.

MR WHITNEY: Yes. I mean that all sounds good. What I was trying to say there is that I think it's almost dangerous to sort of suddenly put an exact period of time on something because maybe 70 per cent you could say they should be completed within three weeks. Let's say that might be a period of time. But there's going to be those incidences, that's why I related to Agent Orange. It's 50 years ago since the Vietnam war. We're still talking about it. I mean I see the Vietnam veterans' magazine comes out every, whatever it is, every three months, what have you. They're still talking about it 50 years later, but we can't get some sort of understanding or agreement, and that's why I think that if you'd set a three - let's say you set a three month period for that, it would have just been totally wiped under the carpet and forgotten, whereas maybe it shouldn't be.

COMMISSIONER SPENCER: Look, I think we may have a disconnect on that one.

MR WHITNEY: Okay.

COMMISSIONER SPENCER: We may be in fierce agreement on this one.

MR WHITNEY: Okay.

COMMISSIONER SPENCER: That is, that what we were saying is that the additional resources and investment in the RMA could allow decisions to be made in a much more timely fashion and could be reduced to approximately six months. Whereas now it can stretch out, and it's your example, over years.

MR WHITNEY: Yes, well if you can reduce that, that's fine, but just as long as we're cautious.

COMMISSIONER SPENCER: So that's where we're going on that one.

MR WHITNEY: As one of the gentlemen said earlier, you did give us 704 pages to read. I first of all read the 76 pages, then I started on the 704 and it's a challenge.

COMMISSIONER SPENCER: No, you've done well.

COMMISSIONER FITZGERALD: You've done extremely well, Michael. I should warn you that the final report is likely to be a little longer, not a little shorter, but we are working hard to keep the team in check, let me tell you. But any other comments?

MR WHITNEY: No, I don't think so.

COMMISSIONER FITZGERALD: Thank you very much. Thanks for that, that's great.

MR WHITNEY: Thanks again. Thank you.

COMMISSIONER FITZGERALD: And could we now have Dr Paula Dabovich. Is that right?

DR DABOVICH: That's right.

COMMISSIONER FITZGERALD: Perhaps grab the middle seat if you can and there's some fresh glasses if you need it. Paula, if you could give us your full name and any organisation that you're representing.

DR DABOVICH: My name is Dr Paula Dabovich and I'm here in a private capacity.

COMMISSIONER FITZGERALD: Paula, can you speak up because those microphones don't pick up, they're only for recording. So, yes, if you can give us ten minutes of your key points that would be terrific.

DR DABOVICH: Thank you, and it's more like five because I was really hoping to discuss the written submission that I've made. First, I'd just like to say, as others have as well, that the Commission ought to be commended for the considerable synthesis and the analysis of the problem presented to them and for the considered solutions proposed to date. I say this because issues of compensation, rehabilitation and transition are all extremely complicated matters sitting at the intersection of community, state, federal systems of care, all of which are complex in their own right. Stemming from that synthesis and analysis the Commission make some recommendations which I think are eminently feasible and some which I believe are not.

I have outlined the core of my testimony in my written statement and I would be very pleased to discuss this with you, but first I would like to place that testimony into context in relation to our current political leadership and then the previous and future generations of our veterans. First and foremost the Productivity Commission draft report has recommended that DVA be abolished and replaced with a compensation system more aligned to that of the civil sector whose underwriters serve our police and emergency service organisations. As most witnesses with a service history have testified, this approach is likely to have serious consequences for veterans who already do not fare well over time relative to their civilian peers. This is due to the unique nature of military service, which I won't elaborate on because I know that many fine witnesses have previously clarified this account, but this oversight must be highlighted as one of the critical issues at hand.

Because Australia has had very few operation engagements between the end of the Vietnam era in the mid-seventies and the Iraq wars in the nineties, our current government holds in its senior ranks very few politicians with military experience relative to previous generations. With this in mind it is easy to understand why the compensation model presented here must seem like a logical evolutionary step in the care we offer our veterans as a nation. But for those of us who have served, and even those who have had very difficult experiences with DVA, most have attested that abolishing it would be a grave mistake. This is because such a move would bring of a danger of repeating mistakes made in past generations. Dismantling and fragmenting something that should and must represent continuity, because this is the very issue of exposure to traumatic stress. It dismantles the very self-construct or the psychological membrane that makes personal continuity possible.

What the Commission must consider then is how to move toward a greater system of development and growth in terms of continuity rather than death and resurrection. And this is critical because what we are talking about

here are not just the war fighters of generations past but also of generations future.

As I've outlined in my written submission it's internationally recognised that the children of veterans have poor outcomes compared with others in terms of hyperactivity and distractibility, emotional symptoms, peer rejection and bullying, and as has been mentioned earlier today Vietnam cohort studies show us that these symptoms can manifest as mental health disorders when these children become adults, which is striking, because many children of veterans go on to serve in the military themselves. And although we haven't captured how many Australian service men and women are the children of veterans we know that in the United States 57 per cent of active duty personnel are the child of at least one veteran. So, again, getting this right is an enormous responsibility not only for those in current receipt of DVA services but for the war fighters who are yet to be.

Before I finish I was going to say something about the proposed transition command because this is my area of expertise, but my views on that which are highly supportive are well covered in my testimony. But what I didn't mention in my testimony is that I might be one of the few people, along with the RSL, that support your proposal to move DVA's memorialisation function to the Australian War Memorial. I'm not sure if DVA employees are expert historians to manage its memorialisation services, but they're kind of damned if they do and damned if they don't. I'd be fascinated if they didn't because they're charged with an area of responsibility and if they don't have it in there they're going to be representing or managing something without a level of expertise. If they do have expertise embedded in there to manage memorialisation it would be quite an anomaly to have a DVA flushed with experts in history and yet almost completely devoid of health assets including expertise at the senior level, which may otherwise help focus the department in delivering and governing services for our veterans.

So if it now pleases you I'd be very happy to discuss my written submission.

COMMISSIONER FITZGERALD: Sure. Thank you very much. And thank you for your submission. Can I go back to this issue of continuity in relation to people who have suffered trauma and stress? We've heard many, many, many times from individuals that the system itself is stress inducing. So many people - and, again, this is largely individuals rather than ESOs, have talked about their experiences with DVA over a long period of time, and they paint a picture that has in fact added to the impacts of trauma, and, in fact, there's been research done on that.

So one of the things we've been trying to do is to look at how to reduce that, and it's multi-layered, reduce the complexity of the systems improved processes. The VCR is part of that improved transition and so on. But what I don't quite understand is it about continuity of services and support as distinct from continuity of a single agency. What is most important, because you can achieve them in entirely different ways?

DR DABOVICH: So from a clinical perspective what we're really trying to achieve is a degree of continuity of care.

COMMISSIONER FITZGERALD: Sure.

DR DABOVICH: And obviously that care is going to be provided by, in the current context, different systems. So where we can reduce the disjointed nature of that care, or at least the care providers which is incumbent with the administration related to the wounds, injuries and illnesses received, the greater continuity the veteran will experience in their transition process.

COMMISSIONER FITZGERALD: So as long as they only have to deal with effectively, apart from Defence which they have to deal with and transition out of, provided they deal with one agency in relation to impairment, incapacity, health, mental health and those sorts of issues, that would meet your criteria?

DR DABOVICH: Look, I think as I mentioned in the written submission we really have to look at this from different levels of care that each individual is exposed to, and in the health care services we look at primary care, which is generally your GPs and - - -

COMMISSIONER FITZGERALD: Sure.

DR DABOVICH: - - -as you know, your expertise, your secondary care and tertiary care which represents specialists. And as I've mentioned there a change in all of these occurs when someone currently discharges from the military on medical grounds and they are required to deal with this sudden abrupt disjuncture in their care precisely at a time when they're least equipped to do so.

So I think what the Commission ought to be looking toward is developing a system of care that is more gradual, and what I've proposed is that an ideal situation would be perhaps that the military be responsible for providing primary healthcare services or garrison healthcare services plus those elements necessary for operations.

When a service member's wound, injury or illness is complex enough to warrant secondary or tertiary care, that should be the point of entry into the DVA system, which should be ideally provided by direct DVA health assets. So the movement between systems becomes a gradual process that occurs when someone is mostly well, not facing a whole life disruption. In that case, what would basically happen, when people discharge the only discontinuation of care or the only change in care that will be needed is that of the primary healthcare provider or GP once provided by garrison and they would need to find a GP in their local community.

COMMISSIONER FITZGERALD: Sure.

DR DABOVICH: Which brings us to the point of how to find that GP with the cultural competence veterans so need and deserve but also who are across and accepting of the DVA healthcare payments and systems.

COMMISSIONER FITZGERALD: So one of the issues we've been struggling with in the health area is that whilst everyone is rightfully paying attention to cards that's only a funding mechanism. The issue for us is how active should government, DVA or whoever it is, be in commissioning of specific health and mental health services. So clearly they have a role in rehabilitation services for a period of time, as does Defence. But what we are concerned about is we've got these funding mechanisms but their funding is only part of the story. I know it's the most important part in the veteran space, but actually it's the service system that's the most important part if you actually want to get well or remain supported. So we're approaching it from a much more traditional position. So I'm just wondering whether you have a comment about the services that should or are available, physical and/or mental health, and to what extent government should be more proactive if you think that's the case in the commissioning of services.

DR DABOVICH: Look, we have looked back to the, I think, the mid-1990s when - or prior to that time every State had direct DVA assets which veterans could choose to utilise. When those direct health assets by way of the DVA or hospitals were abolished the White and Gold Card were introduced. And this, I think, was the beginning of what really we see now as this open-ended funding unmonitored expenditure for veteran health, because at that point in time DVA, although we can trace where the money is being spent, we don't have any forms of clinical governance to understand if the services that veterans are receiving are actually helping as has been discussed earlier today. And this is - and as I said in my report, this is striking because of the amount of money we do spend on veteran health services, but also particularly from a mental health perspective the lack of responsiveness that veterans experience in relation

to the therapeutic modalities delivered to them, which has been said that 60 to 75 per cent of veterans, even who are on medication, still remain symptomatic of a lot of their mental health disorders despite this very high expenditure rate and unmonitored expenditure rate which is ultimately carried by the tax payer.

COMMISSIONER FITZGERALD: So you'd agree that it's unusual for a government agency or a government instrumentality to in fact provide funding for services without any capacity to monitor the outcomes of those services in relation to the population group. So whilst, as you rightfully say, they can tell you where the money is being spent, we have no evidence of whether it works or not in terms of enhancing wellbeing. That is unusual.

DR DABOVICH: That is 100 per cent correct, and - - -

COMMISSIONER FITZGERALD: Yes, sorry.

DR DABOVICH: Yes. I - - -

COMMISSIONER FITZGERALD: And it would be true that in workers' compensation schemes there'd be almost no scheme in Australia that would in fact operate on that basis.

DR DABOVICH: Absolutely. And this stems back to a point that was made earlier, in the military the military are not ultimately responsible for the fiscal or the humanitarian outcomes of their people, because that falls to DVA.

When our veterans are transferred to the care of DVA they also have no accountability because it's an open ended resourcing to which they are not motivated to monitor, and I think, you know, I am not one to suggest that our spending on veterans' health ought to be capped, but we need to do it more responsibly, and, Commissioner, you mentioned earlier about closing a loop, and this is what clinical governance is about.

COMMISSIONER SPENCER: No, look, thanks for that. Let me just go to the issues of the GPs because, I mean, as you say, that's at the heart of primary healthcare. So if I just mention your comments because - and I think DVA is actually doing some work to how can we better inform GPs about the specific needs of veterans. But in my experience in primary healthcare GPs just have every possible issue, cohort coming at them the whole time. They're within a system of kind of 15 minutes, that's how they get remunerated and all the bulk billing issues and co-payments are

not allowed, so, you know, that plays out in ways that can be to the disadvantage.

So, look, I think having the GP as a focal point for a discharging veteran is key. How can it be done better though? How do we get the medical fraternity to sort of engage better with this as the key point. And, as you would know, there's this notion of a healthcare home model, patient centred medical homes around the GP, and DVA is actually by trial trying to sort of, you know, bring that to light as well, so what are your thoughts about how we do that better?

DR DABOVICH: So once again we have to look back toward - sorry, back before Gold and White Cards were issued, and not only did every State have DVA hospitals as a part of the veteran care process, DVA had also had direct health assets in terms of GPs. So we had embedded in our culture a number of primary healthcare physicians who were educated in and also represented a degree of health advocacy for our veterans.

So I think there are a couple of issues here: the first is not only educating GPs, and it's not only finding the GPs that have the willingness to see veterans at a reduced rate, it is about creating a network of GPs who collectively can act as a voice for veterans in the medical fraternity and that is a voice which has been severely lacking since the abolition of the DVA direct health assets.

So to make that system better I think there are a few things that need to occur. First and foremost we need to appeal to the general practitioners who have a genuine vocational interest in caring for our veterans. For example, there are going to be a lot of GPs out there who have service themselves, a service history themselves. There are going to be many GPs out there who have a family member who is a serving member, so that's where we start. A lot of GPs will tell you that trying to pull, I guess, GPs into this area is going to be impossible, because, you know, financially it's not working, but I think we can appeal to the higher nature of man and definitely find those GPs who have that vocational calling.

When we do find those GPs we need to give them incentive to receive training in what it means to be a veteran and how that impacts veteran health and veteran mental health, specifically and distinctly separate and differently to a lot of the civilian clients they may have, and that could perhaps go towards their annual professional education requirements.

The problem with that is that since the DVA has lost its health assets the tertiary education sector or colleges, which would provide such education, no longer are equipped with a theoretical foundation or professional

expertise that could put a course like that together, so there is this real disillusioned and dilutement of the healthcare sector's understanding of how service impacts an individual.

COMMISSIONER SPENCER: So can I just go with that theme a little bit, because, you know, what you're describing is a very sort of proactive stance rather than just simply outsourcing things. So we did an inquiry into human services last year and we concentrated on this issue of government stewardship programs, and we were very clear about the government needs to be thinking about what service does it need, who can provide that, what will the outcomes be that are expected and how will you evaluate that. So there's a discipline around that rather than handing it to a professional body and say, "You take care of it".

DR DABOVICH: Correct.

COMMISSIONER SPENCER: So let me go back to our recommendation under Veterans' Service Commission, because I think I heard you saying, not sure about that model or don't like that model. But in our mind that model would be an absolute - and we need to say more about this, if that's going to be part of the final recommendation. What's the capability you would have within there? Now, it's a Veterans' Services Commission, so the kind of competence, capability and experience would need to be absolutely at the centre of a body like that to be exercising what I would describe as stewardship or being proactive about what are you going to provide through your terms, your own assets, or what are you going to outsource, but who do you outsource to, and how do you know what is being achieved? So does that - if you've got a - and I describe that as a fit for purpose model around - I think some of the issues you're talking about, you seemed to suggest earlier that you weren't seeing that. Have we got a disconnect here, or is there a problem there?

DR DABOVICH: Yes, I think we do, and I think one of the major concerns with the model that's being proposed is the Board or the Commission has been part-time civilians, and that was made quite clear in the report, that these were civilians primarily with maybe some familiarity with military service, and I think that's a large mistake, and frankly I think it turned both myself and many other people who approached this report - - -

COMMISSIONER SPENCER: So if that was reconfigured what would that look like, if you were reconfiguring the governance of that body?

DR DABOVICH: I would have to consider that in more depth, I think, to give you an accurate answer on that.

COMMISSIONER SPENCER: Sure, okay. Yes, sure.

DR DABOVICH: But that's a very big question.

COMMISSIONER SPENCER: Okay.

DR DABOVICH: And certainly something which may be achievable but I can just tell you from a personal perspective and certainly from the perspective of many of my colleagues to have a commission that is looking out and caring for veterans that is primarily made of civilians is a disjuncture where we will have problems moving forward if you did persist with that model.

COMMISSIONER SPENCER: Okay. Right. Thanks. Robert?

COMMISSIONER FITZGERALD: Yes. Can I make one comment about that? Our report also says that it should have veterans on it, so that was clear also, so that's the first thing. It didn't say it should have military personnel who are currently serving, and in fact I don't think that is necessary given the disjuncture between Defence, so we always anticipated there would be veterans. But nevertheless you do need to have people that have skills and expertise in running schemes and systems and all services, and one of the problems in the veteran space is it's often missing those people, so it's got the voice of veterans at large which is perfectly fine, but what we've discovered is that there is not a lot of expertise coming in from other areas including health. So the question is a balance. You can't have committees of 30 people and if you're going to have a board of directors it's going to be a small number. But that's an issue currently in DVA. I mean, DVA has that same problem, where are the voices of the experts in schemes, in healthcare in mental healthcare, in all sorts of stuff, so that's a broader issue, I think, from our point of view.

DR DABOVICH: And can I just make a comment on that? I think what you are articulating is precisely the point. We have a DVA which is essentially a bureaucracy, and it's almost devoid of: (a) direct healthcare assets; and (b) expertise. It is being run as a bureaucracy as a financial backer to a whole bunch of health providers who ultimately, I don't want to sound disparaging, but I might just reverse a little bit there, but who don't have an intimate understanding of the needs of veterans. And this also points to the issue that I mentioned before around the memorialisation, I suspect that is being run as a bureaucracy as well without the appropriate expertise and rank.

COMMISSIONER FITZGERALD: Sure.

DR DABOVICH: And if you just let me finish, I think what the issue is here we don't need to dismantle DVA to bring that healthcare expertise in, we need to restructure DVA to be guided by, first and foremost, by the very experts in the field of veteran and military health as opposed to a bureaucracy.

COMMISSIONER FITZGERALD: Well, I think we agree in principle. I'm not quite sure we agree as to the structure, but bringing the right expertise, both veteran and other, is critical, and there is a problem in the current system.

DR DABOVICH: Yes, and I'll just give you an example as well. Psychology, for example, provides an excellent mechanism for people to work through and recover from mental health issues, but psychology is a very narrow and specific field of mental health. In the military, for example, most of the psychologists are trained in occupational psychology and we do have also clinical psychologists as well. In the military we have one, in the whole of the Defence Force, psychiatrist, and we have no mental health nurses, at least in the army. And these are whole professional bodies which are critical to the mental health and wellbeing of civilians who have not been exposed to trauma or work in a trauma mediated culture, and that's a significant oversight. I think another issue is that in DVA there are a lot of excellent and well-meaning clinicians with a psychological background but, once again, that's a very small part of mental health and the expertise that may also be found in mental health nurses and also in psychiatrists are almost devoid, let alone general practice. So there is this breadth of understanding around health and mental health which is absent in the current construct within the military and after service.

COMMISSIONER FITZGERALD: Can I just ask one last question. You have referred to the Canadian Armed Forces' approach to transition and rehabilitation, and we have heard of that and we're looking at that. What's the standout feature or features of the Canadian approach that appeals to you?

DR DABOVICH: Look I think their approach is exactly what you're driving at in this report. The problem with transition is no one takes responsibility. Defence think it's DVA's responsibility, DVA think it's Defence's responsibility and, as has been pointed out earlier today, no one is actually doing anything. It is still a mishmash of different approaches in different regions but no one really taking that firm stance. In the Canadian Armed Forces they have invested a considerable amount of resources, particularly led by medical men and women, to take

responsibility for how their service personnel are transitioned from the military. I am specifically working with them in relation to transitioning of their wounded, injured and ill members, which is very relevant to this Commission, and we are in the early phases of development of a program and potential measures that look at not only symptoms of mental illness but also wellness, and that's a critical absence that we have in the current measures as well. So I wish I could say, you know, the more specific detail what their strength is but the point is at the moment they are doing something and they are taking the issue seriously.

COMMISSIONER FITZGERALD: You are right, we have looked at that and we believe we're heading in the same direction, and part of it is getting ownership so that they and structures and systems, matter. It's a very difficult area for people to get their heads around but structures actually matter, and so I'm curious about that.

Just my very last comment. Of your own background. You are on the South Australian Veterans' Health Advisory Council and we've met with various people in South Australia recently. The role of states in all of this, state governments, ultimately they are the service providers and in South Australia you have a dedicated official, you know, in relation to veterans' affairs and some of the other states have the same. Is there any learnings or lessons for us that we should reflect on in relation to state governments?

DR DABOVICH: Look, if the Commission were to not recommend that DVA have their own health asset, which would be my preference is that we did, but if we didn't, I think a lot of the responsibility would have to fall to the states to provide those services. But the only problem I think working with state governments is they do tend to neglect the very real and very important role of private health providers. It is difficult to maintain and sustain dialogue with state government health systems in terms of them really understanding the full breadth and depth of services that could be available to veterans. Once again, if direct DVA health assets weren't available I think the governments of the states need to take responsibility but that would need an almost an oversight mechanism involved as well to ensure that the services of private health facilities, who once again are equally important in the care of veterans, be considered in the total model.

COMMISSIONER FITZGERALD: Can I go back one point. It is unlikely that the government is of a mind to have veteran-specific medical assets, to use that word. Although it's interesting to me that in the redevelopment of Concord Hospital there is a special new holistic veterans - I think military and veterans' health centre going to be established. But

putting that aside, where there does seem to be an appetite, and we've identified, is in the mental health space. I just want to put this proposition to you and then we'll finish. Most people are saying to us in the medical space it's not too bad. People, provided they get funding and DVA pays the right price for the service, they can navigate the medical system. But it's when you get to the mental health system that gaps and difficulties really emerge. Would that be a fair statement or do you think that's a different position?

DR DABOVICH: I think it's a very fair statement, m'hmm.

COMMISSIONER FITZGERALD: Okay. Good, thank you very much. Thanks very much Paula, that's great.

COMMISSIONER SPENCER: Yes, thanks Paula. Thank you.

COMMISSIONER FITZGERALD: Could we have Mr John George please. Good, thanks John. If you could give your full name and if you represent an organisation, the organisation's name.

MR GEORGE: My name is John George, Alexander John George. I don't represent an organisation, I'm a member of a number of ESOs but I'm here in my own right.

COMMISSIONER FITZGERALD: Good. And if you could just give us a ten minute appraisal or precise of your main points.

MR GEORGE: Just quickly to indicate my qualifications to be here as an individual. I joined the Army as a young Army apprentice at the age of 15 and left as a lieutenant colonel 24 years later. I was an infantry officer for 20 years and I saw operational service in Papua New Guinea during the Indonesian confrontation in 1965 and service in Vietnam as an infantry platoon commander in 1967/68. I have been on the wrong end of the two-way firing range on numerous occasions and thankfully God and luck were with me, unlike some of my colleagues. I have led and commanded soldiers at platoon, company and regimental level. I am involved with a number of ESOs. I am a member of Legacy and take an active part in that. I have also in my civilian capacity for 35 years employed hundreds of soldiers, veterans, with the return service both in Australia and abroad.

Firstly, if I could give my impression of the draft report. The Commission's draft report I think was needed, in fact well overdue, but in my opinion it was disappointing. With respect, I feel it somewhat simplistic in the way it addresses veterans' issues. If I might say so, the

report to me anyway lacked empathy, especially in respect to those who have served on active service. Right or wrong I formed the impression that the veteran was coincidental in this whole thing and what mattered most was the bureaucratic process and giving the impression that government was serious in doing something for veterans. I thought the report missed the point in several areas, especially when it came to understand the realities of war and warlike service. There appeared an attempt to put the service, be it in peace or war, all under the one umbrella. I think this is a failing. There seemed to have been little dialogue with veterans at the grass roots, particularly those outside the current contemporary veteran paradigm. I don't think the report gave adequate recognition of war and warlike service and I'm suspicious that the report is more focused on cost saving than anything else. One thing good about the report is I think it has galvanised veterans and I think you would have seen a lot of veterans come before the Commission now to express their concerns about a number of issues.

The first point that really disturbed me was the definition of "veteran". Not too long ago the government redefined the word "veteran" as we've come to accept it. The intent of this I'm not sure, but it has clouded the entire issue of what it means to fight a war or be deployed on warlike service. The government in its questionable wisdom now defines a veteran as one who has worn a uniform for a day. Previously a veteran, in the wider understanding of it, was one who had served on active service, usually abroad. I can assure the Commission there is a vast difference between war and warlike service and peacetime service. The latter does not include the dangers nor the effects of the former. I am not suggesting that all service men and women should not be recognised for their service, but I am saying very firmly that the word "veteran" must be reserved and applied to those who have served in war or on warlike service.

I can assure the Commission that being shot at by someone who's trying to kill you and you he is not like having a regimental barbecue on a Sunday afternoon. If we leave the definition as it is the value of and depth to the community or that the community owes to those who have endured the unique life changing pressures and dangers of war and warlike service will be lost. I strongly urge the Commission to address this issue with government because if it doesn't it'll be doing those veterans with war or warlike service a grave disservice and also their dependents.

The understanding of war: to me the report shows a lack of appreciation of the difference between war and warlike service and peacetime service. If the report is to be at all meaningful this understanding must be gained. It will not be gained unless you speak to those who have been there and done that.

I note, for example, that the term "injury" has been taken to mean an injury in peace or war regardless with benefits addressed in a similar context. I formed the opinion that subject has been corrected, the peacetime or, if you like, civilian OH&SE standards have been applied to or assumed to have been relevant in war. Let me assure you this must not be allowed be the case.

Unfortunately I think political correctness has overcome the ADF today and leaders talk in civilian terms principally because they've only been involved in limited slow tempo operations abroad. I suspect they have forgotten, indeed if they ever knew, the principles of planning casualties. How many, and how you deal with them. That used to be a logistical calculation required of military planners. When you go into battle you calculate the number of casualties you expect to have.

There is no getting away from the fact that in war when you have two sides trying to shoot each other there are going to be casualties on both sides. Some of these will be accidental that - - -

(Audio malfunction.)

- - -large scale war, even by Vietnam standards, whether that will occur. Our politicians and our bureaucrats in the main have no idea what war is. They may drop in to visit troops in the theatre of war or warlike operations but their exposure is really negligible. Having a prepared lunch in a secured area is a little different from eating rations pack with the enemy just around the corner. I can assure you that the Prime Minister and a cast of thousands won't be attending every military funeral if we have a large scale operation as they have been doing in the last couple of years.

We need to be mindful that on the battlefield, if I could call it that today, the environmental conditions are these: excitement, someone is trying to kill you; the tempo, the stress, the fear and the anger, the concern for mates, you stick your neck out because you hope that you can save your mate. That's how Victoria Crosses are won. You don't complain. You suffer the pain and the injuries for fear you will let your mates down. Injuries are often more than can be see with the naked eye on the spot.

There's an ever present concern for family and dependents in particular. Now, what I'm saying here is the realities of war need to be better understood and considered. There is a danger in being captivated by the

low tempo operations of what we call involves - what we call a contemporary veterans.

The definition of injury: I've already mentioned there is a difference between being injured in war than there is in suffering an injury in peacetime. While the nature of the injury may be similar the circumstances in which those injuries are sustained will usually be entirely different. It is unfortunate that we have allowed the term "injury" to mean all things. We seemed to have perhaps conveniently forgotten the term "wounded". There is a difference.

When a solder is wounded that usually means the enemy has laid one on him either directly or indirectly. Either way the circumstances are usually horrific and the wound more often is deeper and more complex than that which you will physically witness at the time. Remember a soldier is wounded as a consequence of some other so and so trying to kill him. So there is much more to it; fear, uncertainty, disappointment. There is usually a psychological flow on effect which may not be evident at the time of the incident. While some of these things may result in a peacetime accident, their severity will, I believe, be much less. I know of many veterans who have not felt the effects of their wounding or their injuries till 20 or 30 years after the event.

So what we need to do here is clearly differentiate between war and warlike injuries and those incurred in peacetime. The term "wounded in action" needs to find its way back into the report. Treatment programs will likely be very different and even more complex in the case of injuries sustained in war or on warlike service.

The Gold Card: the report appeared to attack the Gold Card with inference that it was to be removed as a benefit to those presently entitled to it. There was even comment made that at least one ESO, or by at least one ESO, that some recipients saw the award of a Gold Card as a prize. I find this insulting at best. It has been inferred that instead of a Gold Card that covers all medical matters, both physical and mental, that veterans only receive treatment for those injuries that are recognised by the authority, currently DVA. This is a simplistic and unfair approach. It shows a complete lack of understanding of the effects of war on the human body, again, both physically and mentally.

As I said earlier the full effects of injuries sustained in war are often not fully realised until many years after the event. Let us not forget that the nation is indebted to all those who serve in war or on warlike service. The Gold Card is no prize. It is a form of recognition that a veteran has given

his body and mind to the defence of the nation and has suffered physically and mentally as a consequence.

In my view, every individual who serves in war or on warlike service should receive a Gold Card immediately they are discharged from the service. Veterans should not have to wait till they are 70 to get the card unless of course they're a TPI. This, in my opinion, is a very small price to pay. Let's face it; we now have the NDIS, what is supposed to care for disabled civilians and others. Surely we can recognise those with war and warlike service the deserving standard at least equal to and probably more than those.

It is reasonable that all widows and widowers of veterans receive the Gold Card on the death of their spouse. Remember that they too have suffered the injuries that their partners have suffered. At the moment the Gold Card is only available to those whose partners - it can be proven their partners died of war related injuries.

Compensation for injuries: in recent years injury compensation become more complex but I must say in certain circumstances it appears to have improved. But I'd like to make a few points which I believe are pertinent and warrant further consideration.

COMMISSIONER FITZGERALD: Just briefly. We've only got a couple of minutes and then we'll have a conversation.

MR GEORGE: Well, perhaps then I'll skip over these things. Let me then just talk about the future of DVA. The - - -

COMMISSIONER FITZGERALD: Well, perhaps you - - -

MR GEORGE: Sorry?

COMMISSIONER FITZGERALD: No, that's fine.

MR GEORGE: The report alludes to the fact that we should transfer the responsibilities of DVA in the most part to Defence. I think that's a conflict of interest for Defence. Defence is there to prepare for and fight wars, not to fix people up after war. DVA has been around a long time, and it does, in my view, an outstanding job. And I think most veterans would agree with that, certainly older veterans.

There are veterans who are critical of DVA but I suspect that many of those are people who think the world owes them a living as a result of their war service or their military service and they unfairly cast aspersions

upon DVA. In my view, DVA must remain. If I'm running out of time I'll leave it at that, but it's - - -

COMMISSIONER FITZGERALD: Thank you very much.

MR GEORGE: I would've preferred more time.

COMMISSIONER FITZGERALD: No, no, that's terrific. Thank you very much. Can I just go back to this issue which you've been very strong with in relation to the war and warlike and non-warlike, you know, the peacetime. We understand what you're saying, but how do you think it should be recognised? So the modern soldier today gets recognised through particular deployment allowances for deployment and that's appropriate, and in a way that wasn't so in earlier times. Now, the generosity or otherwise of that people can argue. So if we've got a person that's been trained in one of the Darwin barracks, like Robinson, and gets injured parachuting or whatever it might be, how should he be treated differently from those that parachute into a war zone?

MR GEORGE: Well, I just went through it.

COMMISSIONER FITZGERALD: What is it practically that you think should be the difference?

MR GEORGE: Well, I just went - - -

COMMISSIONER FITZGERALD: Because I have to say, can I just contextualise this, we understand that warlike circumstances are entirely different from peacetime, understand that. I've not been there, but I understand that. We recognise that people that have been in war and warlike circumstances should be recognised, absolutely. When you come to the compensation scheme it's really about how that should actually play out in compensation, so what is the difference? Because younger veterans are saying to us, "No, no, if I'm injured parachuting in Darwin, if I'm injured parachuting in Afghanistan, in terms of compensation and other payments it should be the same. It's not about recognition, that's a different issue. So what's the difference you'd like to see?

MR GEORGE: Well, firstly I'd say to the young veteran who thinks that being injured in peacetime is like being wounded in a war environment it's that he's probably not been there at the receiving end. People get injured in peacetime as they do in any job. You can apply the best of OH&SE standards but people still get injured for whatever reason.

COMMISSIONER FITZGERALD: Sure.

MR GEORGE: And there's no question that the employer, in this case Defence, has a responsibility to look after those people by way of compensation or rehabilitation, whatever.

COMMISSIONER FITZGERALD: Sure.

MR GEORGE: War service is a totally different thing, as I've gone through the list of points. Some bugger is trying to kill you.

COMMISSIONER FITZGERALD: Sure. I understand that.

MR GEORGE: That's the first thing. So, you know, the heat is on and you can't apply the same OH&SE standards in a theatre of war that you can apply in a peacetime.

COMMISSIONER FITZGERALD: Correct.

MR GEORGE: So the cause of the injury is totally different to the cause of injury in peace.

COMMISSIONER FITZGERALD: Sure.

MR GEORGE: So I'm not saying we shouldn't look after the person in peacetime. We must. It's a legal responsibility. But our person in war deserves a far greater understanding as to the circumstances and therefore the level of care can be the same, but we need to be much more conscious of it.

COMMISSIONER FITZGERALD: So, we agree but in terms of transitioning it's similar. In terms of providing mental health services we have to have a full range. In terms of health services, all those things are moderated according to the needs of the individual and people that are being traumatised in war are likely to suffer high levels of mental health and that should be accommodated, but could I just be a bit practical, John, what is it that you actually think should be different in the actual payment system, because that's where it's at. I mean, really despite what people say about our report, it does try to recognise that. The question is how does it recognise that? So what is it that should be different between those two characters? Is it the level of payment of impairment or incapacity? Is it just the Gold Card? Is this all about the Gold Card? What is it?

MR GEORGE: Well, let's just - - -

COMMISSIONER FITZGERALD: What is it? I just need from you a practical demonstration if you can, and you may not be able to do this, and that's perfectly fine. What is the difference you actually think in terms of a compensation scheme? What's the difference?

MR GEORGE: Let me say that the TPI for example, now when the TPI was brought in after World War I some years after, totally and permanently incapacitated. It had a certain level of purchasing power. It is my understanding, and I stand to be corrected on the quantum but that is now only 40 per cent of what it was back then. Now, what that tells me is that government along the way have tended to step aside from their responsibilities to take care of the veteran who no longer has earning capacity. All right.

So we need to remember too that the government put the soldiers, the sailors and the airmen into that situation where the chances of being killed or wounded are much greater than in the peacetime environment. Now, I don't care if the people who have been injured in peacetime, I don't care if they get as much as what the fellow that's been on war service gets by way of compensation. What I am concerned is that we don't reduce the effort and the recognition that we give to veterans.

COMMISSIONER FITZGERALD: So, really that's the point that I got to. Because one of the things, we've kept VEA largely with very few modifications to it. We're trying to bring MRCA and DRCA together which you know MRCA was introduced by the government in 2004 with a recognition of emerging needs for veterans. The question for us is what's the rate, or what's the rate we pay for in MRCA/DRCA. It might be low, middle or high. In other words it might be the same as somebody that's injured in warlike - your last proposition.

I want to be very clear, you're not opposed to that. If they came up to the same level by and large you wouldn't be opposed to that?

MR GEORGE: No, I wouldn't. But my distrust is that we will push the veteran, we will drag the veteran back.

COMMISSIONER FITZGERALD: Sure.

MR GEORGE: And wind up treating him just like any other person out in the community, so the lowest common denominator will win, and the veteran will be disadvantaged. That's my concern.

COMMISSIONER FITZGERALD: So that's of course why precisely we kept VEA. Previous inquiries have said VEA should disappear as you

know, so we, unlike what everybody thought we'd do, decided to keep it. So actually we went a long way down your path I have to say. I know that's not recognised, but VEA has those quintessential features that you're referring to and remain. Is there anything else but against the difference? Is it around - just put the Gold Card on the table. I hear your advocacy for it and we have a different view about some aspects of it. We certainly have not recommended that people that currently have got a Gold Card would lose it. That's never been our proposal, never, and it's not in our report. But can I just ask this issue, fundamentally you see the Gold Card as a very important recognition of that service in what's called qualifying services or warlike services?

MR GEORGE: It's recognition but it's also - it shows an understanding that veterans have injuries, as I said, that go beyond the injuries that you actually see.

COMMISSIONER FITZGERALD: Sure.

MR GEORGE: And there are other parts of the body that, and I'm not a doctor, but there are other parts of the body - - -

COMMISSIONER FITZGERALD: Sure.

MR GEORGE: - - -and I know from experience that break down probably quicker than if you didn't have that war service.

COMMISSIONER FITZGERALD: Sure.

MR GEORGE: Because war does funny things to you, your mind and your body, and the Gold Card safeguards against those injuries coming to light, and having to be dealt with. If the Gold Card wasn't there - look, it's a battle now for some veterans to get their injuries or their wounds or whatever recognised by DVA, and I'm not criticising DVA for that. I think they go through a fairly exhaustive process, and of course there are shonks in any world, but it would be much harder and it'd make it much harder on the veteran if he couldn't get those things that come to light later in life dealt with at no cost.

COMMISSIONER SPENCER: John, you've got very clear views about the definition of veteran, and as you know, we're operating with the government's definition, so how would you deal with that in terms of - because there are two issues: one seems to be a very emotive view around what "veterans" means, which, you know, very legitimately. Secondly, is the consequences which flow from that. So when you say the definition

of "veteran", you disagree with it at the moment. What do you think should happen?

MR GEORGE: Firstly, there's the - I guess it's the - there's an emotive factor about it that people who actually go to war or serve a warlike service and that includes like fighting a terrorist operation here in Australia, that that needs to be set apart out of respect for the individuals who participate in those actions. And it is, it's vastly different to serving in a uniform. I mean, I've seen some of the biggest clowns on two legs wear a uniform, but I've also seen the people who actually go to war and perform in war and warlike operations. It's a totally different environment, and it's hard to imagine I guess unless you've been there, but it needs to be recognised and I think veterans expect to be given recognition for that. We give them a return from active service badge, but: (1) it's too big, but (2) people don't like to go around bragging about it. They just like to receive the recognition that they've been there and gone that extra mile for the nation, and the mere fact that we now blur the line and say, "Well, you wore the uniform, that's exactly the same as going off to a war or serving on warlike service", and I just think that's on the nose.

COMMISSIONER SPENCER: Okay.

MR GEORGE: And I think you'll find that's pretty common amongst the veteran community.

COMMISSIONER SPENCER: Yes. So, John, let me bring you back to this notion of, you know, we've been discussing this idea an injury is an injury and, you know, you've expressed your strong views on that. I think one of the things that we're trying to grapple with here is whatever the injury is, and the injuries are vastly different, physical and psychological, they can be more profound, as you've said, through what happens during combat. How do we have a system that responds to the needs of a particular individual through their life course? And you've made the point which is absolutely right that many injuries particularly psychological won't manifest themselves until later in life, and unpredictably. But we're trying to look at how do you - and the previous discussion we've had with Paula goes to this point, how do we have structures which support a system that can respond to the different needs and the varying needs of veterans through their life course?

So some of our comments around cards, we hear the strong objections and the interpretation of what that is about, but our view is trying to actually get the right service to the right veteran at the right time to get the right result. And sometimes frankly cards can be a bit of a blunt instrument.

You can have a card but you can't find the service or get the service. You'll be familiar with the issues about some specialists in particular who won't, you know, respond to a Gold Card and others.

So that's what we're grappling with which we think is a laudable goal, so I just want to be clear about that, because we think that's what we're trying to get to in a system if it's going to be, you know, the right sort of system into the future.

MR GEORGE: I go back to DVA. DVA can only operate effectively within the bounds of their financial and other support, their resources. Right now I believe they're under-resourced, and I'm not talking a quantum of money but the actual structure and the resourcing. There's been talk of having regional hubs for example for DVA, but manned by volunteers. I think there is a need to DVA to spread its wings so that they are more accessible and regional hubs makes a lot of sense, but if they're established they have to be manned by DVA. They have to be managed by DVA with the support of volunteers. Volunteers can certainly be an adjunct but they mustn't run the hub, they mustn't be responsible for it, because they're not equipped to do it.

So DVA has got to be more than - at the moment it's just hard to access it. If you know your way around you probably can but it's still very, very difficult and it has to be more in the face of the veterans. So, yes, the Gold Card for the treatment but the provision of advice and support still has to come from DVA and that might mean it's going to be a much expensive exercise but it's a small debt for the nation to pay at the end of the day. How we get politicians to recognise that, I don't know. I don't have a lot of faith in politicians. Most of us probably don't. That's as I see it.

COMMISSIONER SPENCER: Well, I think it's - was it Winston Churchill that said there are many problems with parliamentary democracy but it's better than the rest so - - -

MR GEORGE: Absolutely.

COMMISSIONER SPENCER: - - -we all have views about that. Look, just one further question, you've referenced NDIS and so I think there's an issue here which I'd welcome your views on. NDIS was about saying that there's a group of people in Australia who have permanent and significant disabilities and the nation should respond to that.

MR GEORGE: Yes.

COMMISSIONER SPENCER: So that's roughly about 475,000 people. It then says if you get an assessment around what your needs are and a package will be allocated to you and within that package you have choice and you have control about what services you get, so this is their consumer directed care model that's referred to. We've heard some commentary earlier this morning about how that gives more agency responsibility to the veteran to determine what their care needs are and how that's best met.

And so once again that's an example. It's not to say take veterans and put them into the NDIS scheme, but how do you take some of the thinking there, which is proving to be very successful in terms of rehabilitation and continuing health needs, and bring some of that into the veteran space. So that notion of having, for the veteran, being able to get some more choice and control over how their needs are best met, do you have any views on that?

MR GEORGE: I think, again, most of the people covered by the NDIS the government had no role in causing those disabilities. With a veteran who served on a war or warlike service and been injured or wounded in that environment the government has. The government sent them there. We the people sent them there, so we the people have that added responsibility to make good for that.

COMMISSIONER SPENCER: Yes, but the NDIS is just not about compensation. Quite rightly you say, no, no, the government is not responsible. It is about their continuing health needs, both psychological and physical and a way of actually trying to give to the individual what best meets their needs. So - - -

MR GEORGE: Well, that's what I'm talking about with veterans too.

COMMISSIONER SPENCER: Yes.

MR GEORGE: I think that's more important than the actual compensation, and if I could say one point on the compensation, and one of the issues that concerns myself and others in the ESO space is the lump sums that are paid out to soldiers, sailors and airmen these days, and we've got one example in my local area, for example, where there's a payment of several hundred thousand dollars to this young fellow who's still alive, and he and the now estranged partner went on a round the world trip and blew all that, and there's a dependent or two around the family as well. The husband has fled the coop and there's no money. So it's then up to the ESOs, people like, you know, Legacy for example to support the family, and they've blown that 300,000, and it's one of the points I wanted to

make is that I think with - lump sum payments need to be looked at, because there's two parties or three parties to this; there's the veteran, who has been injured, and hence the payment is due. But then there's the families who are dependent on him, and there needs to be some provision to care for the family in the longer term, not just the veteran, because the family is equally, sometimes more so, affected by the injuries to the veteran.

COMMISSIONER FITZGERALD: Well, I mean, it's a challenge, and those that have heard us before it's right at the moment our proposal is that VEA stays which is a periodic or pension payment and MRCA and DRCA you would have the option of either a periodic payment or a lump sum. The issue here is, and it's a very serious issue, is in all other parts of compensation both in terms of common law damages and workers' comp, people are offered the lump sum, and the question is whether you take that away, that right, or not, and it's a very a difficult one.

There's a portion of all people that receive lump sums, not just veterans, don't use that wisely. Now, that's true. That's right across Australia. The bigger question is whether or not government should say, "Well, we're just not going to give it to you", and that's a big question. So we're looking at that. We understand the downsides but it's a very important issue, and I've confronted it in many different other, you know, areas of compensation, so it's a different one.

Can I just go back one step, but to your comment about hubs. You will be aware that a number of ESOs are promoting veterans hubs.

MR GEORGE: Yes.

COMMISSIONER FITZGERALD: The model that is largely being put by the veteran community is an ESO or a consortium of ESOs would own the hub. It would have a range of functions. Advocates might be part of that hub and then we're looking at whether or not DVA would fund other services in that hub. So all the models we've seen so far from across Australia have the ESOs running, owning, operating the hub, but with DVA providing some funded services. Do you have a different view about it?

MR GEORGE: The problem I see with that model is that the quality of output from that hub will be dependent upon the quality of the people in the ESOs, and that fluctuates, and it will fluctuate year from year as appointments change and people's enthusiasm wains and flows, whatever.

COMMISSIONER FITZGERALD: Sure.

MR GEORGE: I think it's got to be - to maintain a consistently high quality it needs to be managed by DVA, and I think it's a DVA responsibility. It shouldn't be up to volunteers. Volunteers are great, and I'm one myself, but, you know, we're not the experts, and the experts are in DVA or people hired by DVA.

COMMISSIONER FITZGERALD: Got anything?

COMMISSIONER SPENCER: No, that's good.

COMMISSIONER FITZGERALD: Any final comment?

MR GEORGE: No, other than to go back to this definition of veteran, and I know what the government has done, but we've got to clout the government, and says, "Listen, this is not good enough, go back to your thinking board".

COMMISSIONER FITZGERALD: Well, we are required to use the government's definition.

MR GEORGE: I understand that.

COMMISSIONER FITZGERALD: But where the rubber hits the road is actually not so much about the title but about what we've been talking about; what payment goes to what group and what recognition goes to what group. Yes, but we're not changing the titles generally.

MR GEORGE: No, just that as we know the government goes off on a tangent as it did yesterday with the (indistinct) and had to change pace pretty quickly.

COMMISSIONER FITZGERALD: Anyway I'm sure the veterans community will continue to say that.

MR GEORGE: So much for our politicians. Thank you very much.

COMMISSIONER FITZGERALD: All right. We will now take a break and we have to be back here at 1.40 precisely, 1.40. Thank you.

LUNCHEON ADJOURNMENT **[12.48 pm]**

RESUMED **[1.38 pm]**

COMMISSIONER FITZGERALD: Okay. We might get under way. Thank you very much. So Meg and Jennifer, if you could give your full names and the organisations you represent.

MS GREEN: Margaret Ann Green, national president, War Widows' Guild of Australia.

MS COLLINS: Jennifer Collins, deputy chair, New South Wales War Widows' Guild.

COMMISSIONER FITZGERALD: Good. Well, you know the routine, so if you can give us 10 minutes of presentation in relation to the key aspects of your submission that'd be great.

MS GREEN: Thank you. We'd like to thank you for the opportunity to present the War Widows' Guild of Australia's view on the Productivity Commission's draft report, a better way to support veterans.

Just by way of explanation a little history of the Ward Widows' Guild. It had its beginnings in Melbourne at the Melbourne Town Hall in November of 1945, some 73 years ago. Three hundred women attended the meeting, and the meeting was called by Jessie Vasey, who was the widow of Major General George Vasey. He had been killed returning to New Guinea in May of 1945. Mrs Vasey had been assisting widows and families of servicemen and so was very aware of the issues that women faced during that time.

The Guild united women who were affected by defence service into a major lobbying body. Jessie was a strongly opinionated well-connected, well-educated woman and would've been considered ahead of her time in those days. She was the catalyst for the establishment of the War Widows' Guild across all States and Territories in Australia. Jessie and her team of two drove around Australia and within two years a guild had been set up in every State.

Jessie was passionate about supporting women and their families who were forced to live below the poverty line in most cases with limited access to funds and a limited knowledge of how to access the systems. Many women after World War II suffered poor health and lived in poor living conditions and died of tuberculosis due to those conditions.

By 1966 at the time of Jessie's death the Guild had grown into an influential national lobby group and at the height of its tenure had more

than 68,000 members. Of course since 1945 the landscape for women in society has changed. Most women work and there is compulsory superannuation, but women remained the primary care givers within society and continued to be disadvantaged.

As at 31 June 2018 the Department of Veterans' Affairs recorded 59,001 war widows under the VEA scheme and 121 widows or widowers under the MRCA scheme; 42,400 of those VEA widows receive income support. There are still 155 orphan pensioners under VEA and 125 children under MRCA, and the greatest number of widows under VEA are aged 85 or more, and there are still 55 widows from World War I.

When I joined the Guild 10 years ago there were 108,000 widows or widowers, so we've had a total loss of 49,000 in 10 years. The Guild today continues to support the ideals that led to the establishment of the organisation. It continues to support all women affected by Defence service and the Guild is of the opinion that women are best placed to mentor and provide peer to peer support for other women in similar situations.

We do, however, recognise that the needs of the contemporary widows differ from that of Second World War widows and even Vietnam widows. The War Widows' Guild continues to support the younger contemporary widow. The organisation in New South Wales has appointed a contemporary widow to their board and has also instituted a contemporary widows' forum to address the differing needs and requirements.

The Guild recognises that these widows who fall under the MRCA legislation have different expectations to those widows from an earlier generation. The Guild, particularly in New South Wales, have embraced women affected by Defence service, the mothers of those young men who have been killed or who have transitioned out of Defence for many reasons and those mothers are now the primary care givers for their adult children.

My personal connection to the Guild and the Defence community is that I am the daughter of a Second World War RAAF veteran and a RAAF veteran mother. My husband was a Vietnam veteran who served in 1 field squadron, the Royal Australia Engineers. I have two sons, both of whom have served in the Australian Army. My husband died in 2008 aged 60 years as a result of his service, technically 25 years earlier than he should have if you go by the average male age. I'm also a registered nurse and a registered midwife and I hold a Masters of Nursing. I had worked for 40 plus years in the New South Wales public health system and I resigned in 2007 to be the full-time carer for my husband. I actually completed my

training at the Repatriation General Hospital at Concord in 1973 during a period when servicemen were returning from Vietnam.

After my husband's death I returned to work in the aged care sector, a total of some 50 years of service to the care of others. I believe that my personal and professional involvement in this space enables me to understand on a number of levels the challenges which face these groups. But we would, however, like to say thank you for allowing us to be here today, and our submission does agree with some of your suggestions, but it also disagrees, and I've been tasked to speak to those today.

One of your comments on page 35 was that there is a lack of coordination among ESOs and it may be diluting their effectiveness. The Guild would agree with this statement. ESOs do play an important role in the veteran space, however, the reported 3,500 ESOs who have veterans in the list of people they assist and support is not feasible. One would question how effective this number might be, even amongst the more established ESOs who have existed for many years and are not just online or Facebook ESOs. There is limited but improving collaboration within the more established ESOs.

The War Widows' Guild is a federated model and each State is a member of the national Guild, but each State is autonomous. Over the last two years I have been working to bring together each of the States into a national cohesive group. This has not been without its challenges.

The Minister has challenged all ESOs to speak with one voice. One voice in this community will never be entirely reasonable as some organisations, i.e., RSL and combative organisations do not provide any or very little advocacy for widows and perhaps limited advocacy for families.

With regards to the occupational health and safety every other organisation in this country is expected to monitor occupational health and safety of their members and report incidents and accidents no matter the degree of illness or injury. There is an expectation in other sectors that a staff member would report an injury immediately and would be seen by their GP for treatment and/or referral and the appropriate paperwork completed. Without that level of reporting there is limited compensation. The culture of not supporting the appropriate and timely recording of the incidents and accidents within the Defence should be discouraged.

With transition, draft recommendation 7.2, the Guild believes that a joint transition command should be established within Defence. The Guild also believes that the ADF should be talking to its members about transition from day 1 of enlistment. Members should be encouraged to think beyond

their Defence careers. Both physical and mental health injuries can and do occur at any time during a member's career, and they need to be better informed and aware of the importance of the possible long-term effects of a poor or inadequate transition. Transition needs to be equitable and fair across the entire Defence system, Army, Navy and Air Force, with no distinction of rank in the transition processes. The younger age-group need to be targeted with greater support in an attempt to prevent self-harm.

The Guild agrees that families need to be included in the transition process. Defence should actively support family attendance at transition seminars and any other information sessions available. Currently the transition process in our opinion is not family orientated and the language associated with transition does not include family and this needs to change.

Where there is no spouse or partner and the person documented as next of kin, mother, father, brother, sister, aunt, grandparents should be involved. The Guild believes that the Joint Transition Command should continue to remain in contact with the transitioned member for at least 12 months, and for complex cases this timeline should be extended according to individual needs.

Before a member can be removed from the joint transition command responsibility a senior Defence member should review and clearly document the reasons why. Recognition of prior learning and equivalent civilian qualifications all need to be made available prior to transition and members should not transition without such documentation.

On draft recommendation 7.3, education, we do believe that veterans should be encouraged to undertake further education and that payment of an education allowance should be supported by both Defence and DVA. The Guild also believes that DVA and Defence should make contributions to the education and training of spouses should the member not be able to participate.

We thought the Austudy allowances would provide a starting point for a basic education allowance for both a spouse and partner, or member and the spouse. The Guild believes that it is important that the Department of Veterans' Affairs is adequately funded to support Veterans and families in the most beneficial way possible.

The veteran policy group; we did not agree that a veteran policy group should be created within Defence. We did not feel that Defence had the best interests of transitioned members on its radar, but their responsibility

is to train members to prepare for combat. The Guild does not believe that some, not all, commanding officers have the best interests of the serving members as their core value and therefore transitioned members even less so. There are many examples of this, but on a personal example my son was transferred to Darwin two weeks before his father's death despite the fact that his commanding officer was well aware that his father's death was imminent. The telephone call at 2.15 am to let him know that his father had died was the most difficult phone call I have ever had to make.

The Veterans' Services Commission, recommendation 11.2 and 11.3, the Guild believes that the Department of Veterans' Affairs should remain an independent body and not sit entirely within the Defence portfolio. It does not agree that a veterans' advisory council should be established. As we said in our submissions there is a prime ministerial advisory committee already in existence primarily for mental health, but perhaps there should be an expansion of membership and a rewriting of the terms of reference.

We also did not agree with the suggestion of the removal of automatic eligibility for dependents. The death of any partner is a significant event, and removal of benefits is returning the surviving partner to a potential life of disadvantage similar to what occurred after the Second World War.

We were disappointed, however, that our suggestion of aged care payments by widows was not included in the report, and to explain that, the war widows who live in residential aged care, and as at 31 December there are 11,299 war widows in permanent residential aged care, and they all pay approximately 13,000 more per year in fees, which equates to about 148 million per year, because their war widows' compensation payment is counted as income where for some veterans it is not. But in comparison there are only 4894 veterans in residential aged care. We request your consideration for this matter to be included in your final report.

On behalf of all members of the War Widows' Guild I would like to thank you for the opportunity to present our thoughts on your draft report. We look forward to your final report in June or July, and do hope that it will be favourable to the maintenance of the Department of Veterans' Affairs.

But I would like to make one comment on Paula, I think, who made the comment about standalone healthcare for veterans. As I said, I trained at Concord and it was a standalone hospital for veterans. However, veterans needed to be treated many hours and many miles from home often separated from family and friends, and that sort of environment is not conducive to good mental health and physical recovery. Thirty-two per cent of Australians live outside of major capital cities, so treating veterans

in their own areas I think is absolutely essential, much better for mental and physical wellbeing.

COMMISSIONER FITZGERALD: Good. Thanks very much, Meg. Jennifer?

MS COLLINS: Look, I don't need to add anything. I think Meg has done that quite well, but I'm happy to take any questions.

COMMISSIONER FITZGERALD: Good. Terrific. Can I come back to a couple of matters which you've raised? The first one just in relation to the ESOs, your submission, and we won't go through it in detail, but you've got quite a number of, or three key recommendations in relation to ESOs. Can you just give me - one of those is around the ACNC applying a particular test. One of those is around the DVA.

MS GREEN: Can I just interrupt, I think that's Queensland you're talking about.

COMMISSIONER FITZGERALD: That's Queensland's one.

MS GREEN: She's talking tomorrow at 9 o'clock.

COMMISSIONER FITZGERALD: She's got that one, okay. So you're not recommending those?

MS GREEN: Well, I'm not saying I disagree with that, no. We do think there needs to be more monitoring of those ex-service organisations, and more accountability, and what are their outcomes.

COMMISSIONER FITZGERALD: Okay. No, that's fine. Well, I'll leave that for her tomorrow then. That's all right.

MS GREEN: Natasha.

COMMISSIONER FITZGERALD: Because I was just looking at the top. It had War Widows' Guild of Australia Inc and I thought, "Oh, this is the submission", but it's the other one.

MS GREEN: It's the other one.

COMMISSIONER FITZGERALD: Can I just come back to this, the ESO area that we were referring to, as you say, is a complex and fraught area, it's got lots of players in it, what do you think is the single most important thing the government needs to do in relation to the ESOs?

Where would you start? I mean, just to repeat you've heard us, because you've been to a number of our hearings, that we don't believe governments have a right to control civil society but they do in fact have a right to influence who they listen to and who they fund, and that's the case.

MS GREEN: I think that, well, from my perspective the national bodies we can apply every year for a grant, a maximum of 10,000.

COMMISSIONER FITZGERALD: This is the BEST program or something else?

MS GREEN: No, this is the grant in aid.

COMMISSIONER FITZGERALD: Okay. All right.

MS GREEN: So the BEST program is really more relevant for those who are providing welfare services.

COMMISSIONER FITZGERALD: Yes. Yes.

MS GREEN: And nationally we don't do that. That $10,000 has to be acquitted, as you would expect, but it has been $10,000 for many, many years. And $10,000 in this day and age does not go very far if you're trying to do things with a national organisation.

COMMISSIONER FITZGERALD: Sure.

MS GREEN: So we think it should be funded more appropriately, but you also should have to be accountable for and be able to document clearly what you are achieving.

COMMISSIONER FITZGERALD: Sure.

MS COLLINS: Can I just add to that, I think nationally governments need to listen to a national body, not individual States, so that I think collectively ESOs need to re-organise themselves so that there is a national body who is lobbying or advocating on their behalf.

COMMISSIONER FITZGERALD: So you've heard this morning from at least one organisation and we've heard from others that the development of a peak body of national ESOs has some merit, and governments tend to fund those to some degree or other human service and community services. What's your view about that, the development of a national peak

body? And the second part of that is what do you think the role of ESORT should be if a peak body were to be established?

MS GREEN: The War Widows' Guild does belong to ADSO which is - - -

COMMISSIONER FITZGERALD: Yes.

MS GREEN: And they're talking about being the peak body and incorporating, but from a widow's perspective and a family's perspective they don't really concentrate on female issues so to speak, so I think it's still important that we would have a voice of our own but we would support their ideals as I would expect them to support our issues as well.

ESORT is - to be frank, has been a 'talk at you fest' I think for many years. I think it is now beginning to change and become much more strategic in their thinking, and there are a number of other meetings that DVA hold an operational working part in and, you know, a female veterans and families forum which - but you never, and I don't like to criticise DVA because I think they do quite a good job, but you never seem to get too much outcome from some of those.

MS COLLINS: And it's also fair to say that the ESORT advises the department.

MS GREEN: Yes.

MS COLLINS: Not the government.

MS GREEN: Not the Minister.

COMMISSIONER FITZGERALD: Well, we - yes.

MS COLLINS: Yes. So there is a distinct difference in its objectives.

MS GREEN: Yes.

COMMISSIONER FITZGERALD: Yes.

MS COLLINS: So a national body or advisory committee such as what PMAC was in its original concept where it advised the Minister of the day on matters to do with veterans, even though there was war widows and females on that, it was still dominated by veterans and male dominated health conditions.

COMMISSIONER FITZGERALD: So how do you think your voice - and we're obviously hearing from the partners of veterans as well and other groups, how do you think the voice of predominantly women but spouses and partners or generally can be heard at the table? Clearly you're going through those processes, ESORT or a peak body, is there an alternative way or an additional way that those voices need to be heard, or do you think it's simply a matter of making those particular, you know, forums more attentive to your needs?

MS GREEN: Well we have, following a lot of discussion, decided that there should be a council that honours women and families affected by defence and Minister Chester actually after the success of the Honouring Women dinner and Last Post service last year was very supportive of that.

COMMISSIONER FITZGERALD: And without going into the detail, how would that actually operate? Is that an advisory council, or?

MS GREEN: It's an advisory council, yes.

COMMISSIONER FITZGERALD: To?

MS GREEN: To government. Direct to government.

COMMISSIONER FITZGERALD: And when you say government, do you mean the department or to the minister?

MS GREEN: No, to the minister.

COMMISSIONER FITZGERALD: Yes, okay, thanks for that.

MS GREEN: Or the prime minister, if we find him.

COMMISSIONER FITZGERALD: We'll wait and see who that is.

MS GREEN: Exactly.

COMMISSIONER FITZGERALD: In the coming months. The second thing is you've given us some material previously and you're right, we didn't deal with the aged care issue. And I presume when you're talking about that, because I have read the Queensland submissions a moment ago, it's in relation to having the war widows' pension removed as an assessable income. Is that basically it?

MS GREEN: Yes.

COMMISSIONER FITZGERALD: So I've got the right issue. And I notice the Queensland submission sets out a couple of examples, so I'm sure yours does too. This is obviously a very important issue to you. Have you prosecuted this with the government to date, and if so what's been the general response in relation to this matter?

MS GREEN: We've certainly brought it up with the department and on meetings I've had with the minister I've also brought it up with the minister and also with the opposition spokesperson, Amanda Rishworth. I think it is primarily under the aged care legislation and social services legislation, so it's - you have to move through all of those sorts of legislations. I'm not a lawyer, so I do attempt to read the legislation but I don't know how well I go at that. But I think it is very complex, but if there can be exceptions then I think that should be.

COMMISSIONER FITZGERALD: Sure. But can I just ask this, and again you may not be able to answer that. You say that a war widow is more adversely affected than a women or a person of the same age in the general community? Or are you saying that there's a - it's a relative disadvantage. I am just trying to understand your concern in relation to that area, specifically in relation to aged care.

MS GREEN: For a lot of our widows they did care for their husbands who had returned and even after Vietnam a lot of women cared for their husbands. So they've been disadvantaged in that they have not worked, they have not got superannuation. They, you know, have cared for that veteran for many, many years, yet when they are paid a small compensation payment, and it is small in comparison to some payments, they are disadvantaged because that is then counted as income for the purposes of aged care. If that could be excluded from their income, and currently it's $931.50 a fortnight, it would be of some benefit to them.

COMMISSIONER FITZGERALD: Undoubtedly that's absolutely right. The question I was just really trying to see is whether or not they're disadvantaged vis-à-vis a person in the general community. But you're not saying that, you're really saying they're disadvantaged within their own category.

MS GREEN: Yes, within their own category, yes.

COMMISSIONER FITZGERALD: Yes, that's fine.

MS GREEN: I mean many of them have put up with - and they won't tell you unless you have a one on one conversation, but there's been domestic violence, alcohol abuse, all of those sorts of things which they have never

ever discussed with anybody. So, you know, all that leads to disadvantage.

COMMISSIONER FITZGERALD: Could I just go to the issue of the Gold Card so I can understand your position clearly. So, could I just understand, you're seeking it to be extended to new groups, or additional groups?

MS GREEN: The War Widows' Guild would like to see that Gold Card extended to all widows of veterans who are on DVA's books obviously, from the age of 80, and not necessarily a compensation payment to go with it but a Gold Card for their healthcare. So that they can access proper adequate treatment when it's needed. Not sitting on a hospital - a public hospital waiting list for 18 months to get their knees done, or get their cataracts done because they can't afford to pay privately for that sort of treatment.

COMMISSIONER FITZGERALD: So could I just clarify. When you say they have to be on the DVA books, are you saying that where they were the partner of or are the partner of, but as war widows were the partner of a person that had been in qualified service and had been injured as a consequence of that, then the widow would receive the Gold Card at the age of 80. That's your proposition.

MS GREEN: Under VEA, yes.

COMMISSIONER FITZGERALD: Under VEA. Can I just ask this. I understand that they've had a lifetime of service through their experience with their particular spouse or partner. Can you articulate a little bit further for me why you think that should come in at the age of 80. I mean there's been - as you know we've raised issues around the card being given to veterans at the age of 70. So we've raised questions, we haven't come to a view or a position about that. So just to extend the Gold Card anywhere, to any group, we just need to understand more fully the rationale for that.

MS GREEN: I know that veterans with qualifying service get the Gold Card at 70, and that was a 2002 election promise. We are of the opinion that if a woman has been looking after the veteran, but if they, you know, should fall off the twig, then at 80 she would be in need of probably healthcare, well more intense healthcare, so therefore the provision of a Gold Card to allow her to access those services would be beneficial and would in some way compensate for the years that she has spent caring for that veteran. And he may not have been entitled to a TPI or a special rate, but it would just compensate that person for that length of commitment.

MS COLLINS: And I would think financially government might be more agreeable to 80 plus, because the numbers in that group are far less than the numbers in the 70 plus. So it's really a financial.

COMMISSIONER FITZGERALD: I was going to ask you about the 80. Yes, okay. All right.

COMMISSIONER SPENCER: I just went to the section in your submission to deal with the notion of a Defence family. You have set out some very compelling views there about why the interconnectedness, as it's described here, really matters. My question really goes to this question of Defence's responsibility. We have explored in many ways this morning what should be defence's responsibility and its duty of care to the veteran and that ultimately can translate into issues that partners have to deal with for the rest of the veteran's life. But I come back to the issue of when the member is in service and the impact on the family and the spouse, what I think we're consistently hearing is there is some recognition of that, there are some bright spots in the system to assist with that, but overall the system doesn't seem to really be adequate at all in terms of the impact issue you've described here. So that in some ways probably goes to the culture of Defence.

So in terms of how to shift that culture, as you were saying earlier one way is through an advisory council to the minister about those issues foremost. But why do you think the culture hasn't shifted over a long period of time, because these are not new issues. This goes on for decades. So I'm just curious as to your thoughts about why hasn't military culture better embraced the needs, both during service and after service, of the spouse and the family?

MS GREEN: I think it's a very male dominated society, Defence. I mean I know there's 18 per cent of women now in the ADF, but I think it's - for Defence, their aim is to train their people for combat. They're not really concerned about whether, you know, the wife or the spouse or the partner or whatever is at home struggling. That is not their core business. Their core business is to train people for combat but the consequences of not having family in mind is that they crumble and, you know, there's numerous people in Defence who are separated because the wife doesn't want to go to the next posting because she's got a job and, you know, the children are happy in school and there might be family support available. Where you move them to Tindal, whatever, Air Force Base in the middle of nowhere, what support is there? And if she's struggling with perhaps mental health issues herself, you know, the distances that people are

separated, I think that is all part of - Defence has to be more aware that the impact on families is huge.

COMMISSIONER SPENCER: So would you have thoughts different from what we've heard this morning? I mean we constantly hear that issue, that it's the duty to prepare for combat and that overrides everything else, but you've made the connection between actually a part of that is the current, right now wellbeing and the mental state of that individual, and if things are falling apart on the home front that directly rates capability, I'd suggest. So all our efforts to kind of give Defence more responsibility always get pushed back on this issue, which strikes us as really a missing part of what sets up for both the individual to be capable and successful during their military career and post their career. If things go wrong fundamentally during service for the individual, which needn't have gone wrong, there are going to be like time consequences. And what you're describing to us is that really impacts on the family; the ripple effect of that with families and children, dependents, is very profound. And would you see that Defence being given more responsibility for the wellbeing, beyond just capability but wellbeing, lifetime wellbeing of its members being a significant part of really trying to shift culture over time? None of these things happen overnight. How do you shift the culture over a period of time?

MS COLLINS: Part of the problem is I think they go from the person that he is goes from one family to another family and that new family doesn't necessarily integrate the previous family. But as soon as they're ready for transition back to the old family, and they're supposed to pick up the pieces. So I think the culture of Defence, as Maggie suggested, is around combat training, very professional organisation. If you start to involve the families what's the complexity of now trying to manage that individual and their service versus their families. It's quite a complex issue.

COMMISSIONER SPENCER: Very challenging but I think the key question is should Defence be at the table to try and get that balance right.

MS COLLINS: Yes, I think so, and I mean we've had conversations with some very senior military people and they all agree that families need to be, you know, a bigger part but it's as you go down through the ranks, I mean the corporal who's, you know, in charge of the private, what does he care about your family? He probably doesn't because he's got his own issues. So I think it needs - the culture from the top is very positive that families should be involved but it doesn't filter down the line as well as it should. And, yes, I think Defence should take responsibility. You know, they do cause a fair degree of dismay at times.

COMMISSIONER SPENCER: So with the Joint Transition Command, it was just to clarify because you said your support involved that and our model is that Defence has responsibility through for a period of six, and I think you're suggesting that could be a longer period of 12 months. So you would agree that that's part of the piece of - or part of the puzzle.

MS COLLINS: Yeah.

COMMISSIONER SPENCER: For you to try and get some of that responsibility? Right. Just another area you mentioned, the family law issue, and you've described there what happens afterwards. That's a very challenging one I guess, isn't it?

MS GREEN: It is.

COMMISSIONER SPENCER: But you've got a clear recommendation there about the Chief Justice of the Family Court. I am not sure whether that can extend to our inquiry. But you commented, you see quite a bit of this in different ways and different issues, do you, of - - -

MS GREEN: Particularly the contemporary. With those, of course, these days it's not a traditional what we know as families. Many of them are blended. Many of them are multiple, you know with one or two. Particularly you would want that, after their partner died you would want them to go on and remarry and that's where it becomes an issue around those assets. Pay for compensation for the death of the spouse should not be included in any settlements.

COMMISSIONER SPENCER: No, I think we should - we will think more about that one because it's a feature of contemporary life as you've rightly pointed out.

MS COLLINS: And it's quite, you know, disruptive to the entire family.

COMMISSIONER FITZGERALD: Can I just go one question in relation to services. So I understand your submissions and we've had discussions before in relation to Gold Cards and other things. But I'm still perplexed, if I can be honest, as to what are the services that are missing all with aid widows. So I get a sense that if the benefits and the pension entitlements are sorted, that's fine. But what we know is, particularly in relation to mental health issues and others, that's a very important issue but the main issue is actually accessing services as and when you need it. As Richard said, you know, right services, right time, right people, all that stuff, which I must say in this inquiry gets less attention. I'm not quite

sure why that is but it certainly does. But I am just wondering with regard to widows and I know they're ageing and there's probably less likely to be an increase in future generations of widows, basically do widows receive the services that they require, or are there gaps in the service system that you've been able to identify? Whether it's health, or mental health, or something else.

MS COLLINS: Well, widows can access Open Arms. The older widows perhaps are not necessarily aware of that. But Veterans' Home Care Services are poorly monitored. They are outsourced from the department and I know for instance my mother, who is also a war widow, used to move the chairs in the lounge room so the cleaners could clean but they refused to move them back. And they didn't dust and they didn't clean kitchen benches, but nobody was monitoring that. So Veterans' Home Care is, you know, fine if you want your mirrors dusted but, you know, nothing else would be get dusted and the cleaning standards are poor and I think that needs to be better - better provision of those sorts of services. Widows under VEA, unless there is an extreme circumstance where they're going to trip or fall over a tree branch, can't get any gardening done and, you know, or change a light globe, and you don't want to climb, if you're 90, a ladder because you're likely to fall off and do some serious damage and it will cost more money, you know, in health care.

MS GREEN: There are a number of medical conditions that are female specific. They are not covered under the Gold Card.

COMMISSIONER FITZGERALD: That are not covered under the Gold Card?

MS GREEN: Yes.

COMMISSIONER FITZGERALD: Is that so?

MS GREEN: Yes.

COMMISSIONER FITZGERALD: And is that an issue or just classification of what is covered by the Gold Card, or is there an argument as to whether or not it's a rightful condition?

MS GREEN: Well I don't think the model of healthcare provision under the Gold Card has kept up the pace with some of the newer type technology. Where in the past, I mean it wasn't that long ago where IVF was only accepted. So if we move on from there, there are a number of female specific medical procedures that are not covered.

COMMISSIONER FITZGERALD: And you've made representation to the government over time on those matters?

MS GREEN: Yes.

COMMISSIONER FITZGERALD: And without going into the detail of those - - -

MS GREEN: We can.

COMMISSIONER SPENCER: We know.

COMMISSIONER FITZGERALD: What's been the reaction of the government to those things?

MS COLLINS: Well I have to say, when you bring them up all the men in the room cross their legs. They don't want to know about female issues. You know, it's just - but if you don't bring them up in that sort of environment, you know, what's the point? Because you've got to talk to people who - and shock them a bit really about what isn't covered and what is.

COMMISSIONER FITZGERALD: Sure.

MS COLLINS: You know, but there's lots of other things, like there's some new cardiac scans that they do that aren't covered.

COMMISSIONER FITZGERALD: I won't take much time, but what's the process by which you can influence that? Just taking the last one for example, or those issues that are specific to women, if you've got those concerns how do you raise them? Do you raise them through ESORT? Do you raise them through conversations with DVA?

MS GREEN: Through ESORT.

COMMISSIONER FITZGERALD: Do you write them in a submission? Is there a formal process I suppose I'm asking whereby the updating of whatever Gold Card covers - - -

MS COLLINS: Yes.

COMMISSIONER FITZGERALD: - - -you can access or is this all very ad hoc and random?

MS GREEN: To be honest, it's probably ad hoc and random. It's when someone brings an issue to us we can then bring it up with Department of Veterans' Affairs. You can put a submission in to ESORT, but it then has to go back through, and a lot of the things that are covered by the repatriation health benefits are also linked to the Medicare benefit.

COMMISSIONER FITZGERALD: Yes.

MS GREEN: Yes, you can, you know, like for exercise physiology and stuff like that - - -

COMMISSIONER FITZGERALD: Yes, sure.

MS GREEN: - - -you can have unlimited it seems access to that.

COMMISSIONER FITZGERALD: Right.

MS GREEN: But there are specific things that are female related.

COMMISSIONER FITZGERALD: Okay. That's fine.

MS COLLINS: So there is no formal process.

MS GREEN: No.

COMMISSIONER FITZGERALD: Okay.

MS COLLINS: Of once a year or every six months prior to budget putting forward a submission on items that could be considered to be covered under the Gold Card.

COMMISSIONER FITZGERALD: Well, you've answered the question.

MS COLLINS: Yes.

COMMISSIONER FITZGERALD: Because that's something we want to look at, not a great deal, but a little bit.

MS COLLINS: Can I - - -

COMMISSIONER FITZGERALD: Whether it's a VSC or it's a DVA there should be a process by which you can review whole ranges of things and this is one of those.

MS COLLINS: And the other group that also has specific needs that are not well addressed are paediatrics, children dependent of widows.

COMMISSIONER FITZGERALD: Right.

MS COLLINS: There are a number of, again, medical type procedures or medication, a whole range of things that are not covered.

COMMISSIONER FITZGERALD: Right, okay.

MS COLLINS: So, again, that's an area that tends to get forgotten because it's the veteran, the war widow, and then of course there's those dependencies that relies on the widow doing the advocating on their behalf.

COMMISSIONER FITZGERALD: Sure.

MS COLLINS: Yes.

MS GREEN: I mean, for many years there were young contemporary veterans or widows. I mean - yes, so, and - - -

MS COLLINS: It's only since 2004.

MS GREEN: Yes, and now there's little children involved and DVA weren't well-equipped to look after paediatric patients.

COMMISSIONER FITZGERALD: All right. Okay. Good. You have any final comments?

COMMISSIONER SPENCER: No. No, that's good. Thank you.

COMMISSIONER FITZGERALD: Thank you very much for that.

MS GREEN: Thank you.

COMMISSIONER FITZGERALD: Very much appreciate the submission.

MS GREEN: Thank you.

COMMISSIONER FITZGERALD: I'll see your colleagues in Queensland. So could we now have Narelle and Lesley I think it is. So you know the drill?

MS BROMHEAD: Yes, we know the drill.

COMMISSIONER FITZGERALD: So could both of you give your full names and the organisation that you represent, please?

MS BROMHEAD: Narelle Bromhead.

COMMISSIONER FITZGERALD: Good.

MS BROMHEAD: Partners of Veterans Association of Australia.

COMMISSIONER FITZGERALD: Thank you.

MS MINNER: Lesley Minner, Partners of Veterans Association of Australia.

COMMISSIONER FITZGERALD: Okay. And you'll just need to speak us as loud as you can because there's no amplification.

MS MINNER: No.

COMMISSIONER FITZGERALD: So that's fine.

MS BROMHEAD: So this isn't working?

COMMISSIONER FITZGERALD: Yes, it's working perfectly, but that woman over there is the only one that can hear you.

MS BROMHEAD: Okay. Probably no wonder we couldn't hear.

COMMISSIONER FITZGERALD: So you have to just speak up as loudly as you can.

MS BROMHEAD: Okay. All right.

COMMISSIONER FITZGERALD: And, again, for anyone who is a bit hard of hearing please come to the front. As I said the other day it's not a Catholic gathering so you are allowed to sit in the front seat. Okay. Thanks. If you could give us just 10 minutes in terms of the key points and the things you'd like us to consider.

MS BROMHEAD: Okay. I'll start with our association. We formed in August 1999. We'll be 20 years old this August, and we formed because of the VVCS at that time was doing courses for partners and so many partners who were quite lost with what was happening to their veteran

went along to these courses and when we finished the courses, which were either six or eight weeks, we decided that we just didn't want to be apart. The support was so great from the other women and also we sort of - we thought that we were the only one in the world that these things were happening to and we found out that we weren't; that it was right through the veteran community, and of course, these girls were partners of Vietnam veterans, which was not a good time for the government. The men weren't - they were rejected by the public when they came back, and it was just - was a whole era that was very, very bad.

So that was how we formed. We formed first in New South Wales, and then we had girls from other states who would write to us and say that they would like to join New South Wales. So eventually we incorporated in New South Wales, Queensland, Western Australia, Victoria, South Australia and Tasmania. So we have those six State branches which are all incorporated and we have a national body, which is two people from every State that forms our national body.

We look after and represent partners, spouses, ex-partners, widows and war widows, widowers and the children, the family. We are a member of the ESORT and also a member association of ADSO. We are a lobby group. We lobby the government, the Minister, and we also represent our association on many extra forums.

We would dearly love to see DVA take over the partners under their legislation or under their wing more than what they're doing. We would love to see recognition for what we do as far as the looking after the veteran, and through the entire Productivity Commission the word "families" is mentioned so many times and yet in your first one it says:

> *The overarching objective of the veteran support system should be to improve the wellbeing of veterans and their families*

Well, you know, we would love to see the word "family" defined and widened to include partners and spouses. We're disappointed that it seems that the partner has no identity or connection to the word "family". A clearer definition of the role played in the health and wellbeing of the entire family seems more than warranted.

The partner seems only to be considered when the veteran has passed away. The widow and any dependent children are recognised and catered for by the Department of Veterans' Affairs, however the partner seems to be virtually invisible whilst the veteran is alive.

There have been countless studies which, in our original submission, we actually put quite a lot of information on the published research of the effect on the partners of the long-term looking after a veteran, and how it also affects our mental and physical health. Much damage is done to the partner due to the very act of living and caring for a veteran affected mentally or physically by his service. In the case of untreated and largely unrecognised mental illness such as for many Vietnam era veterans the full extent of that mental illness has visited on the partner for many decades. The partner's life in all ways, mentally, socially, physically and financially has been impacted severely and yet if no attempt is made to offer tangible support it will continue to grow into the future.

It's well documented that depression, anxiety and stress lived under for lengthy periods of time will have a huge effect on the long-term health of any person. For the Commission to suggest that Open Arms is the answer is to minimise the damage done and to merely pay lip service to the treatment of the partner. Open Arms has a place in the rehabilitation and wellbeing of both the veteran, the partner and the family, but is never going to be the only answer. The cost to the partner, who in fact has held not only the family together but the veteran as well, is being totally ignored by the government.

We know as an association that has researched, supported and presented partners and families to government departments for 20 years the toll taken on the health of the partner is enormous. We know from our own lived experiences were it not for the care and sacrifice made by the veteran that the cost to government over decades would far outweigh the cost of a non-liability health card, White, or whatever colour, to cover the cost of treatment for a partner for mental health and stress related issues.

That's me done. Could I ask Lesley to go on about the children and VVCS.

MS MINNER: Further on with what Narelle was saying, not only is it not the partners who are not considered and given no credence that all extends really down to their children. When the veteran does pass away, yes, there is care given. VCES, veterans and - no, VVCS, I'm sorry - - -

MS BROMHEAD: Open arms.

MS MINNER: - - -we have begged for many years - Open Arms, sorry - for many years for them to have adequate programs for our children living with a veteran. They are still living with veterans. This is mainly back in the Vietnam Vet era. I mean, I know I had young children.

COMMISSIONER FITZGERALD: Sure.

MS MINNER: I begged for some sort of assistance with that child, and so do many other partners who were at home as eight, 10, 12 year olds watching a father literally falling apart and in many instances, in my instance, watch my son sleep on the bedroom floor at 12, when he was 12 years old because he was afraid of what his father would do. Those issues were not addressed. We now, thank Heaven, and we've pushed for this very heavily, Kookaburra Kids are taking up the slack. It is actually probably far too late for many of the Vietnam Vets' kids because they already had three times the rate of suicide. We have incarceration issues with children of veterans. It is only the veteran who suffers. Children are innocent. They deserve, and really, as far as I'm concerned, I demand that the kids get what they should get. They did not deserve a veteran with psyche problems. It was not their fault.

And to go further on to that with regards to VCES I find it astounding that there is a suggestion or recommendation that the children, once they turn 16 are wiped from VCES. When the soldiers' children's - I forget the score now. I should know, I've said it enough. When it originally came in children didn't go to school. They finished pretty much well before 15. Children no longer finish their HSC at 15. They finish it at 18, and we have said, why is it not simply kept at the $56.70 with the VCES pay for high school until they are 18 and finish high school at least. That would keep the parents - because there seemed to be some concern that people are actually accessing VCES, education schemes, which didn't happen before because that parent got the money from Centrelink, DSS under family tax benefits. That changed and DVA refused to go along with it. They had missed the boat, didn't notice the problem, and therefore at the time they realised Treasury said, "No, we won't change it". We've got 444 high school children, 444, and we are fighting to say those 16 to 18 year old to finish high school should be wiped and put on youth allowance. They don't go on youth allowance when they come under Centrelink, because youth allowance you do not have to be in full-time education. You can be at home playing computer games. To actually be on VCES you must be in full-time education, so I can't see the problem. Continue the $56.70 payment as you did non-taxable rather than putting them onto the youth allowance equivalent. Look, it's hard to explain it. It's very - - -

COMMISSIONER FITZGERALD: No, that's fine. We understand the issue, and it's one of our recommendations as you know.

MS MINNER: It's just so simple. And just there would be no problem with them getting income tested. They'll be income tested for family tax benefit, so that wipes that concern out.

COMMISSIONER FITZGERALD: Okay.

MS BROMHEAD: Okay. The next point that we put to you in our original submission as well was veterans' home care and household services. Your draft recommendation 14.5 we actually agree that the same household and attendant services be made available under the VEA, SRCA, DRCA and MRCA.

COMMISSIONER FITZGERALD: Yes.

MS BROMHEAD: For the reasons we stated in our original submission all veterans regardless of which Act they serve under should have their needs assessed by an occupational therapist in their home, so that the occupational therapists can see what is actually occurring. Many of the veterans do have one visit a year from an occupational therapist which is by referral from their GP, and I can't see any reason why that same therapist could just look at the different types of what's available in their home. We want to keep these veterans in their home as long as possible. To combine the two services just seems like a no-brainer to me, and we absolutely agree that to do this would be excellent.

COMMISSIONER FITZGERALD: We're just running out of time, so is there any final point you have before we have a chat?

MS MINNER: No.

MS BROMHEAD: No. Only the transitioning, we support your view - - -

COMMISSIONER FITZGERALD: Yes.

MS BROMHEAD: - - - to create a new command in Defence responsible for transition, and basically what the War Widows Guild said about the family. It should be more family involving.

COMMISSIONER FITZGERALD: Good. Thank you very much. We appreciate your contribution. And we have heard from your other member organisations as we've gone around. Can I just go to a couple of things? The word "family" we will absolutely take on board your recommendation, because it was always intended the family was a broad definition including widows and widowers, partners and dependent children, so we'll be explicit about that, and I think you've counted up that we've mentioned it 400 times. So every time you see it be assured that you're in there. But that only gets us to the starting point. The real issue,

of course, is what are the needs that partners have that we should be addressing in our report? So we welcome your support of our transitional issues.

Can I just deal with a couple of specific ones, but - - -

MS BROMHEAD: Yes.

COMMISSIONER FITZGERALD: When we've spoken to living partners, sorry partners - it's very hard to speak to the dead, but the partners of living veterans. We're not into seances just yet.

MS BROMHEAD: No.

COMMISSIONER FITZGERALD: Although by the end of this road trip it might happen. The issue that keeps coming up is really about the mental health.

MS BROMHEAD: Yes.

COMMISSIONER FITZGERALD: And people talking about depression, anxiety and we're familiar with a number of other of those stresses. So the question is, and you talk about approval of a card - - -

MS BROMHEAD: Yes.

COMMISSIONER FITZGERALD: - - -which covers mental health and you say stress related disorders, which would be in that. Some people would say and have said to us, well, if you're going to the GP you can get a mental health plan and there's a limited number of services that you can get, psychologists, and there's an unlimited number through psychiatrists. So I want to understand from your perspective, Narelle and Lesley, why the current system of mental health care isn't adequate for your needs, the needs of your members. So I'm sure you think that's a dumb question, but I just - - -

MS MINNER: No.

COMMISSIONER FITZGERALD: If we're going to expand or even look at, for example, you know, the extension of a card of any description, we just need to be sure that we understand why that is such an important issue, and part of that is why the current system isn't meeting your needs.

MS BROMHEAD: Okay. You can - - -

MS MINNER: Well, I think a lot of us end up biting the bullet and joining our veterans taking antidepressants. It's the only way - I know I've taken them for years. It's the only way I can cope, and many of us can, I'd say, almost - - -

COMMISSIONER FITZGERALD: Sure.

MS MINNER: - - -can cope when you are having an episode at home. An episode at home - I'm just saying episode, I mean, usually we say it as it is, when they've fallen off their perch for a while.

COMMISSIONER FITZGERALD: Sure.

MS MINNER: Not meant to be disrespectful to them.

COMMISSIONER FITZGERALD: Sure.

MS MINNER: But the fact is that if they are doing that you by that stage are so - and I never really knew what it was, afraid and you don't know what you're afraid of. It's just a feeling of almost terror. And I'm not a wilting lily. It's simply the consequences that could erupt out of an event where the veteran is - and I'm not married to an explosive veteran, I'm married to a very - one that gets miserable, but it is also - you're in the middle of that, you're also trying to protect your children and hope they don't notice.

COMMISSIONER FITZGERALD: Sure.

MS MINNER: So you end up walking around being falsely cheerful. In the end you then - eventually it just collapses and you roll into a ball but you can't go anywhere to get help. You've just got to wear it - - -

COMMISSIONER FITZGERALD: So can I just - - -

MS MINNER: - - -until you get yourself up.

COMMISSIONER FITZGERALD: - - -press that point, if I can, Lesley. Why can't you go anywhere else to get that help? So I'm trying to understand it. I'm not trying to criticise it.

MS MINNER: Yes. And it's very hard to explain. I think because - I can only explain it in my experiences that when it is that bad you're almost frozen into inactivity.

COMMISSIONER FITZGERALD: Sure.

MS MINNER: Also there is the shame at having to go anywhere, to a doctor, to your own local doctor because your veteran is not a bad man. He is a good person, you need to protect him. You can't go and tell people that he's being a right toad outside your family. You can't.

COMMISSIONER FITZGERALD: So how does - and, again, I'm just trying to understand this, how does getting a White Card for mental health conditions change that?

MS MINNER: I guess maybe you could access - the only thing I can think of is at least you'd be able to access a psychiatrist for assistance. We know we can go to Open Arms. I've been to Open Arms. I know all the right words to say. I go to Open Arms, I've been there, I don't go anymore, I used to. I know exactly the right words that I should say because it's just one, two, three, you know, you should say this and then they're happy. We know the steps of it. You need to go somewhere where's it more of an in-depth, a proper evaluation of your mental health and your mental state before you then have a heart attack. Not after you've had it.

COMMISSIONER FITZGERALD: Sure. All right.

MS BROMHEAD: No, I was just going to say that the help that we're being offered is not in-depth enough. You know, it's - to ring up Open Arms and get an appointment which might take up to a week, depending where you are and how - but I think the best thing to do and the women that we've struck in the time have absolutely just almost had a breakdown. They've gone to Open Arms and Open Arms have recognised that they actually need help straight away. They need to get away from that - the person at home. They need to be accommodated away until he either sobers up or doesn't want to hit them and comes down. So it's just emergency care that's - it's really, really lacking. You can ring up and get respite or get your veteran with respite, but you've still got to wait. You're in a position where you need help straight away and mental facilities and that sort of stuff.

COMMISSIONER FITZGERALD: Should you need that sort of help that you've just described, Narelle, is your first point of contact now, in the current system, do you ring up Open Arms and say "It's all going belly up", or do you ring up DVA and say, "Where do I go?" Where does a woman in that circumstance currently go?

MS BROMHEAD: To my welfare officers in the association, I'm afraid. That's where I go to because I find they can talk to me and give me help,

then they might say, "Ring up Open Arms, go and get an appointment, you know, or just get out of the house, go for a drive, go for a walk and just get away". But I find that partners are my first point of contact.

MS MINNER: And sometimes they have no money. Sometimes the younger - particularly when you have children and you are younger, you don't have any money to go anywhere. I mean we've picked up one person in her pyjamas. He took her money. She didn't have any money, so she was running down the road just to get out of there, no money in her pocket, in her jarmies, and a child at home.

MS BROMHEAD: I think the point is that - I don't know, we've had just a case lately of a young partner with three young children who the husband said, "You've got to get out". Now she left with the children because he was turning violent. But does Defence, if they're still in, does Defence help them in any way? Does Defence look at the partner and think, "Oh gosh, you know, this young woman with three children is", you know.

COMMISSIONER FITZGERALD: You might answer the question that you've just posed. Do they?

MS BROMHEAD: Well, if they ring us, we - we accommodate them.

COMMISSIONER FITZGERALD: So could I ask this question. In a number of other areas that I've been engaged with and I'm sure Richard has, you know access - when people are in crisis the access point is very important. So we have a whole lot of hotlines for all sorts of different conditions; mental health, domestic violence, many, many others, you know, abuse and so on. From what you're saying, there's no central point where a woman or a partner who is suffering great stress or might even be under some threat naturally can go and have a response to that.

MS BROMHEAD: No. They tend to not worry about the Veterans Line. I think they'd be more likely to ring Lifeline or they would ring our association.

COMMISSIONER FITZGERALD: Is there, and we haven't thought about this, you might give me some guidance, is the Veterans' Line and Open Arms in need to some sort of modification to better be able to be a place where a partner that's under stress or under threat can go? Is that the right sort of approach, in addition to whether or not there's a White Card or otherwise?

MS BROMHEAD: I think it would be a great idea if it was, and maybe the Veterans Line could be veterans and family line.

COMMISSIONER FITZGERALD: Sure.

MS BROMHEAD: Because then a veterans line to someone who's under threat from a veteran would think, "No, I'd better not ring them, you know, I'll ring someone else, Lifeline".

MS MINNER: And sometimes it's an older vet. We have cases, quite a number and they're increasing, of older people, and you've got some 72 year old women contacting you because her 80 year old veteran has turned violent. It's astounding. Maybe it's not, but it's not just the young people, it's right across it and it just - and they don't know what to do or where to go.

MS BROMHEAD: I don't know how - the younger girls today, the younger partners today have more on offer than what the older ones did, but I still don't think there is enough there for a partner who is suffering, and I mean you've only got to read social media to see what's sort of happening and when there is something specifically for a partner, which there was I think in Townsville just lately, the comments that come back, "About time, this is great", you know, we can sort of - something is actually concentrating on the partner, because it is a hard slog. You know, it's hard for the current serving member just to, after two years, up and move. You know, you've got the whole thing; new house, new school, new whatever and it is very stressful on the partner to be doing this, and I just think that there should be more medical things that are accessible to her easily and for stress-related illnesses.

COMMISSIONER SPENCER: Just to go back up to the main issue. We will have more to say around this whole issue and the family, in the wide definition of family because you and others have brought that home to us, as to the critical role that is played by families and the impact of when things go wrong. Look, a couple of thoughts. We've been exploring the space of where do you go when things are going wrong and how to navigate a system like that. One of the things we are looking at across a range of ESOs and organisations that are there to support veterans and their families is how can government leverage what exists. So the peer group model is a very powerful model in most human services because the lived experience is often the most important point of contact, and you said yourself that's one of the first places you reach out for support. So we'll be exploring where government may be able to invest, to be able to, what I would describe as leverage the sort of network you have. It's an informal network out there but it's a really important part of many services and

people in crisis, or getting to that point, to be able to work out, "Where do I go from here?" and to be navigated or pointed in the right direction. So I just make that comment.

I come back to a very practical issue and that's the Veterans' Home Care household, and look this is my ignorance, but I don't know what flexibility you are given in those arrangements. Is it more or less said, "These are the services you will get under that banner", or is there some choice that you have, or some - about what you receive. You mentioned gardening, you mentioned other things. It seems obvious to me that a starting point is to say to an individual, "Well you need help in the home. What would you like?" Does that happen or is it?

MS BROMHEAD: Okay, so if - there's two fact sheets for veterans' home care which is for veterans under the Veterans' Entitlements Act and then there is household services for SCRA - DRCA I would say, and MRCA. Okay. So basically there's the same - similar sort of things available but there is more under household services. I mean this should have been available to veterans further back, Timor, Vietnam, but it wasn't. So I just can't understand why - a veteran is a veteran, if their needs are all to have their grass mowed, if that's going to keep that man in his home and not go into aged care, if the veteran is physically unable to, not because of age, physically.

COMMISSIONER SPENCER: But who decides what service you get within the package?

MS MINNER: The Act.

MS BROMHEAD: The Act.

COMMISSIONER SPENCER: The Act, okay. Because look I think that's something we should look at because with community aged care packages, which is the, you know, for want of a better expression, the wider mainstream service, and I'm not suggesting we go there.

MS MINNER: No.

COMMISSIONER SPENCER: There's a need for a military-specific response there, but the notions of having choice about what you would value and what you will need within a package that's allocated to you.

MS MINNER: One package, yes.

COMMISSIONER SPENCER: It's a really important part of giving people some control over what they value in their own lives.

MS MINNER: It is, you know - - -

COMMISSIONER SPENCER: I mean there are limitations around that, you know you can't go and spend it on things which are not assisting you, but - - -

MS MINNER: You can get other things, like say, there may be times when I don't want to climb up and do the gutter, okay?

COMMISSIONER SPENCER: Yes.

MS MINNER: Now, I don't have to climb up – well, I can. But you can actually say, "Okay, I would like my service people to arrange to have the gutters done as long as it's not the second story and you pay I think – I forget how much it is. Anyway, they come out and they do the gutter, they clean the gutter. Or they may even wash the windows because I always turn them into mud piles. But you can request those extra and pay and I don't see – well, firstly I don't see an issue with that.

COMMISSIONER SPENCER: Yes, okay. Well, it's something we'll look at because I think the flexibility - it doesn't seem to me to be as flexible and perhaps it should be.

MS MINNER: No, basically what happens if the veteran can't do it, either physical or mentally, it comes back to the partner. Which, you know, and particularly like, I mean, I can speak to that at the moment. I'm mowing the lawns, my husband has been and will get better, but has been very unwell. He can't mow the lawns. I'm mowing them, I hate it. It damn near kills me. But I can't get that lawn mowing even temporarily because he's VEA even though he's been in hospital and extremely sick, I get to do the lawns for him and you can't find anyone to mow them. But if he was under the MCRS one, the younger vets can. And you know, I've got this bloke at home that I'm doing it. So, its things like that, it's just a matter of working - - -

COMMISSIONER SPENCER: Yes, exactly. Okay, we'll look at that because some – more flexibility there could make sense.

MS MINNER: Yes.

COMMISSIONER SPENCER: Look, just coming back to another issue and that's – and I'm not suggesting that this is a fix-all. There's no fix-all

for some of the issues we're talking about. But the transition, we've obviously spoken about that a number of times and the importance of transition. It's been put to us in some of the other hearings that there's a dimension to transition which is really, really quite profound and goes to a person's sense of who they are in themselves. So, when somebody goes into the military, they enter an institution. It's a very different culture and understandably part of preparing them for what they will do is to really take them into a deep space in that culture, which changes them. So, we've had parents say, you know, "My child is different. It's changed them profoundly." That's not a judgment it's just what happens. But the comment that's been made is – so during transition, when they leave, there is no similar focus of attention on helping that person to become a member of civilian society again. So, practical things are addressed, like, you know, how do you get a Medicare card and you've got to find a GP. But something that's deeper and more profound about their sense of who they are, and they're going to be entering a very different culture in the one they've been in. So, I'm just wondering whether you've got any thoughts on that because we see it from other examples of people who have been through profound periods of change in their lives. The dedicated effort over that to a period of time, it's not a two-day course, it's not a two week course, it's over a period of time, can actually produce far better results for the individual, therefore, in turn for the family. Because we do hear a lot of the anger, a lot of the manifestation of different behaviours is a sense of confusion about who I am, what I have been part of, what I'm no longer part of. There is a bit of a sense that we're hearing from others that more work needs to be done in that area and more attention given.

MS MINNER: Yes.

COMMISSIONER SPENCER: So, I'm just wondering whether you have any reflections on that from your experience and those clients you work with.

MS BROMHEAD: Yes. You talk in your draft about education options. I think this should be something that should be really, really worked on with a member who is transitioning, that there should be options for them to go to, apprenticeships. I know that seems silly to say that, you know, someone who's perhaps 26 or 7 should look at an apprenticeship. But they need to have some sort of purpose and goal that they work towards, and I think the idea – that the education that can be offered to them, you know, when they start to – well, I think that that should be something that's even spoken about while they're in. That upon, you know, if they think about transitioning that this, this, and this is available, you know, for people to perhaps look at doing when they get out. Some people get out and they

have a real purpose and they know what they're going to do, they've arranged a job before they even get out. Others just get out and then what, wonder around and, sort of, don't know what to do. If they're married it creates an awful situation because the partner then thinks, you know, "you've got to get work, do this, do that, I'll have to work, you know, who's going to mind the kids?" And it can lead to a break up of a home. So, I think that there's got to be a purpose and a goal in their mind and I think that Meg said that transition should be spoken about virtually from the day they get in. And I think that this is something that, you know, I think the average is about seven years that they stay in.

COMMISSIONER SPENCER: Yes.

MS BROMHEAD: So, you know, seven years, if you join at 18 or 19 and get out after seven years, you're only 25 or 26. You've got a lot of life left and a lot of work to be doing. One other thing that I think I've sort struck too, our husbands or Vietnam veterans and I'm not sure about Timor, but there was a housing loan that you could get, okay. And it was very small but, I mean, that's all right, houses were cheaper then. Nowadays, apparently if you get out, you have two years to actually use that loan, there's a limit of two years. If you haven't bought a house in that two years, you're not eligible for that loan. I find this wrong.

MS MINNER: Well, how can you save up. I mean they get out of the military and if you want to buy a house in Sydney, I imagine you'd be looking at a million dollars. They get out of there, how do they save up 300, $400,000 in two years.

MS BROMHEAD: In two years. I think it's something that should be taken away.

MS MINNER: It's ridiculous it should be there, the same as war service homes were.

MS BROMHEAD: That's something that they – they'd be discouraged. They would be discouraged, especially if they were 25 or 26, with a partner and a couple of kids, you know, and they'd been in housing in their job and then they come out and they've got to, you know, get that loan or apply for that loan within a two year period.

MS MINNER: And they don't have enough deposit and they don't have enough for the incidentals that go with it. That should be open ended. You should be able to do that when you're 40 or whatever. Whenever you - - -

MS BROMHEAD: And you talked about a veteran education allowance. I think that there should be an education allowance if they're in study or as an apprenticeship until they finish their TAFE, and they're probably into their, maybe third year. I think there should be something to help them if they want to educate themselves to go on to do something. That would also be a good incentive.

COMMISSIONER FITZGERALD: Can I go back to a matter that I think Lesley raised, just in relation to 16 year old young people. As I understand it, just reading your submission and just listening to you, we've said that when the person turns 16, they move to an equivalent payment which is the Youth Allowance. Now, as I understand it, that's the same amount of money.

MS MINNER: Youth Allowance by Centrelink is about 3 or $4 a fortnight less than the amount - - -

COMMISSIONER FITZGERALD: Okay, but it's almost equivalent.

MS MINNER: Yes.

COMMISSIONER FITZGERALD: Your objection is, that with the Youth Allowance there's no requirement for you to be in study.

MS MINNER: The Youth Allowance paid by Centrelink.

COMMISSIONER FITZGERALD: Yes, by Centrelink.

MS MINNER: Yes.

COMMISSIONER FITZGERALD: Whereas, you're saying to us, the only change necessary just reading to the current scheme is to accept that it is now a general requirement for children to complete Year 12 in order to achieve the best possible outcome for their future. So, you want to retain the current payment for kids 16, 17 years of age, in order to encourage them to stay in education.

MS MINNER: Yes.

COMMISSIONER FITZGERALD: And your concern is that if you move it to the Youth Allowance, that incentive disappears. Is that - - -

MS MINNER: Well, generally because the parent receives Youth Allowance, from Centrelink.

COMMISSIONER FITZGERALD: Sure.

MS MINNER: And it's income - - -

COMMISSIONER FITZGERALD: Tested, yes.

MS MINNER: So, they receive it as they did when the kid was 15, okay.

COMMISSIONER FITZGERALD: Yes.

MS MINNER: So, therefore, I don't know about anybody else but I mean, we fully – our children at that age were fully dependent whilst they were at high school.

COMMISSIONER FITZGERALD: Sure.

MS MINNER: So, therefore and my last son, I didn't give him the amount I got from Centrelink. When he turned 18, I did because he finished – as he was finishing school.

COMMISSIONER FITZGERALD: Sure.

MS MINNER: But you are still getting the money from – if you qualify, met the criteria, from Centrelink. The major part, the Family Tax benefit. The Veterans Children Education Scheme was always meant to be an over the general rate for the general community, to help veterans children.

COMMISSIONER FITZGERALD: But it doesn't - - -

MS MINNER: And it is up until their 16.

COMMISSIONER FITZGERALD: Yes, but it doesn't work that way once they turn 16.

MS MINNER: No, and it should until they're finished high school.

COMMISSIONER FITZGERALD: All right. We'll have another look at that.

MS MINNER: Yes. So, it's sort of – to me, I know it's - - -

COMMISSIONER FITZGERALD: No, no, it's confusing. No, it's fiddly. But it's one of many allowances we're looking at, as you know.

MS MINNER: Yes.

COMMISSIONER FITZGERALD: Any final comments you'd like to make? Thank you very much. Very much appreciated. Kathleen Moore, is that right?

MS MOORE: Yes, (indistinct).

COMMISSIONER FITZGERALD: Very good. I have you down as Mr Kathleen Moore, but I suspect that's not right.

MS MOORE: No.

COMMISSIONER FITZGERALD: That's very good. But I don't presume anymore so I have to be very careful. Kathleen if you can give your full name and any organisation that you represent.

MS MOORE: Okay, can I just gather my paper?

COMMISSIONER FITZGERALD: Absolutely, take your time.

MS MOORE: Okay, so my name is Kathleen Moore. I'm a mother, carer and next of kin for our son, who served for 20 years in the Australian Army and was medically transitioned in January 2018.

COMMISSIONER FITZGERALD: And you are speaking on your own behalf?

MS MOORE: Yes, I'm speaking personally.

COMMISSIONER FITZGERALD: Thank you. So, again if you can just give us ten minutes of the key points.

MS MOORE: Yes.

COMMISSIONER FITZGERALD: And we have your submissions. Thank you, very much.

MS MOORE: Thank you. Our son is the third generation war family member who has served our country. His great uncle in the Light Horse Brigade, his great-grandfather in World War 1, his grandfather in World War 2 and other family members, male and female who also served in World War 2.

Our son deployed 16 times over a period of seven years. These deployments included war in conflict zones, humanitarian disaster relief

operations, including loss of life disasters, air crash sites, tsunamis, earth quakes and floods. He has taken part in village meetings with community leaders, elders in Afghanistan, Pakistan, Papua New Guinea and East Timor, and worked with communities in disaster zones. He has patrolled with Special Forces in Afghanistan and attended many of the rank ceremonies and funerals for our fallen soldiers many of whom he knew and had patrolled with.

During the last five years my husband, Malcolm and I, have been the main carer and support for our son who was diagnosed with PTSD, anxiety and depression. There have been many dark days and I knew early on that I needed educate myself about PTSD if we were to keep our son alive. I just need to have some water to keep the voice going.

The stress to parents like us and of course to families in general, cannot be underestimated. Our health has also suffered and our stress related health issues are the wounds that we now live with. We have taken the full responsibility for the care of our son and are proud to be able to do that. Defence command failed to care for our son and we stepped in to make sure we kept him alive.

Currently, there is no acknowledgement, assistance or support for families like us, older parents who are supporting and caring for their injured veteran family member. And I'd just like to, sort of, add something here that isn't in my notes but I keep hearing organisations talk about families and there's no mention of parents and that needs to change.

The New South Wales – The New South Wales War Women's Guild have opened their arms to mothers who have suffered the loss of their serving family member. They have now also welcomed and opened their arms to me, a mother and carer of her son who has mental and physical injuries. The New South Wales War Women's Guild is the only group that has recognised my role. They are progressing with changes to embrace the contemporary defence family of the 21st Century. They are setting the bar high and they should be acknowledged for what they are endeavouring to achieve.

From the day that our son advised his command he had been diagnosed with PTSD, his career took a significant downturn. His workplace became a toxic environment for him, where he was isolated, ignored, intimidated and bullied. It was at this time that I became aware I needed to support him in whatever way I could. I attended every individual welfare board as his carer and next of kin for the next four years.

Despite the excellent medical care he was receiving, this was continually undermined by a command that questioned professional medical diagnosis, interfered with professional medical advice and medical incompetence. And became aware of the negative verbal and body language being displayed, including the total disregard of his previous achievements and capabilities, and the continuing undermining of his efforts and be included at the work place. It became obvious he was no longer wanted and they would do everything they could to get rid of him. The continual negativity directed to him, saw him spiral into the depths of despair.

Our son's medical transition in January 2018, following 20 years of service was a disgrace and highlighted the empty promises made by Defence about new and improved transitioning. Twelve months later we are still dealing with the consequences and repercussions of that. My endeavours to have some of these shortcomings addressed have met with bureaucratic brick walls and deafening silence. Changes and improvements need to start at the Defence workplace. Not after they've been kicked to the curb or disappeared down a crack in the floor. Those who are charged to deploy them should also be responsible for ensuring they are supported and encouraged in a positive working space when they return injured and ill.

It is not enough to have policies and procedures to look after Defence wounded injured and ill. It requires the emotional intelligence from good leadership in command to also provide a positive and supportive environment for these personnel to be given the opportunity to retrain and or receive a positive medical discharge and transition that recognises their service and contribution.

Over the last five years, I have written to Defence, the Ombudsman and contributed to and attended numerous Senate inquiries relating to defence. It is of concern that with so many inquiries, forums, committees, meetings et cetera, that significant changes and improvements to the transition process for Defence members are yet to be implemented. Where are the results and outcomes, this is not rocket science.

Military personnel are highly skilled members of our society who have lived a very unique lifestyle. Discipline, respect, duty, purpose, honour, motivation, drive, determination, resilience, all highly desired and unique attributes which many employers seek as secondary skills from their employees.

Prior to being deployed or sent on operations, Defence personnel attend force preparation. This program covers a wide range of information about

up to date intelligence of an operation, which includes possible threats. They also conduct a large amount of personal administration to ensure everything is in place when they arrive on operations. Some operations can be in excess of nine months. There is a lot to mentally prepare for, to maintain and sustain themselves within a dynamic and possible hostile environment.

It is surprising and disappointing to veterans that the military have overlooked the most dangerous and unknown operation of all, leaving the ADF. Unfortunately there are no force preparation courses, or training provided to members before they leave the ADF, the biggest operation and deployment of their life.

If an individual commits suicide while on a military operation with the ADF, there is a huge inquiry. Those who have taken their own lives, while on this life change changing deployment are the tragedies of an operation which the Department of Defence has failed to deliver and compare these ADF members and their families for. The life changing operation deployment back into civilian life. The first 18 months of an individual's departure from the Department of Defence, should be treated exactly the same as the operations and deployments they appear for within the military.

So, the document attached to my personal submission, S2S Stepping Out With Dignity program, ensures a dignified transition for all ADF members regardless of rank, regardless of State or Territory, it is honourable and includes community and most importantly it includes family. The Stepping out with Dignity program provides greater substance , encouragement and positive prospects and outcomes which the ADF is still failing to deliver. To my knowledge this is the only program that provides a solution and positive outcome that addresses the needs of the individual, the family with community.

The Steps to Success program, put forward by Chris Moore, is a workable program that ensures that that transitioning member, whether it be a medical transition or otherwise is given the honour, respect and dignity due to them. I urge the Commission to take a considered look at this program. There has been enough talking, it is now time to listen to the veterans like Chris.

I'd like to also draw the Commissioner's attention to these two documents. The first one is the medical separation notice. This document is authorised by the Chief of Army and officially advised the individual when and how their service will be medically terminated and/or separated.

There is no official logo on this document for Army or the Chief of Defence. It is devoid of any official seals or status.

With that page there's a set of boxes to tick or flick. The wording is confusing and unclear and yet if you tick the wrong box you will not be able to request held in abeyance or given an extension of time to get your affairs in order. Again, this is an official document that has no army logo or seal. It is very poorly worded and presented. Nowhere is there any information available or assistance on how you can complete or understand these forms. There is no transparency in this process

Our son's 20 year appreciation of service certificate following his transition was not presented to him as he had requested but delivered by Australia Post to the wrong address. The letter that accompanied his certificate for 20 years states:

> *The chief of Army requires soldiers to be accorded a transition ceremony and presentation of an appreciation of service certificate.*

But due to the separation date imposed on our son this did not allow for a formal presentation. There should be no transitions in December or January which was when our son was transitioned. And it is a time when Defence and the transitions are also on stand down.

The letter further quotes the values and high ideals and distinctive codes of behaviour unique to their organisation, and yet it seems it was okay to ignore all of these values and high ideals and send a 20 year certificate of service via the mail. Adding insult to injury, nil accountability from Defence for their failure to provide honour, respect and dignity to a member who has served for 20 years. It wasn't our son who left the Army, it was the Army who left our son.

COMMISSIONER FITZGERALD: Thank you very much.

MS MOORE: Thank you.

COMMISSIONER FITZGERALD: Thank you very much for that presentation. Well done. Can I just ask a couple of questions going back?

MS MOORE: Sure.

COMMISSIONER FITZGERALD: Your son was transitioned or discharged in 2018; is that correct?

MS MOORE: January.

COMMISSIONER FITZGERALD: So that's very current?

MS MOORE: Yes.

COMMISSIONER FITZGERALD: And you've expressed your deep concern about that transitioning process, but can I just go back a little bit in time.

MS MOORE: Sure.

COMMISSIONER FITZGERALD: When your son first disclosed to his commander or the unit that he had been diagnosed with PTSD you said really at that point things disintegrated?

MS MOORE: Yes.

COMMISSIONER FITZGERALD: Can I ask roughly what period of time we're talking about? When do you think he would've done that?

MS MOORE: His second trip home from Afghanistan he arrived home in December, Christmas Eve, December 2013.

COMMISSIONER FITZGERALD: Right.

MS MOORE: And it was around late February/March the following year.

COMMISSIONER FITZGERALD: That's 2014.

MS MOORE: Yes.

COMMISSIONER FITZGERALD: We've heard from Defence, and we visited numerous barracks and bases during the course of this inquiry, that there is a change in culture in relation to people that disclose mental health. It's very hard to actually know whether that's true. So by 2014 your own son's experience was that wasn't the case?

MS MOORE: Definitely not. And the upsetting thing was that the messaging coming from the, from the Chief of Army was that things were changing and that they were being encouraged to speak up and not try and hide it.

COMMISSIONER FITZGERALD: Sure.

MS MOORE: And so when he did, he did not expect the outcome that happened. He was isolated in his office. It was like he was a leper. That's how he's described it. He was - and it was like no-one really wanted to engage with him because - well, a warrant officer told me they didn't know how to talk to him.

COMMISSIONER FITZGERALD: And what was the role, if at all, of the Joint Health Command during that period of time? He was obviously in there for about three or four years after he disclosed. Do you have any views or comments around how the Joint Health Command interacted with him?

MS MOORE: Yes. I'm familiar with Joint Health Command and I'm very familiar with Tracey Smart, and I have to say she's the only person in Defence who's actually engaged with us as a family. And they acknowledged that errors had been made in their side of it and our son received an apology from them, but the other problems that had come and surfaced quite significantly came under what they called a command problem, so Joint Health Command can only talk about what comes under their command.

COMMISSIONER FITZGERALD: Sure.

MS MOORE: And anything else had to go to the direct command which I have no idea. You know, it's - - -

COMMISSIONER FITZGERALD: No, that's fine. It's a mystery to most of us. But can I just, again, when he was going through these three or four years had he come to a view that he wanted to leave the ADF, or had he wanted to stay within the ADF?

MS MOORE: He wanted to stay. He wanted to be retrained and he had a significant number of operations, and each time he endeavoured to recover from those and pass his BFA, the basic fitness assessment - - -

COMMISSIONER FITZGERALD: Sure.

MS MOORE: - - -he knew he probably wouldn't deploy again, but he was very keen to stay in and be retrained, but they just put the shutters on and - - -

COMMISSIONER FITZGERALD: So we've recently visited a soldier recovery centre in the barracks at Darwin, Robertson Barracks, I think it's called. Was any such service available to him?

MS MOORE: No.

COMMISSIONER FITZGERALD: No.

MS MOORE: And it was promised to him. They do not have any soldier recovery centre in Sydney, in Canberra. Yes, up in Townsville and in Darwin, and it was promised to him by his command that they would let him go to Townsville but that never eventuated. There were a lot of broken promises.

COMMISSIONER FITZGERALD: And eventually he did transition in 2018. And was he medically discharged?

MS MOORE: Yes. Yes.

COMMISSIONER FITZGERALD: He was. Against his will or by that stage had he come to a view that it was probably - - -

MS MOORE: I think he was so broken.

COMMISSIONER FITZGERALD: Right. Can I just return to the central issue that you've been raising, the role of parents.

MS MOORE: Yes.

COMMISSIONER FITZGERALD: So we will absolutely acknowledge in the final report that families includes parents. But, again, as I said to the last presenter, that only gets to the front door. The question is what are the supports that you need as a parent. So I was wondering whether you've got a clear - and I know we've got a submission, but just a couple of things that would have helped you as a parent. I understand there's a lot of things that went wrong for your son.

MS MOORE: Yes.

COMMISSIONER FITZGERALD: But for you as a parent, what would have made a difference for you to be able to support your son and ultimately support yourselves as parents?

MS MOORE: I think initially it would've been helpful if Defence had recognised us. I think, you know, that just wasn't in their sort of - I mean, I turned up, you know, I was probably a bit of a pain in the arse to put it nicely, but I sort of knew that when they had these individual welfare boards - - -

COMMISSIONER FITZGERALD: Yes.

MS MOORE: - - -which the command call that, he should have had someone there with him who was sort of supporting him. And I said to him - I knew because I'd worked in government before that you would never go to something like that without some sort of support. And when I suggested to him he might want to have a mate or somebody, he wasn't feeling confident about that, so he asked me to go along, and I went - as I said, I went to every one for four years, but they were very confronting. I don't believe that command being in charge of those welfare boards is a good idea at all, because they would openly question his diagnosis. They would belittle him even with the doctor there, question the doctor about the medical diagnosis, question the doctor about it, and it was just appalling.

COMMISSIONER FITZGERALD: And when he finally did transition the same question if I can, Kathleen, what do you think should have been - should be in place for parents where their son is struggling?

MS MOORE: Gosh, it's a minefield really. And I understand you're asking me this question, but, you know, I think we're still in the learning phase. You know', it's been fantastic that the War Women's Guild have sort of recognised me as a mum, you know, whose son is still alive, and that sounds like an odd thing to say but, you know, it's very difficult to know what we would need.

COMMISSIONER FITZGERALD: Sure.

MS MOORE: I think to be recognised is a good start.

COMMISSIONER FITZGERALD: It's a good start. Sure.

MS MOORE: And we're not looking for handouts or anything like that, but we're not getting any older and both my husband and I have serious health issues.

COMMISSIONER FITZGERALD: Sure.

MS MOORE: As a result of the stress. So we just want to be there and help our son.

COMMISSIONER FITZGERALD: Have you been offered any opportunities for counseling through Open Arms or any other service by

DVA or any other organisation? Obviously you're getting the support through the War Widows.

MS MOORE: Yes.

COMMISSIONER FITZGERALD: But outside of that?

MS MOORE: Well, actually it might sound strange but it was my son who started to see the cracks in me and that I was putting on the brave armor, and he's told me about VVCS and Open Arms, and he actually rang them on my behalf, and I was able to have some assistance there. But that actually has a timeline on it, so if you want to extend that there's restrictions on that, so - - -

COMMISSIONER FITZGERALD: Yes. And I'm not aware of what those restrictions are, but are they very difficult to be meet or not really?

MS MOORE: Well, I think if you've had so many weeks or whatever of counseling you've, you know, sort of reached your limit, and I don't know if they just assume that you're all okay now, but - - -

COMMISSIONER FITZGERALD: Or do you get re-assessed or something do you at that point?

MS MOORE: No, we haven't.

COMMISSIONER FITZGERALD: You're not sure.

MS MOORE: No.

COMMISSIONER FITZGERALD: Okay.

MS MOORE: It's all a bit of - yes.

COMMISSIONER FITZGERALD: But would that be helpful if you had greater access to Open Arms or a body like that over a longer period of time, would that beneficial to you and your husband?

MS MOORE: Most definitely. And as a family.

COMMISSIONER FITZGERALD: And your son put you on to that?

MS MOORE: He did. Yes, he did.

COMMISSIONER FITZGERALD: Good.

MS MOORE: So, yes, that was easy.

COMMISSIONER FITZGERALD: Good on him.

MS MOORE: Yes. Yes.

COMMISSIONER FITZGERALD: That's good. Richard?

COMMISSIONER SPENCER: Look, just a couple of follow up questions, and thank you for sharing your story. Part of what we're looking at, as you know, is to ways in which Defence can take more responsibility. So I think, you know, your story illustrates frankly the need for that to happen.

MS MOORE: Yes.

COMMISSIONER SPENCER: There's a lot of disagreement about Defence's role in this, but we think there should be ways for Defence to have to confront the responsibility they have for the long-term wellbeing of their members.

MS MOORE: Yes.

COMMISSIONER SPENCER: In terms of your son's engagement with DVA since separation has that been satisfactory?

MS MOORE: Yes.

COMMISSIONER SPENCER: From his point of view.

MS MOORE: And that is an important factor because when he transitioned, you know, we heard the words DVA and had no idea what it was all about, and really had to put on the running shoes. Well, our son was not in a mental sort of situation to be able to cope with any of that. And then so colleagues that I knew mentioned about the veteran centre at Dee Why and I can't speak highly enough of Ben who is the manager there and Sue, who is one of the advocates and there's some other Vietnam Vet advocates there who really were the life line for us for the last 12 months in terms of helping Chris to get his - you know, put in his claims, which is a minefield anyway, but anyway they were fantastic, and I found that they have very good communication with DVA and so for our experience it was very good because it was very open and transparent. There were phone calls or phone hook ups, there were explanations if we didn't understand or our son wasn't able to comprehend things that day

they would reschedule it. So I can only speak highly of the, you know, veteran centre at Dee Why.

COMMISSIONER FITZGERALD: Good.

MS MOORE: And I can't speak highly enough of them and their, you know, as I say, open communication with DVA, and I found DVA were very helpful. I mean, you hear all the things, but I don't like to judge. I never judge anything until you've got your own experience, and I can only say - the only thing I'd mention now is that 12 months down the track that's all stopped, and I feel, "No, hang on, we still might need you", you know. And, again, we're left - again, it's the 12 month anniversary of the medical transition. It's 12 months and sort of DVA have stepped back now. We have still got the veteran centre which is great.

COMMISSIONER FITZGERALD: Okay.

MS MOORE: But we are still - well, I am, I'm feeling, gosh, you know, I'm feeling a bit stranded. And, again, I have to say in terms of social engagement for the veteran who's got mental health issues and physical health issues, you know, that's a whole other thing, because I'm sure if there's other families here, would recognise that when there's PTSD involved there's a whole withdrawal from community.

COMMISSIONER FITZGERALD: Yes.

MS MOORE: So our very social son who joined the Army 20 years ago has now totally withdrawn.

COMMISSIONER FITZGERALD: Withdrawn, yes.

MS MOORE: And that's something as a mum you just can't organise play dates and things, you know. You can do that with a dog, but, you know, so this is something that I'm going to have to sort of research in the future how we find someone to engage - - -

COMMISSIONER SPENCER: So your concern at the moment is the first year's experience has been very helpful but where to from here.

MS MOORE: Yes. Yes.

COMMISSIONER SPENCER: And how his needs are met into the future.

MS MOORE: Yes.

COMMISSIONER SPENCER: Okay. That's very uncertain.

MS MOORE: And, you know, yes, very much so. And very - you know, we'll be there as long as we can obviously.

COMMISSIONER SPENCER: Sure.

MS MOORE: But I don't know what happens after that.

COMMISSIONER SPENCER: Right. Thanks.

COMMISSIONER FITZGERALD: The submission that you've given to us, Steps to Success, Stepping out With Dignity Program.

MS MOORE: Yes.

COMMISSIONER FITZGERALD: And thank you very much for that and we'll obviously read it and our team may have already done so. But what was it that struck you about this program? You've been very praise worthy of it, but what was it that sort of leapt out at you?

MS MOORE: Okay, I have to be honest, this is my son, so he put this together.

COMMISSIONER FITZGERALD: This is your son?

MS MOORE: Yes, this is my son.

COMMISSIONER FITZGERALD: I had a - I was going to ask that question.

MS MOORE: Yes. No, no, I have to - you know, so, you know, I can put the mother's hat on and say I'm very proud of what he did.

COMMISSIONER FITZGERALD: Good.

COMMISSIONER SPENCER: Yes, it's terrific.

MS MOORE: But it's not just about him. He has colleagues who have not had a successful transition either, and he actually wrote this before he'd transitioned because he submitted it to a couple of Senate inquiries. So he's never known that his actual transition was going to be such a failure. But I think it just seems to address even sitting in the public hearing last week in Canberra, when people talk about transition, they talk

about the member who's transitioning. They talk about family and they talk about community. Well, let's just get that together.

COMMISSIONER FITZGERALD: Sure.

MS MOORE: You know, and I believe, even though people will look at this and say, "Well, that doesn't tick all the boxes", well, it does a damn sight better than what's happening at the moment, you know.

COMMISSIONER FITZGERALD: Good. And this submission, am I correct, that your son had submitted this to the inquiry that was held on transitioning last year; is that right?

MS MOORE: I believe it was that one, yes.

COMMISSIONER FITZGERALD: Yes. Anyway, there's been so many inquiries.

MS MOORE: Yes. Yes, that's right.

COMMISSIONER FITZGERALD: So thank you very much for that. And just again you found support through the War Widows. Do you feel that - and, again, I'm not aware of this, is that parents have a natural place within the community support network, the ESO network, or do you think parents - I think you feel a bit stranded as you've just said.

MS MOORE: Very much so.

COMMISSIONER FITZGERALD: Yes.

MS MOORE: And I think even when we heard James speak this morning, and I did speak with him at morning tea.

COMMISSIONER FITZGERALD: This is from the RSL?

MS MOORE: Yes. That, you know, what is his definition of family. Because I don't believe that - you know, if you're talking about parents, well, include them in that narrative, you know.

COMMISSIONER FITZGERALD: Sure.

MS MOORE: Don't just say family and then when we knock on your door, "Oh, no, sorry, that doesn't include you", you know.

COMMISSIONER FITZGERALD: And is it your feeling or sense that some of the traditional ESOs are just simply not aware of the needs of parents or do you think they actually don't think that's their role?

MS MOORE: I really don't know.

COMMISSIONER FITZGERALD: Don't know. That's fine.

MS MOORE: I think there's - and I think it's the same in Defence that, you know, everyone who's, you know, expected to have been married or have a partner. Well, you know, our sons falls into the category where his long-term relationship broke down due to all of his deployments, and he doesn't have a partner. We're his next of kin, we're his carers. When his back injury causes him to be incapacitated it's us who have to go to him or get to him and help him.

COMMISSIONER FITZGERALD: Sure.

MS MOORE: Yes.

COMMISSIONER FITZGERALD: Did you have anything?

COMMISSIONER SPENCER: No, I was just going to make another comment, and that is that the issue you speak of in the disability sector this is a very significant issue as well. Parents who are prime carers for adults - - -

MS MOORE: Yes.

COMMISSIONER SPENCER: - - -and what happens in the future, and I think it's an area that does need to be looked at in terms of veterans.

MS MOORE: Yes.

COMMISSIONER SPENCER: The NDIS arrangements and the capability in the hands of the individual is one long-term and has been of great comfort to many parents where there are long-term issues.

MS MOORE: Yes.

COMMISSIONER SPENCER: So I don't know what that looks like, but I think you've highlighted a very important point, and that is for some individuals, you know, this may be short-term, may be medium-term, may be longer term - - -

MS MOORE: Yes.

COMMISSIONER SPENCER: - - -but how does the system respond appropriately to provide the support for the individual needs, but also to give you comfort as to what happens in the longer term.

MS MOORE: Yes.

COMMISSIONER SPENCER: Yes.

MS MOORE: Very much so. Thank you. Yes.

COMMISSIONER FITZGERALD: Good. Thank you very much.

MS MOORE: Thank you.

COMMISSIONER FITZGERALD: That's great. Terrific. And you did very well.

MS MOORE: Thank you very much.

COMMISSIONER FITZGERALD: And Greg Isolani? Greg, hi.

MR ISOLANI: Good afternoon, Commissioners.

COMMISSIONER FITZGERALD: That's fine.

MR ISOLANI: Thank you for the opportunity, and I apologise for my late submission, it was emailed to Mr Rundell.

COMMISSIONER FITZGERALD: No, that's fine. So if you can do a couple of things for us, Greg.

MR ISOLANI: Sure.

COMMISSIONER FITZGERALD: I think you know the drill. If you give us your name and any organisation that you represent.

MR ISOLANI: Certainly.

COMMISSIONER FITZGERALD: And then you've got ten minutes to give us the key features.

MR ISOLANI: Thank you, Commissioners. My name is Greg Isolani, I'm a private practitioner and partner of KCI Lawyers. By way of

background I've been practicing in the area of military compensation since 1992 as a plaintiff lawyer. I was with a large plaintiff firm who were the first no win no fee firm to advertise. As a Commonwealth compensation lawyer and the only lawyer I got all the Defence enquiries in '92. By '95 I realised there was a huge cohort of people who I as an individual had not had a lot of direct involvement with. I'm a first generation ethnic. My father hasn't served in the Australian Army. My grandfather was a fascist in World War II and I really had no contact with the ADF community other than as a plaintiff lawyer.

My experiences through the individuals who have gone through peacetime service primarily, and obviously the Vietnam veterans, was quite startling. The compensation scheme administered by the Department of Defence appeared to be very crude in administering claims. Clearly there was no information like there is today with the internet and access to information. There were a lot of people who were denied benefits, administratively discharged who should otherwise have been medically discharged.

I evolved into another firm in the mid 90s and commenced advertising in the service newspapers with a 1800 number. I became a lawyer for a number of ex-service organisations, in particular the Armed Forces Federation in '95. I made very public the disgraceful lack of policies and procedures dealing with sexual harassment and the rapes that were going on at ADFA in '97. That was the basis of the Grey review into the ADFA issues.

Following the Black Hawk disaster on 12 June 1996 on the anniversary, the eve of the anniversary Bronwyn Bishop announced a Tanzer review into the compensation arrangements. On behalf of the Injured Servicepersons Association and the Armed Forces Federation and drawing on my own experiences I provided submissions to Noel Tanzer, retired Supreme Court judge. That inquiry evolved into recommendations, one of which was that Veterans Affairs who as a department were dwindling their numbers, and compensation recipients were dwindling because obviously they were only dealing with operational veterans and those with peacetime service up to 7 April '94, limited the amount of people they were literally servicing. So Tanzer decreed that DVA should take over the running of the compensation scheme for those under the SRC Act as well as the VE Act.

My concern at that time was that the Defence delegates who were transferring across to DVA would infect the goodwill and largely beneficial approach shown by delegates in DVA at that stage. DVA has clearly had an 80-odd year history as you quite well documented in your

report. The issue of the review, the Tanzer review into a standalone compensation scheme for veterans was commenced shortly after in 2001.

I was part of a working group, the ESO working group looking into the military rehabilitation and compensation bill that went from '01 to the inception of the Act in '04. I was the only lawyer on that panel and I was largely marginalised because I stood out on behalf of the Armed Forces Federation, I was there on their behalf. A couple of features; I didn't on their behalf agree with the Statement of Principles and the Veterans Review Board model that clearly DVA wanted to bring across into the new MRC Act. My concerns were and they still remain that the SOPs are extremely prescriptive. They don't allow for flexibility that largely arises in what's essentially a personal injury jurisdiction.

There was some features of SOPs that relate to the beneficial nature or the standard of proof, which is as you're aware reasonable hypotheses. With my friend here we have been discussing the nature of what is a reasonable hypothesis and it's largely - it's creative, it's conjectural, it gives the benefit of the doubt to the veteran and the circumstances in which we say as their lawyers or advocates or representatives the injury or disease relates to service.

There are a number of examples though where that type and rigid framework just clearly creates essentially a mockery and a dichotomy of those veterans who would have their claims accepted under the DRC Act using a balance of probability standard as opposed to the SOP requirements for a factor to be met, and importantly the clinical onset. It's a little term, but makes a huge difference whether your claim succeeds of fails.

I am sorry, I have jumped quite into the nub of my paper, but in terms of my representation I have remained a lawyer for the Vietnam Veterans Federation and Peacekeepers and Peacemakers Association as well as from time to time I give seminars through New South Wales Legal Aid and other organisations who care to invite me. I've tried to be involved with TIP training, but they're largely resistant to lawyers. There's a huge pushback by the ex-service organisations reliance or referral of clients to lawyers. It doesn't matter if I go to DefenceCare and do seminars I'll still get people saying, "I asked DefenceCare if they knew of a lawyer who could help me with an MSBS or DFRDB decision and they said they know of no one."

The review which I'm grateful, and I'd like to acknowledge the role that the former senator Jacqui Lambie had insofar as the *Constant Battle* Senate review has gone, and also in the mental health review that was in

the senate in 2014. It was in that latter review that I was a part of, and out of that I think I tried to highlight what I'd been saying and what I believe has been a big cornerstone of what the Commission is seeking to achieve, which is ideally wonderful, and that is to have Defence have an employer type responsibility for the serving member and the member who's transitioning out to be enmeshed with the Department of Veterans Affairs or the VSC as you propose.

As I outlined to the senate inquiry in '03 when the MRC Bill was coming in the problem has been historically, and I think has continued to be, that there are real breakdowns in the role that Defence plays as an organisation - they're not an employer, they're ostensibly the Crown, and these people are not employees, they're servants of the Crown. There's a huge discretion that Defence had as to who stays in and who doesn't. There's a huge discretion as to who can ask for rehabilitation and what form that takes. It seems to be split across the services. I think Army does it marginally better, RAAF is somewhere in between, and Navy in my anecdotal experience have a fairly poor track record of trying to provide light duties, to use the workers compensation vernacular, and to assist people to transition.

I think with respect to what the Productivity Commission has attempted to identify through the wellness model, which is something different I think to the rehab model, with respect you really need to have Defence accept this fundamental role of - you know, they broke them, they have an obligation to fix them. I know that's just a pithy cliché and easy to throw around, but again in my experience to write to the Chief of Defence Force or chief of the particular service and say, "You're a rehabilitation authority as defined under the MRC Act. My client is not likely to be medically discharged" - but they are medically downgraded - "Can you please assist them into a transfer, a core transfer, service transfer." It doesn't happen. I shouldn't say it doesn't, it happens rarely. It happens with high profile cases.

We all know of the clearance diver who was attacked by a shark and we all know he stayed in, one arm and one leg. An amazing success story and to be commended. Army officer blinded, able to stay in, in operational service, high profile. I call them the pin-up boys for the ADF, and the reason why I say that is, and with all due respect, if there is something quirky or you were wounded or injured on a deployment then you're with 2 Commando or with an up-tempo type unit or the SASR there is a greater likelihood that you will be assisted and transitioned. Transition is a big issue and it's a big cornerstone of the Act, the MRC Act, and it's failed. It's failed because there's a section of the Act called transitional management, section 64. A very simple section, reads really easy, you are

to be coordinated with case officers, you are to be assisted with claims. The segue between the ADF service and your civilian life should be seamless, as best as it can give or take.

So my Senate submission in 2014 about ADF returning from operational service and mental health I've provided case studies of these issues where I'm the one having to find their particular medical discharge form. It was never lodged, it was left in the orderly room. It creates a huge issue with a back payment when you get a retrospective pension and they've been on Veterans Affairs incapacity payments.

So they're some of the issues that I would highlight that in my respectful view and experience you are likely to encounter. The level of advocacy there is widely and markedly. So clearly DVA wanted to get rid of lawyers in 2015 when they abolished the dual appeal pathway, and they did that because it meant that if a veteran had only gone through the VRB, or could only go through the VRB, they wanted to appeal to the AAT and they were ineligible for Legal Aid, then as a lawyer I could not run your case on a contingency. Not all cases - this is important - not all cases are about lump sums where I get paid. They're about wives who become ostensibly full-time attendant carers and are denied the attendant care payment.

There's a huge sexist element that runs through the scheme and from DVA from the top down and it's in policy. DVA will not fund a wife, and I'm using the sexist language in generalising, that we have women who become full-time carers, they may or may not have given up paid employment, but they have certainly lost their opportunity and livelihood and their lives are qualified by virtue of looking after their partners. Every case or nearly every case I ask for, for a wife to be recognised and paid as an attendant carer to get $480 a week as opposed to $180 a fortnight from Centrelink, is bitterly contested, and it's a policy.

Now, I ran a case in '97 called Hopgood and Hopgood was the first wife who had not lost paid employment and was recognised to be doing 12 hours of work that was not fortuitous, but should be recognised and paid by Comcare. Mr Hopgood was a Department of Defence employee, but not a serving member. So this notion that there's a policy that binds us if you're DVA is a fiction. I would also say, I'd also caution again, with respect, the movement towards a new scheme that's modelled on the MRCA and modelled on the impairment points of the MRCA.

So how it works is the case of Robson was my case. So Hamish Robson was a Rwandan veteran who suffered - and the case is reported, so there's no breach of privacy - so Robson has woeful experiences in Rwanda in '94

and has a near death parachute accident and has multiple musculoskeletal injuries ten years later in '04. He has two separate and distinct psychiatric conditions. Under the DRCA there is nothing perverse or unusual to be properly compensated if your injuries result from different events or if there's two different impairments, even though there's one accident for example. The MRCA groups together your injuries under this concept of your whole person. So what that means is if you're blinded in an accident under the MRC Act and you get 80 impairment points, if that accident, if you were hit by an IED in Iraq, you got shrapnel in your neck, musculoskeletal problems from where you fell off and you developed PTSD, DVA will say, look we're very sorry to hear of those circumstances, please lodge your claims. You lodge them. Please tick a box for a needs assessment. They'll assess your need, they'll assess your lump sum. You can't get any more. You can't get any more. Once you get 80 points it doesn't matter if you have new conditions that manifest, if the existing conditions worsen, you've hit in DVA's lexicon, you know, the ceiling as to where you can go.

You have to decide as Commissioners and what you're going to propose to the Commonwealth. Do you want a compensation scheme that DVA public servants or yourselves as Commonwealth public servants are eligible to receive more compensation for multiple injuries, whether they arise over the course of your working life or due to one event, because that is what will happen. So that's - again I don't want to be seen as advocating about lump sums, but there is one harsh reality, and that is the stark difference in the schemes.

COMMISSIONER FITZGERALD: We are just going to run out of time, so if you can just give me the last couple of minutes and then we'll have a chat.

MR ISOLANI: Sorry, yes, thank you. Look, I can perhaps raise three questions, other issues that I've gone through in my paper. The only last thing I'd say is I think, with respect, there was a seminal review done in 2009 that resulted in the review of the military comp arrangements in 2011. That addressed a number of these anomalies that I think you as Commissioners have identified. So you've looked at different standards of proof under SOPs, you've looked at balance of probabilities, you've looked at BRB, you can't have lawyers but you can have them at the AAT.

For me it has been frustrating that, you know, what came out of the review into suicides, and we had Professor Dunt do that in 2009 and one of the cases was mine of McColley who at the end of an unrelenting DVA investigation incinerated himself as a public protest. So McColley is a public case. I established through the Supreme Court in the ACT that

DVA had a duty of care when administering the compensation scheme. It's about, in my view, not reinventing the wheel, but perhaps step back and take stock of what have been the recommendations. I've been fed up being constantly asked to attend - I volunteer, but there's another review, there's another submission - you know, no personal offence to the Commission, but to wade through a 700 page report is hard work as a private practitioner with a busy workload and demanding clients.

I would just ask that as part of the final report the Commission looked at the military comp review. That review was extensive in the sense, again without denigrating the Commission's work, but the stakeholders were wide and varied, the input was substantial, it was four years into the inception, or five years into the inception of the MRC Act. There were a lot of issues identified and transitional management was one. They did a review of the SOPs that for some reason the Commission wants to embrace. It found looking at knee injuries that you had under the SOPs 56 per cent - they did 196 case studies - 56 per cent would be accepted under the SOP, 96 per cent under the SRC Act. So, you know, is it the case that this SRC Act is just so beneficial and generous, or is it a case that the SOPs are so restrictive, and I would really caution the Commission about embracing this system that I think from what you hear from advocates, it's like, oh well, it's all pretty easy. It's like, yes, it's easy for DVA to say no as well and for you to accept that slavishly, because you don't have an appeal right because you don't meet a factor. So that's my just general overview. Thank you.

COMMISSIONER FITZGERALD: That's fine. Thank you very much, and there's a number of issues I'm sure in your submission which we will look at. So first thing we've looked at all the inquiries going back a long way, including those ones, so we've been very cognisant of the fact that this is an area of public policy littered with inquiries. So we're conscious of that. Just if I can take the last point; your view in relation to SOPs is a view that we've heard, but only from a very small minority of participants, including during our consultation. So you would be aware that your view in relation to not going down the line of SOPs is a minority position.

The issue about the flexibility I'll deal with that separately. So why is it that you hold this view and so many others don't, because they actually love the SOPs, and we have been encouraged over and over and over again to extend SOPs across all three Acts. So what is it that you and a few of your colleagues, and the other people that have said the same thing are lawyers, so what is it that stands out for you?

MR ISOLANI: Sure. So as a standard of proof, so as a lawyer and you say, well what do we need to meet, is it a balance of probability test or is it

a rigid template. So clearly the template defines a trauma to mean you fall, you have immediate pain that lasts for 24 hours. You have cervical spondylosis, it means you must have been walking around with, you know, a 10 kilo weight on your head for 25 hours. It's bizarre, without denigrating the RMA. You have Mefloquine which on the one hand the RMA say there is no scientific evidence of the anti-malarial is producing long term effects, produce a statement of principle or amend one that says we will accept if someone commits suicide within 30 days of taking Mefloquine.

So if someone committed suicide on the 35th day of taking the drug they would not be accepted. There are perverse outcomes and they're not - to rationalise them by saying, you know, look asbestos exposure needs to be of a certain - you know, fibres in the air and so forth. It's just a very rigid structure and this is beneficial legislation, isn't it.

COMMISSIONER FITZGERALD: So the question is this is a trade off, isn't it? I mean, yes, you can go to the normal common law approach and balance of probabilities and work that through, but of course at some stage during the system's life people have said we actually needed to create certainty. So statements of principle effectively create certainty, whether it's the reasonable hypothesis or the balance of probabilities, and people seem very content with that at all levels, both in terms of DVA, in terms of the ESOs, in terms of ADSO, because as you said they say to us this is a really good scheme. New Zealand is now adopting SOPs as you would be aware.

The issue for us has always been that group of people that don't neatly fit within the SOPs, and we've spoken to a number of lawyers about that and tried to understand that, but our impression is that for the vast majority of people that put claims in SOPs works well enough. Now, clearly you don't think that's right, or is it that it's that little group at the end that you really do worry about?

MR ISOLANI: So if I talk empirically, so I'm not the lawyer here, I look at stats. So if the Department statistically looked at 196 claims and just ran them through the two different systems and you get a 40 per cent variation would you say - just purely we're dealing with knee injuries - would you say that that system is beneficial because it consistently denied more claims than it accepted. So it's consistent, whereas a balance of probability, there may have been some conjecture about the circumstances, but you have certainty with a SOP, absolutely, but what the certainty means; certainty your claim is going to be rejected.

The case I've referred to of Reilly is a veteran client of mine who had passed away, dropped dead in a workplace. On 30 June 2004 his widow and children would not needed to have seen me, liability would be accepted without a doubt under DRCA. There's a whole raft of High Court and Federal Court authorities that you're aware of. Under MRCA he came under a SOP, so he needed to by hypertensive, the hypertension needed to cause ischemic heart disease and the heart disease was the cause of death. To get hypertension in he needed to have, amongst other things - he was a smoker, but smoking has been disregarded since '97 - we needed to show the musculoskeletal problems that he had affected his ability to exercise to greater than 2.4 METS level of activity that caused him to become hypertensive. We got there, except we had the fitness test that he could run for 20 minutes.

So what did they do, they pulled out someone from Defence and said, no, that fitness test would be indicative of this man's level of fitness. We had the person who passed his test who said, "No, no, I fudged it. Mr Reilly's a good bloke, you know, I wanted to get him over the line. A big overweight guy, but, you know, been around forever, East Timor." We lost that claim. If you say let's embrace the system that so starkly discriminates against a Commonwealth public servant why should an Aussie Post employee as opposed to a servant of the Crown have a claim accepted for death - so we always recognise death and dependence and family members as being in the highest echelon of those most in need of support.

So you really have to, I think, if you want my opinion, get the RMA to reconcile this. Get the RMA to say, look, you know, do you think your template works in cases where if we run another battery of tests on back injuries, neck injuries, heart attacks and strokes, when we compare them to DRCA/SRCA is there something that's slightly rigid or your scientific, you know, modelling doesn't accord with what happens in the day to day scenario?

COMMISSIONER FITZGERALD: Well, rest assured we're about to meet with the RMA shortly.

MR ISOLANI: Great.

COMMISSIONER FITZGERALD: Again, so I shall put your proposition to them.

MR ISOLANI: Please send them my regards.

COMMISSIONER FITZGERALD: Just a couple of other issues and then - - -

MR ISOLANI: Sure.

COMMISSIONER FITZGERALD: I am interested in your notion of Defence. We have had, as you would be aware, most of the ESOs and others have opposed our view that Defence should have policy. Putting that aside the broader issue is one that we've canvassed over a long period of time is Defence taking a much greater responsibility for the impacts of injuries and illnesses that arise, and you've talked about this issue of return to duty or return to lesser duties or alternative duties. Whilst the ESO community basically agrees that that's the problem almost nobody is saying and Defence should change. It's like, well we just accept that's the way Defence is. You're saying, if I'm reading you correctly, Defence does need to change in relation to the way in which it deals with people within its service and accept greater responsibility for the impacts of injury or illness arising from that.

MR ISOLANI: Absolutely. I have the benefit and disadvantage of not being a former or current Defence member. So I look at this as an organisation that I've seen on the outside and, you know, being fairly left and green growing up in the 70s, not being a fan of the Vietnam war, but meeting Vietnam veterans, like I said in the early 90s when I got into this space I was appalled, meeting the widows, meeting the wives of disabled vets who had been discharged in the 80s, in the 50s, and my rage was against Defence because Defence were administering the compensation scheme. Over time I realised these were Commonwealth public servants within the Department of Defence. I would dearly love to see what I thought were the basic tenets and the cornerstone of the MRC Act come to life. I've always talked about this. I've talked about vertical as opposed to horizontal rehabilitation within DVA by DVA for those who have discharged in rehab.

I'm not one to say leave the TPI person alone, and I understand there's a huge dichotomy between taking the "P" out of TPI as we were told for three years in this working group, right, in the '01 to '03 working group, and I understand that, but on the one hand you want to encourage and foster and fulfil people's expectations, and I heard the lady talk about a younger veteran. You don't want to squash them with stamping their Gold Card TPI if you think that's going to - they'll adopt a lifestyle. But Defence I think are part of the problem if they make you feel that you're no longer part of this family, and that's what people feel on the whole and they feel betrayed if they are discharged quickly with the separation notice, not having that opportunity. You know, they've got to go through

this convoluted redress grievance and they try and put off the separation notice. I do it all the time and it's disheartening.

The organisation should say, "Look, Bill/Jill, you've been medically downgraded for some time. We tried to identify your skillset. We want to move you to this section, that section. We've got rehab providers over here. We've got social workers." I think it needs - it has to be from Defence pushing this, that, you know, they value all Defence members equally, those who are battle fit and ready to be deployed at 24 hours notice, and those who are in admin positions and other positions, without demeaning - clearly you're not going to get a doctor in the cue store, people involved in policy writing. It's a huge organisation. This isn't like for my workers comp clients who, you know, they work for a trucking company and they're a truck driver and of course they don't get light duties, they get sacked after 12 months. That's the norm, but these aren't the norm, these are servants of the Crown who forego their own safety, their liberty, how they look, what they wear, where they're going to go. I wouldn't do it, but if they do it, the (indistinct) should look after them.

COMMISSIONER SPENCER: That option seems to have diminished dramatically over the last two decades, because as you would be aware they've outsourced so many of the different issues where there could be light duties. So that's been something that's perhaps had a perverse outcome and that is there is nowhere for somebody to go and that seems to run contrary to the notion of Defence family. I just mention that. I just want to come back to the VRB. Most lawyers have said to us, no, VRB is fine, in fact there should be lawyer representation of the VRB. We have gone a different direction, we've looked at it and said this is one of the few if only places where you have two determinative bodies.

Now, we understand the history, we understand the lack of trust. The sense that veterans have, no, we have a place to go that we trust and gives good decisions and good outcomes, and particularly with the new ADR process that they're using, and a lot of our recommendations are about the medium to longer term. It's not about next year or the year after, it's about where to go in 10, 15, 20 years. So what we're saying is actually a lot of things seem to go wrong at the outset, wrong assessments, claims mishandled. A big effort underway in DVA at the moment to correct a lot of those things, but everybody would agree better decisions upfront, clearer decisions, less controversy, more kind of less stress, that is good. So we want to move some of those processes that are working well in VRB into the first determination process, and then we're saying that the VRB should continue, but not be a determinative body. If there's a need for that, that will go to the AAT.

So there are arguments about, well, a lot of cases will go to the AAT, but in other areas they don't if the process up front is better and people are more trustful of it. So your views on that.

MR ISOLANI: So, they're vexed, because clearly I've been vilified as a lawyer and because of my qualification I can't sit with the veteran in the – at the VRB hearing.

So, and also my experience is qualified. I think, with respect to some of these organisations who I like to think I'm an integral part of, ESOs are predicated, funded, established with an advocacy model attached to it.

So if, as you're proposing, to disregard, abolish the VRB as a hearing model, so use it as an ADR type. Can we mediate it? Of course you're going to get all this resistance, because the ESOs are saying, well, what do we do? And that's part of the problem.

There's a model that's integrated into the problem in many ways, and that is – and with respect to those advocates, and their skillset is wide and varied, but I've said consistently, why would you have this duplicity.

You know, my client comes to me after going to the VRB, and they're disillusioned when I go, oh, we start the process again. We're going to get more medicals. I need a statement. We're going to subpoena your medical records, and we might end up in front of a two or three member AAT panel. Not that often these days.

But this time it's different, because we're going to have barristers. You're going to be cross-examined. We're going to have a chance, and not only that, some of the anecdotal feedback veterans get from the VRBs, they find it intimidating. They found the VRB members condescending. The ex-service members, some of them knew them in their roles. The officer, the hierarchy thing prevailed during the hearing.

Advocates were also confused, uncertain about their roles. One of the seminars I gave, I just got the practice direction from the VRB and said, look, you have to be fearless. When you're in there and the member says, no, I want to hear this from the client, or from the veteran, you say, no, that's a loaded question. Don't answer that.

And they say to me, well, the VRB won't let us do that. You know, they'll say, I want to hear from the Veteran. It doesn't matter what the veteran says, because it's not a de novo review at the AAT. You know I get the transcript thrown in my face.

So although it's, yes, it's de novo, it's like, well, your client's evidence in the VRB is used against me in the AAT. That's a huge issue. That's why I say to clients, you're mad if you go to a VRB hearing.

So, to answer your question, I think the AAT has that specialised review. If there is a level playing field, and my case of Rollins showed that there was, and I represented Rollins from 08, plus the 70 or 80 odd cases that are published in Federal Court, and other cases I've run, DVA have the whip hand because they have panel firms who can strangle the system through legal technicality.

A Federal Court case in mind, Brian Sharpe, unrepresented in the AAT, a VEA case. Two weeks before his hearing, Sparke Helmore get parachuted into the case. They run it, a three day case against this man who, the judgment, if you read it, highly traumatised, damaged individual. He wins.

What do DVA do? They appeal to the Federal Court. What's in their grounds of appeal? They want their legal costs. I've still got an FOI case going as to how much they paid Sparke Helmore just to run the AAT case, and then how much did they spend in the Federal Court?

So these, you know, without being dramatic or emotional, it's really hard. You know, the reason why Maurice Blackburn, and Slaters, they're not here, because this is a hard jurisdiction to run tactically on behalf of a client on a contingency, or if you're prepared to do it, as I am, on Legal Aid rates, because – I'm sorry. It's just my alarm to get my flight back.

Because I know the reality, and that is, you know, I can barely find barristers to run a two day case at $2,500 dollars. You know, DVA's panel firms don't have those constraints.

So while, yes, I say use the ADR process, which I personally have found to be constructive and useful. I'm a big fan of ADR across all jurisdictions, not just tribunals, but in courts in which I practice.

I think something seriously has to be done with DVA's panel firms. I always say to them, why don't you run your case, when the squabble about my legal costs, they say, did you run this case on Legal Aid rates? You know, I'm sure you haven't come down here to do this on Legal Aid rates like I have.

And that's what I'm finding now. You know, I've got Legal Aid cases and I'm up against the panel firms. This happened in 2011 and 12 and the

department got rid of that because of the strong lobbying by Tim, the late Tim McCombe, the former President of the Vietnam Vets Association.

So I think you need to be very careful with this review model, sorry, the review of decisions, and funding is a big issue, because you can bypass or you can modify this VRB type model and say, well, you go to the AAT.

But are you going to have an advocate going to the AAT, or are you going to hope there's other lawyers like me. Thank you.

COMMISSIONER SPENCER: No, no. Thank you.

COMMISSIONER FITZGERALD: This last question, and I'm conscious of the time, you talked about the duty of care during the DVA process.

MR ISOLANI: Yes.

COMMISSIONER FITZGERALD: Can you just, in a short space of time, tell me what you mean by the duty of care during the DVA process?

MR ISOLANI: So I use the case of McColley. So he was a Vietnam Vet, former President of the Queensland Vietnam Vets. Set it up in 92. Highly troubled man. Attempted suicide on two occasions. Again, this is in a published decision.

DVA had an unrecorded denunciation that he'd supposedly committed fraud. They spent two years investigating the so called fraud, to the point where he, after a final phone call with DVA, went to a service station in Varsity Lakes, just out of the Gold Coast, got a tin of petrol, you know, when you run out of petrol, filled it up, went out in the street, doused himself and incinerated himself, in the style of the monks in Vietnam.

So the Queensland coroner found that there was this direct link between his actions and the investigation. I brought a claim on behalf of the widow and dependents in the ACT Supreme Court. DVA put on a strikeout application to say there is no duty of care owed by a statutory body, so like whether it's a WorkCover, an insurer.

So the case, we lost at first instance, and we appealed to the full court of the Supreme Court who found that, no, DVA, like the police, when they're investigating, do owe a duty of care.

So that duty of care, extrapolating that, DVA are in a unique position. They are administering a compensation scheme for troubled individuals,

and I heard this story of the lady before me, and one that's known to me, and as a lawyer, it's a really difficult area. Your clients are emotional.

Quite often, their income may be affected. There's a step down in the compensation arrangement which I find odd. Like, why can't you get your Comsuper class saying that DVA top up at 100 per cent after 45 weeks if you're seriously injured and you're not going to go back to work. Your cost of living doesn't drop by this 25 per cent mark.

Put that to one side. People are highly emotional, and I think, and the Dunk Review, and I think there is – you touched on the Jesse Bird case, and I believe, again anecdotally, that it will be before a Victorian coroner. DVA have to be very careful when they are administering a compensation scheme for a fragile cohort.

So what does that mean? Timely decisions. Not drawing things out. When you get an overpayment, because Comsuper didn't get a clearance and you got a back payment of your MSBS pension, DVA say you owe us $120,000.

Don't deduct it from their lump sum. Just say, look, we're prepared to take this money back over 10 years, because you're likely to be on compensation.

There's quite a bit of sort of automated decision making and responses by the Department that can compound what's already a difficult situation for an individual.

But I think timely decision making. I think there is generally a greater degree of sensitivity, and I'll acknowledge the work that Liz Cosson, as secretary, I think has done, or is part of a movement to really, at the front end, get delegates who are a bit more sensitive.

But, you know, I still think there is a way to go. As I said to Liz, I've got a 94-year-old World War II Veteran. He was part of the British Commonwealth occupational forces in Japan. He served in Korea, in Vietnam. He worked until he was 92. Stopped work. He's been denied a pension because they say, well, you just got old and stopped working.

This man had his own business as a building inspector at 92. He can't crawl under floors and get into roof cavities, and his PTSD is so profound he wants to throw himself off ladders.

So he decided to stop work, but he didn't go to his doctor and talk about it. He said, look, I got to the end where I just couldn't do this work anymore. I deregistered my business.

Why does this man have to litigate? Why do I have to be up against Sparke Helmore? To say, we're going to subpoena all of his medical records.

So, I see some good work at one end, and these – I have another 92-year-old, and I've spoken to Ms Cosson about this, and the shoulders are shrugged and it's business as usual.

COMMISSIONER FITZGERALD: Thank you very much for that. We appreciate that. Thank you for your time. Where's your practice, by the way?

MR ISOLANI: I'm in Melbourne, but I do a lot of work in Sydney (indistinct).

COMMISSIONER FITZGERALD: Thank you very much for your time.

MR ISOLANI: I really appreciate you accommodating me at short notice.

COMMISSIONER FITZGERALD: No, that's good. No worries. So, I indicated at the beginning of today that we would take very short presentations at the end from anybody who would like to do so.

So we have one person that would like to make a presentation. If there's anybody else, we'll do it immediately after this gentleman, and these are short presentations and Richard and I might ask a question or two. But it's really just to give anyone that's been sitting in the audience most of the day an opportunity to make a comment, if they would so like.

So if I could have Mr Red William. Around this way.

MR RED: William Red.

COMMISSIONER FITZGERALD: Sorry, Mr William Red. Sorry. I've always wondered why we do that. Good. Thanks very much.

MR RED: Thank you, Commissioners.

COMMISSIONER FITZGERALD: Sorry to get your name muddled. So, Mr Red, if you could give your full name and, if you represent any organisation, the name of that.

MR RED: William Red. I'm an individual representing my own views.

COMMISSIONER FITZGERALD: Good. If you'd like to make a brief statement, that would be terrific.

MR RED: Okay. My background, I'm a retired lawyer. I spent six years in the Navy. I spoke at a private session in the Royal Commission. I worked in Defence from 2007 to 2011. I have PTSD and anxiety issues through what happened as a child in the Navy.

I am very grateful for the Royal Commission, because the – Judge McClellan made the announcement that DVA had been acting unlawfully for decades. Now, as a lawyer, that rang so many alarm bells. You can't act unlawfully for decades and not commit criminal offences.

From my perspective, lawyers, all the lawyers at DVA for 40, 50 years, knew they were acting unlawfully. Because what Judge McClellan was that DVA were expecting the claimants to get corroborative evidence and all kinds of evidence that they weren't required to provide to prove their case.

Now, as a lawyer, I know that if my client acts unlawfully, I have to first of all advise that client, you're acting unlawfully, and second of all, I have to say if you continue with this, I cannot act for you.

But the DVA lawyers didn't do that. They hired private firms. Once again, those private firms didn't say, you're acting unlawfully. We cannot act for you. They all came into the mix.

All these legal cases happened when they shouldn't have happened. Billions, I guess, over decades were spent. There are 8,000 homeless vets. Those billions could have put those guys in homes. Instead, they put lawyers in mansions and Mercedes.

There is something inherently evil in the way that the, I guess, employees at DVA have been acting. You can't do this for decades. You can't just say, okay, we will change and we'll be veteran centric. You can't say to Ivan Milat, hold on, we won't worry about your previous misbehaviours, because you're a good guy now.

We haven't had an investigation into DVA that's required. The Australian Government investigations s.2.4 requires that the police be informed, and it seems to me very unreasonable that the police haven't been called in, and that DVA is investigating itself.

The kinds of laws that I believe are broken by DVA, the first one is, when DVA knocks back a suicidal vet and doesn't provide the medical services that that person's entitled to, when they do it unlawfully, and that person commits suicide, that amounts to manslaughter.

And you'll a good publication in Neil Foster, Manslaughter in the Workplace, and that outlines where indifference can be just good enough reason to convict you of manslaughter. Now, my estimate is that in 40 years, there are probably 1,000 Vets who were manslaughtered by DVA.

Another thing, we're hearing lawyers, hundreds of them, I guess, over decades, have acted unlawfully. Well, one or two accidents is something, or two or three is an incompetence, but when you've got successive lawyers and heads of legal departments doing it for decades, it's a fraud.

They know it's wrong, and they're doing it. The fraud is, the government expects them to comply with the law and advise others of the law. Instead, they're going over the top and not worrying about it.

So they're not doing their job. They know it's unlawful, so they don't have a defence that they didn't know the law. So there's manslaughter and fraud.

One of the more scary things for me is when a secret ops vet goes and makes a claim, everyone knows they are restricted in what information they can provide. Otherwise they'd be disclosing secrets.

They've come up against a claims manager who will say, we can't give you your claim, because we need more information. Well, Vets have been put on the back foot, but the reality is, what that DVA claims manager is doing is inciting the Vet to commit a crime.

You can't pressure someone to give you more information. They don't really need it, DVA, and the only reason they want it is so they can dispute a claim. It's a very scary thing, because the tiniest amount of a secret that gets out can put the whole country at risk. So DVA are acting criminally there.

These days, they're doing another thing. Duress. They send some of the vets to a particular medical assessor. One that I know of is MLCOA who requires that they sign a waiver they won't record things.

Now, we have a right to record things, and that's in Surveillance Device section 7 sub-section 3, paragraph B. That's the New South Wales Act. The Commonwealth Act section 4 cedes the rights to the states.

All the states allow us to record things. We don't have to tell people, but we can't publish it. We have to have a legal interest. So when we're there recording our psychiatrist interview, and I can tell you as someone with PTSD, that's a very precious moment that we got to remember what we did and didn't say.

But if I have a recording and can review what I said, wow, it makes a huge difference. But to have an organisation working under policy that says I can't do that, and I have to waiver my rights, that amounts to duress.

And there's a couple of things I'd like to say about that duress.

COMMISSIONER FITZGERALD: Sorry, we just need to be careful of time. So just if you can just make two brief points to conclude.

MR RED: Okay. DVA have been acting unlawfully for decades, and there are many, many, many criminal offences in there. I want a proper police investigation. I want really a Royal Commission, because there's been decades of it, and there are so many people that need to be charged.

Because if we retain these criminally minded people there, it doesn't matter what administrative changes, what policy changes, what new benefits you bring in, you will still have the spirit and culture of DVA, this one that's criminal.

COMMISSIONER FITZGERALD: Thank you very much. I am familiar with the matter that you've raised in relation to the Royal Commission that you've referred to, chaired by Justice McClellan, and I was on the hearing that actually dealt with that matter.

So I am very conscious of what you raised. So thank you for raising it publicly, but I am very familiar with that matter. And I thank you again for your presentation. Thank you very much.

MR RED: Thank you very much.

COMMISSIONER SPENCER: Thanks very much.

COMMISSIONER FITZGERALD: Is there any other person that would like to make a statement before we conclude? Going, going, gone.

It's only left to me to firstly say thank you, especially those that have sat through the whole day. We're very grateful, and we'll now adjourn the hearing until we meet in Brisbane tomorrow morning. Thank you very much.

ADJOURNED AT 4.18 PM
UNTIL WEDNESDAY 27 FEBRUARY 2019

Australian Government
Productivity Commission

PRODUCTIVITY COMMISSION

COMPENSATION AND REHABILITATION FOR VETERANS

MR R FITZGERALD Commissioner
MR R SPENCER, Commissioner

TRANSCRIPT OF PROCEEDINGS

AT MERCURE BRISBANE, 85-87 NORTH QUAY, BRISBANE
ON WEDNESDAY 27 FEBRUARY 2019 AT 9 AM

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COMISSIONER FITZGERALD: Good morning, everybody. Welcome and thank you very much for attending. I've just got a brief opening statement which we make at the beginning of all of the presentations. So, firstly, thank you for participating in this, the public hearing of the Productivity Commissions Inquiry into Veterans' Compensation and Rehabilitation, following the release of our draft report in December last year.

I'm Robert Fitzgerald, and I'm the presiding Commissioner, and my colleague is Commission Richard Spencer. The purpose of these rounds of hearings is to facilitate public scrutiny of the Commission's work, and to get comment and feedback on the draft report. We're very mindful of the fact that the draft report was very extensive, with large numbers of recommendations, and substantial documents to read, and so we're very grateful that so many of you have been able to respond in a very short time frame to that complex report.

We've held hearings so far in Melbourne, Hobart, Adelaide, Perth, Darwin, Wagga Wagga, Canberra, and Sydney. And following the hearings here in Brisbane, which will be heard today and tomorrow, we will be in Townsville and possibly a public hearing in Rockhampton. We'll then be working towards completing a final report to government in June, and that report will be delivered to the government in the last week of June this year. And we will have considered the submissions and the discussions, including the evidence that is presented at these public hearings in formulating our final report.

Participants and those that have registered their interest in the Inquiry will automatically be advised of the final report's release by government. The draft report is released by the Productivity Commission, the final report is released by the government. But it must be released in full, within 25 parliamentary sitting days after the completion of the report.

We like to conduct all hearings in a reasonably informal manner, even though some people would say this is not very informal. Nevertheless, I just remind participants that a full transcript is being taken. For this reason, comments from the floor can't be taken, and at the end of the proceedings today, and again tomorrow afternoon I'll provide an opportunity for any person wishing to make a very brief presentation. If you'd like to do so, just see our staff at the back of the room some time during the day.

Participants are not required to take an oath, but the Productivity Commission Act does require that the remarks are truthful. Participants are welcome to comment on the issues raised in other submissions, and we

certainly welcome that - that feedback. The transcript will be made available to participants, and will be available from the Commission's website following the hearings. Submissions that are currently being received, and need to be in fairly shortly, will also be available on the website.

I'd like to also note than a counsellor from Open Arms is in attendance, and I would encourage you to use those services if you feel the need. In relation to Occupational Health & Safety, I think there's only one exit, and that's out the back. And if it does start to do it's normal bleeping, then follow the instructions and the hotel staff.

So, I would just - so we'll get underway. The format for the day is pretty simple. Each participant will be given the opportunity to make a very short opening presentation, around 10 minutes. A couple of organisations just a few minutes longer than that, and then Richard and I will raise some questions. We've got a full day, but we will get through it on time, and as I said, we will also be here again tomorrow, for another, you know, I think three-quarters of the day.

So, if I could have the first participants, which is the Australian War Widows Queensland. Are they here? And if you just come over. So, Natasha?

MS OICKLE: Yes.

COMISSIONER FITZGERALD: Are you here with anybody else, or just by yourself?

MS OICKLE: I'm on my own today.

COMISSIONER FITZGERALD: So if you want to grab the first microphone.

MS OICKLE: Sure.

COMISSIONER FITZGERALD: So, the microphones are both for recording, but also for amplification. But you don't have to move them, just leave them, it should be fine. Okay, so, Natasha, if you can give us your full name and the organisation that you represent.

MS OICKLE: So, my name is Natasha Oickle, and I'm the CEO for Australian War Widows Queensland.

COMISSIONER FITZGERALD: Terrific. And if you could just give us ten minutes of your key points.

MS OICKLE: Sure. Well, thank you for having me here today. There are two main points that I felt, and the organisation felt, were, I guess, most important for us, as the War Widows. The first one being, and you might have had a look at it, if you've read the War Widows' submission. The first one is a challenge that I think many of you can relate to, and that is difficulty with accessing funding to help the people that we're servicing.

Because there are so many ESOs, thousands, all competing for a small pool of funding, what we find is that the funding's not always necessarily going to the ones that have the best governance systems in place. And simply put, I guess what I'm, you know, wanting to put forward, is that when I came into this industry, I was a little bit surprised at the lack of governance and quality systems that need to be in control to help ESOs to, I guess, service their members, and service the people that they're providing assistance to, in a way that is sustainable, and you know, in a way that provides some quality assurance for how the funding is being utilised and reported on.

And, you know, we all know the benefits of the government for, you know, organisations that have good governance systems, and can provide, you know, real data to the government, to help inform government themselves, on police making, and gathering statistics, and all of those important things that - that we need to develop good strategies. Now, I came from a sector that was very highly regulated, and I'm not saying that we should, you know, become, you know, completely controlled industry, as such.

However, at the moment, to apply - I don't know how many of you have applied for funding in your organisations, how many of you have noticed that there are, pretty much other than being registered with ACNC or, you know, ASEC, there are no other requirements to access this funding, other than being able to write a good grant submission. There is, you know, there's no, I guess, process for -for demonstrating that you have appropriate policies, procedures, and more importantly, that you're following them.

So, I do think there needs to be a look at compliant standards, quality standards, you know, that are aligned to the ISO standards at the very least. So that organisations that are managing their organisations in the, I guess, the correct way, in a sustainable way, that goes from the grassroots up, and who have based their services on research and industry

consultation and participant needs, that they're the ones that are getting the funding.

And I think that a lot of ESOs here probably feel the same way. It's something that's being talked about a lot. It's something that a lot of people are feeling a bit - I guess that there's a bit of disparity there. So that was my first point. So do I just go onto my second point, or? And the details are in the report.

The second point is about our war widows. Now, I was - when I read the review, I don't think I saw war widows mentioned even once. And there are over 59,000 war widows in Australia. That's a lot of people. And they're being grouped in, if you look at the - the review, they're just being grouped in with veterans. But they're different. And the war widows feel that they are invisible. You've got a cohort of mostly older ladies, they don't generally stand up for themselves, and they come from a culture where they're used to just accepting that they're invisible. And that's just the way it is.

And in a sense, a lot of them just give up. War widows have really different needs. And although we can label those with the same, you know, technical names, you know, PTSD, depression, anxiety, social isolation - the way that manifests for these ladies is very different to the way it manifests itself for a veteran. War widows don't become war widows only when their partners pass away in the course of duty. They might have spent 20 years dealing with domestic abuse, having to care for someone who is extremely mentally unwell. Having to take care of their family, get the groceries, keep everything afloat, keep the smile on their faces.

I mean, any male here, and I'm saying - I'm not denying males are widowers, but the majority of them are females. And any man here who is married knows that without the support of his wife, the family breaks down. So, you know, it - it's the woman, generally, and let's not kid ourselves by trying to be, very, PC about it, the woman generally runs, you know, the emotion of the household. But when she spends years and years and years caring for others, and then her partner passes away, she has her own mental needs now accompanied with grief.

And she has spent a lifetime being isolated, she hasn't had the opportunity to build up a network of friends, and she doesn't have anywhere to go, no career to fall back on, so it is really hurtful to them to look at the reviews, and not even see that they're mentioned. And this is - I really cannot understand how war widows cannot have their own mention. And not just

their own mention, there's no research about them. So government can't really talk about them, because there's never been proper research funded.

Now, we at War Widows Queensland would love to be able to do some research, but, obviously, there needs to be, you know, firstly, an awareness of what a war widow is. If you ask someone on the street, "What is a war widow?" They will say, "Ah, a really, really, really old lady who lost her husband, you know, forty years ago." They don't know that it could be a 38 year old woman with four children who is trying to juggle a career, who just lost her husband six months ago. And that's the reality.

And I do believe that there needs to be some individual attention for the - these individuals, and really importantly, some structured research and study about them. Find out what are their challenges. Get some quantifiable data. How many of them suffer from depression? You know, qualitatively, just speaking to them every day, and going around our 27 branches, talking to them - I can tell you, the majority of them are suffering from depression that has been so entrenched in their lives, that they don't - they just think that that's the way life is.

So, I - I really, very passionately believe that the core issue here, for war widows, is that there's not enough awareness of them. And this is really apparent when I read all of the DVA document, when I read, you know, the - the Commission review, when I just don't even see them - them labelled. And you know, I've been told, you know, they are veterans and families. Well, I think there's enough of them, and they've suffered enough, that they don't need to be lumped in with veterans and families.

Women are the ones that are, really, on the front line when the men come home. And I'm not discluding that there are a lot of female veterans, that's not - and I'm certainly not discluding the pain, and the - the ongoing issues that veterans face. I'm very aware that that's an important issue that I'm sure many of you are going to be addressing. But for war widows, I think that from what I've seen, there just isn't, really, much awareness at all about them.

COMISSIONER FITZGERALD: Thank you very much.

MS OICKLE: Thank you.

COMISSIONER FITZGERALD: If I can just ask you a couple of questions, and you've given us a submission, and Richard will pose some questions. If I can go to the last issue first, you're absolutely right. War widows were considered extensively by the commission, but in the

context of the notion of families. And so, just like partners of living veterans, we will be much more explicit in our final report in relation to that.

MS OICKLE: Yes, thank you.

COMISSIONER FITZGERALD: But, we did in fact meet extensively with war widows, and we did in fact have a round table which looked at the needs of partners, families, war widows and others prior to the draft. So, we did try to get an understanding of the particular needs, but can I just got to a couple of things you've said in relation to the system itself..

MS OICKLE: Yes.

COMISSIONER FITZGERALD: The first one you make is research. So, am I understanding that you don't' believe there's any significant research at all, or that you're aware of, that's been conducted in recent time as to the - the current or contemporary needs of war widows. Is that right?

MS OICKLE: Um, I don't believe that there is significant research about war widows, or I can't see it. Because it's really not widely available, and I have looked, and I've called DVA and asked them. The only thing that I've been able to find is a few cursory studies, a couple of mentioned of them. But I haven't been able to find anything specifically that will assist them, in particular around their mental health needs. And social isolation issues.

COMISSIONER FITZGERALD: So, can I just deal with that issue. We had your - your National organisation present yesterday.

MS OICKLE: Yes.

COMISSIONER FITZGERALD: And we have had war widows at some of the public hearings. But what is it in the system that you now need - that needs to be there that currently isn't? And can I just focus on it, is it in the area of mental health and support for people that are under stress, or, you know, living with anxiety, or depression. That sort of area. Is that the key area of concern for contemporary widows today?

MS OICKLE: Well, I think the key area of concern is not just for contemporary. I think that there are a lot of differences between the two, but they do share the same issues. Um, the older war widows, say, face more issues. So, one that's overarching for both areas is mental health. And the second one, which is for the majority of the war widows from the World War II war widows, which makes it the majority of war widows in

Australia, is social isolation, which is linked, obviously, to mental health, and their inability to get out and meet people. Transport is a huge issue for our ladies. Huge.

COMISSIONER FITZGERALD: So what do you think actually needs to - to happen in that space? So can I just deal with the mental health issue, as I understand it, widows and widowers are able to access services through Open Arms. That's correct?

MS OICKLE: Yes, but you - I guess what we have to look at is the unique culture that these ladies have developed. They are not going to go to an organisation that doesn't have war widows, because that's out of their comfort zone for a lot of them. So, if you - if I were to say, and I already have, "Okay, well you can go to this organisation and get mental health counselling," they just won't do it. It's not in their comfort zone, because they have developed a culture where they - they believe that only war widows can relate to war widows. And I think that's understandable. Because they have had a very similar history, and it's human nature. You go toward those who, you know, share - have shared experiences with you.

COMISSIONER FITZGERALD: So many of the war widows, but perhaps not all, would have received a Gold Card.

MS OICKLE: Yes.

COMISSIONER FITZGERALD: And entitlements.

MS OICKLE: Yes.

COMISSIONER FITZGERALD: So some people might say, well, the Gold Card gives them access to a whole range of both medical and mental health services, and they might say, well, that's sufficient. But I gather from what you're saying, your organisations and others that that's not sufficient.

MS OICKLE: Yes, going to a doctor doesn't really help with socialised - well, unless they're going there to have a chat with their doctor for social purposes. Because, health problems can be fixes, but mental health problems cannot be fixed, if people are not leaving their homes.

COMISSIONER FITZGERALD: So have you developed - you and your colleagues developed a model of mental health services that you think would be more appropriate to meet the needs of war widows and widowers?

MS OICKLE: Yes.

COMISSIONER FITZGERALD: So what is it? In brief, what's that?

MS OICKLE: Well, in order to do that we need to have access to funding, firstly. But I'm not here to talk about that. But we would like to be able to link with other community - with other community services, or other community service organisations, and develop referral systems, and awareness of war widows, so that when we do refer on, people know who are the war widows, what are the - the issues they're facing. We're in discussion with the University of Queensland to look at finding out through surveys and qualitative interviews, what are war widows - are actually feeling.

Not in a, you know, "Are you depressed?" But asking questions and markers where, you know, "How often are you getting out?" You know, "How often do you meet friends?" You know, "How do you feel about your future?" And then compiling evidence that we can give to DVA - "Okay, these are the issues that the ladies are facing." You know, 80 per cent of them are suffering from depression. 20 per cent, you know, can't get to the supermarket to buy groceries. They don't have families. These sorts of issues.

COMISSIONER SPENCER: Natasha, if I can go back to the first major point that you raised. That is, largely around the role of ESOs, and we will have more to say about this in the final report. As you're probably aware, Robert Cornell was running a report, mainly around advocacy, but it also touches on the broader issues of the roles of ESOs. And I think it's an issue that will come up many times today about what does the future look like. What you're pointing to is a much more strategic focus by governments about the roles.

MS OICKLE: Yes.

COMMISSIONER SPENCER: Now, non-government organisations, what they choose to do and how they choose to do it in many ways is up to them.

MS OICKLE: Yes.

COMMISSIONER SPENCER: It's part of civil society as we know.

MS OICKLE: Within a framework.

COMMISSIONER SPENCER: Yes, and it's a good thing for us. It brings in volunteers and community effort and empathy. But the role of government is often about who do we speak to, who do we engage with in terms of what should happen. And, secondly, and a very important issue, who do we fund? So government is able to leverage the work that's done by ESOs, and I think what struck us, and just by commentary and then I will come back to you - - -

MS OICKLE: Yes.

COMMISSIONER SPENCER: - - - and ask you for your thoughts on this, but it struck us that the landscape there – there has been two things. One, the level of focus strategically about what to support in the ESO community, beyond advocacy, to us doesn't – we struggle to find a strategy for it.

MS OICKLE: Yes, of course, yes.

COMMISSIONER SPENCER: There are small grants that go out, and it's often not clear why.

MS OICKLE: Yes.

COMMISSIONER SPENCER: Secondly, what has struck us is that it's a really important part of the system. The system can't be just a government system, it's a much larger system than that.

MS OICKLE: Yes.

COMMISSIONER SPENCER: And the value that ESOs and other organisations bring to that space is profound and important, because, as you've highlighted, in peer-to-peer work, reaching out, finding the people most isolated, most in need of services, who won't engage with government agencies, but will respond to peer approaches, what we sometimes describe as soft entry points, is an extremely important part of a comprehensive system. So when we look at that – and then we hear there are 3,500 ESOs, and we go, gosh, what do you do with that?

MS OICKLE: Yes.

COMMISSIONER SPENCER: And what you're pointing us to is how does government get more strategic about funding.

MS OICKLE: Yes, because at the moment what we've got is, you know, a 5,000 word puzzle and no picture on the front of the box about what

picture this is supposed to form. Really, we've got everyone kind of – you know, with all their little pictures and there's no overarching strategy. Now, I'm not saying that government needs to come in and, you know, dictate everything. Obviously every ESO has to have their own strategic plan. They have to have their own operations. But, as a CEO, I can't just go off willy nilly and do what I want, without the board setting the strategic direction.

I believe that the government should be setting the strategic direction, and then we take – you know, our ESOs have to, you know, align to that. And that strategic direction, part of that should be governance. It should be this is what is expected, these are the standards, this is what quality service should be. It shouldn't be the board saying what the participants need. It should be very much like the NDIS scheme in a way, the good parts of the NDIS. You know, what do the participants need? How have you based your strategies for your organisation on that? What research is that based on? What policies do you have in place? What training do your staff have?

These are not, you know, methods that would control what an organisation does. These are methods that control how they align to an overarching set of quality standards that enable government to see how the puzzle pieces fit to that picture on the box, and that is what we're missing, and that is why there are so many ESOs out there who are doing completely different and unrelated things, and we don't know, you know, who's doing what because there's no overarching organisation. I mean, we can even see this on the rugby field. You know, there has to be a strategy, and I don't see that there is anyone that could do that other than government really.

COMMISSIONER SPENCER: Well, Natasha, you've just given a terrific summary of a review that we did last year to Human Services because those same issues come up in a range of Human Services across Australia. How does government best leverage the range of organisations throughout? They're doing great work but - - -

MS OICKLE: I think accreditation.

COMMISSIONER SPENCER: What is it exactly? Accreditation but also who does it choose to fund? So, look, we - - -

MS OICKLE: I think that the people who apply for funding, it has to be a free and open market for those who are accredited. So if I want to apply for funding for a grant to buy – you know, to get buses for my ladies, okay, where are those buses taking them? What are they doing for them? How does this align to your strategic plan? How does it align to the actual

needs of your participants? And I think that much like the education sector, an RTO gets registered, they get accredited, then they can apply for funding as a second step.

COMMISSIONER SPENCER: Can I just ask you around that, because a very important point that you've made is the on-the-ground experience, the frontline experience of what works and what doesn't work, is critically important across a whole range of services. So that is the notion of government really in a significant way talking to exploring with those organisations on the frontlines of services. What are your thoughts and ideas, what should inform the strategy? That comes before, you know, any determination about funding and other things. So as it currently stands, do you feel that the DVA and others reach out to you to have those sorts of conversations?

MS OICKLE: No.

COMMISSIONER SPENCER: How could we assist you? What are your thoughts?

MS OICKLE: I can rarely even get to the right person on the phone when I call DVA. I have to – I think I called through to four or five different people just to find someone who knew that they had statistics on their own website. It is very difficult, and I know it's a very big organisation so that is, you know, somewhat understandable, but really I think that this is a very – I was very happy that this was happening. The first thing is to be informed, to listen to as many voices as possible.

But, secondly, look at other industries and what they've done and what's worked for them. Look at other countries and what they've done and what's worked for them. And as I pointed out before, the education sector went through this exact same – from a systems point of view, this exact same process. We had schools opening up that were, you know, giving our qualifications without proper study. And then, you know, we had the ATQF standards, and it became the ASQA standards, and then there became auditing. All of a sudden, the ones that weren't up to par, left the industry.

Then, you know, we have some quality assurance, so that when the funds are given out, we know, you know, this organisation has proven, not just with paperwork but through audit and speaking to the staff, they've proven that they are utilising this funding. They're reporting on the outcomes of the funding so that it contributes to government decision-making. There are no – you know, we will always have employees who are doing things that we are not aware of, but you know, you can't control

that. But from the point of view of governance, it's to put the systems in place, and then have people address them. And if that bar is there, a lot of people won't even reach step 1.

COMMISSIONER SPENCER: Look, just to put this into a broader context, and I'm sure you're aware of it, one of the observations we would make generally is just the paucity of information, data, information which demonstrates outcomes.

MS OICKLE: Yes.

COMMISSIONER SPENCER: That's missing from a whole range of issues.

MS OICKLE: Yes.

COMMISSIONER SPENCER: So you're highlighting a general issue.

MS OICKLE: I'm highlighting an issue that really looks like a revamp of the entire sector. It's looking at rebuilding the sector around quality standards and making sure that organisations are building their policies and their strategic plans based on needs of participants, not based on what they want to do. That is the purpose of an ESO.

COMMISSIONER FITZGERALD: Just a couple of things. Yesterday we heard in Sydney, and we've heard previously, that some ESOs believe a national peak body of ex-service organisations, broadly defined, is required. And that government should, in part, fund that, as it does in all other Human Service areas. This is a very unusual sector. It hasn't learnt and grown from other parts of the Human or Community Service sector, so it's quite different in the way it operates. So the first question is, do you have a view about a national peak body?

MS OICKLE: Yes, I think it's a bit of a risky thing to do, because then you have to look at who's on that peak body. I don't think that this should be – I think you have to be very careful about that because I've seen that happen and it generally doesn't turn out very well. I kind of disagree that this is a unique sector from the point of view of what I'm talking about. I think that anyone that runs a business - - -

COMMISSIONER FITZGERALD: When I said unique, unique as to its current lack of structure compared to some of the other human service areas, which have taken on some of these points much earlier.

MS OICKLE: Yes. I really think it should just be a matter of this is the consultation, this is what we've learned, and from what we've pulled, you know, apart, you know, obviously you guys are tired, travelling around, you've heard a lot of feedback. Okay. We're putting in a governance structure for the industry. It is an industry, and this is what it's going to be. I really have quite a black and white view on this. If there are ESOs out there who cannot satisfy these very basic standards, then I have to wonder, you know.

COMMISSIONER FITZGERALD: But, again, just taking Richard's point, in relation to government, government is only really interested in those organisations which it wishes to fund, in many senses, either for services or for recognition. So if there's 3,000 ESOs, government isn't necessarily concerned by that. What it is concerned about is where does it target its investment.

MS OICKLE: Yes.

COMMISSIONER FITZGERALD: That's the crutch.

MS OICKLE: That's right.

COMMISSIONER FITZGERALD: So if you want to set up an ESO, you can certainly do that and the Commission thinks that's perfectly fine.

MS OICKLE: But the gate to accessing funding is through those quality standards and being accredited, and having the accredited bodies registered. These are the people that met the accreditation process. You're not pushing any ESOs out. What you're saying is, here's the door, fit through it. Yes.

COMMISSIONER FITZGERALD: I would imagine you would understand that this is a very – your views are very contentious within the ESO community.

MS OICKLE: I haven't found that.

COMMISSIONER FITZGERALD: You can see they (indistinct).

MS OICKLE: I've found that it's only contentious with people who would see it that way. I've found that most of the ESOs that I've spoken to are – have the same concerns and the same views.

COMMISSIONER FITZGERALD: So just as my final question, do you think there is a shift within the ESO community generally to not

necessarily all of what you're proposing, but the general direction that you're proposing?

MS OICKLE: Yes. The ones that are not in favour of this are often the ones that don't think that they could meet the quality standards. I'm sorry, but this is – you know, it's - - -

COMMISSIONER FITZGERALD: That's all right.

MS OICKLE: - - - just say it like it is. It's true.

COMMISSIONER FITZGERALD: No, that's good. And just the final question. In relation to War Widows specifically, yesterday – we've heard around the traps, you know, people asking for different things. One of the proposals by War Widows is an extension of the gold card to people that have reached 80 years of age, I think, and other extensions. In relation to the benefit system, itself, have you got any particular issues that you wish to raise with us today?

MS OICKLE: No. I'd rather focus on the broader things because I think that once the broader issues are looked at, then the smaller ones are easier to deal with.

COMMISSIONER FITZGERALD: Sure.

MS OICKLE: I don't see a purpose in going into the smaller issues when, you know, we don't even have a picture for the front of the puzzle.

COMMISSIONER FITZGERALD: Sure. Well, thank you very much for that.

MS OICKLE: Thank you.

COMMISSIONER FITZGERALD: That perspective is very important. Can I just make the comment, one of the issues that I think we're all struggling with is that the Productivity Commission is required to look at systems and structures for - - -

MS OICKLE: Yes. Yes.

COMMISSIONER FITZGERALD: - - - big issues as well as small details. So we haven't got the luxury of dealing with one or the other. But what we are struggling with is a lot of people within the sector have not ever thought about the systemic or structural nature of the actual sector.

MS OICKLE: Yes.

COMMISSIONER FITZGERALD: I suspect what you're saying is – and others have said it yesterday, is the time has come for everybody to engage in a very different conversation.

MS OICKLE: Yes.

COMMISSIONER FITZGERALD: Which is not the same conversation that has been had for the last 20 or 30 years. So, again, thank you for raising those issues with us.

MS OICKLE: Thank you.

COMMISSIONER FITZGERALD: Good. Thank you. That's good. Thanks very much. That's good, yes. Good. If we could have Brad Campbell. Thanks. Brad, if you could give your full name and the organisation that you represent, please?

MR CAMPBELL: My name is Bradley James Campbell, and I'm a representative of the Australian Veterans' Alliance. That's kind of an umbrella service organisation. My particular organisation is Veteran Call Back.

COMMISSIONER FITZGERALD: And you're representing the Alliance today. Is that correct?

MR CAMPBELL: That's correct, yes.

COMMISSIONER FITZGERALD: Terrific. Brad, if you can just give us 10 minutes of a précis of your key points, that'd be terrific.

MR CAMPBELL: No worries. Good morning, Mr Chairman, distinguished guests. I come to you today to ask for your assistance and guidance on an important matter that is affecting a vulnerable section of the community. My name is Bradley Campbell and I'm speaking to you not only for myself but on behalf of all invalided veterans, many of whom, due to their disabilities, are not in a position to be able to have their individual voices heard.

Mr Chairman, disabled veterans are being negatively impacted and are suffering because of the systemic misreporting of the invalidity payments administered by the CSC. These systemic actions are being compounded by the actions of other government departments that are reliant on the

incorrect information being provided by the CSC. In many cases these actions are resulting in invalided veterans being forced to live below the poverty line. The systemic actions of the CSC are causing a great stress on a vulnerable section of the community at a time of increased veterans' suicide.

Mr Chairman, I'll explain these actions in more detail in a moment, but the majority of what I'm asking for help with today centre around the CSC misreporting of reviewable invalidity payment that can be raised, lowered or cancelled at any time as a permanent lifetime pension. This is of particular importance to the recipient because a reviewable payment under law is treated far differently for the purposes of taxation and family law, than a permanent lifetime payment.

It's important to note at this time that the veteran community is not asking for anything extra, nor are they asking for any laws to be introduced, cancelled or amended. All the veteran community is asking for is a fair, just and equitable application of the laws that are currently in place. I don't believe we need a new department or total revamp on the system. What we need is a cultural change within governmental departments, one where they uphold the model litigant standards, act with a morally and ethically guided compass, and apply the law as it should be. Arbitrary decision-making is death by a thousand cuts.

Mr Chairman, you hold in your hand the power to right this wrong, and we humbly ask you for your help and assistance. I will now go through the issues. The scope, as applied to DVA, is not being met by CSC. The problem. I see the exclusion of the CSC from the scope of the Commission as one of the serious issues I have faced when dealing with CSC, their wrongdoing and government interplay. Every time an issue is raised with an MP, senator or government agency, there is no will or want to correct them. It is essentially swept under the carpet.

The CSC was the only superannuation fund explicitly excluded from the Royal Commission. Why? We have no voice. Neither the Commissioner or the Royal Commission, nor government, had the will to include them. The government response was that CSC would be part of the Productivity Commission hearings, and this was from a discussion with the Minister for Veteran Affairs. I was told that – I asked for a senate inquiry at minimum. I was told this was the place to raise my issues.

It is troubling to me to see the exclusion of CSC from the scope as it's applied to DVA. CSC have failed in a number of areas. They are not veteran centric. The decision-making is from unsound and unethical medical practice. They have failed in providing effective governance,

administrative and service delivery in the sense that administrative decisions flout the law.

Point 2. Treatment of invalidity benefits as though they are lifetime pensions. The problem. Ignorance of the law. Many of these issues faced by injured veterans are centred, as previously highlighted, around one fact, these are not lifetime pensions. There is no guarantee these benefits are paid for life. They have review periods as enacted in the legislation. It's legislated. It's in their trust deed and it's in the legislation that their trust deed is formed from.

COMMISSIONER FITZGERALD: Yes.

MR CAMPBELL: CSC openly admits these benefits are reviewable and described them as, and I quote:

> *Members classified as class A or class B are not guaranteed an invalidity benefit for their lifetime and may be subject to periodic medical reviews by CSC or its delegate until the member reaches age 55.*

And that was from their financial report, 2016/17, tabled to Parliament. Interestingly, their language has changed in the 17/18 financial report. The effect. CSC are misreporting these benefits in the realms of family law disputes and the way the benefit is reported to the ATO. This means veterans' invalidity benefits are subsequently valued incorrectly and split in the family courts, and are taxed at the marginal rate, rather than having the compensation aspect recognised under the superannuation lump sum taxation regime.

Solution. Report the true nature of the benefit to the various agencies that deal with veteran invalidity benefits. Veterans deserve to be afforded their rights at law. The next point from page 507 and 508 of the draft report. The blurring of defined benefits and invalidity payments. The effect of Campbell v Superannuation Complaints Tribunal. The problem. It was noticed that during divorced proceedings the reviewable invalidity benefit was being reported and valued as though it was a defined benefit interest.

The problem is the legislation stated that the definition of a defined benefit interest in the family law superannuation regulations excluded such benefit from being paid if the benefit was paid on the grounds of death or invalidity. So essentially an invalidity benefit is not a defined benefit interest for the purpose of family law. ComSuper were reporting it as such. This was confirmed in my Federal Court action, Campbell v Superannuation Complaints Tribunal.

Through the complaint process I raised the issue with the CSC, who dismissed the complaint. They refused to listen. I was referred to the Superannuation Complaints Tribunal who came to the conclusion my concern was frivolous and without merit. Go away, we don't know what you're talking about. I was directed to the Federal Court where the CSC again advised me I was wrong and would face a negative cost order if I proceeded. Threatening, bullying and intimidation.

I continued as a self-represented litigant and the court found that I was, in fact, right. It is not a defined benefit interest but, rather, than accumulation interest. The CSC did not appeal the decision but, rather, continued to provide information to its members as though invalidity benefits were still a defined benefit interest. They essentially ignored the court's findings. A court's ruling is law, l-a-w, law. They continued to report the benefits as defined benefit interest after a federal court judge found it did not apply.

There has been no investigation into this. I've raised this with government. I've raised this with many people. No one has had a look at it. They did this, I believe, knowing that the Attorney-General's office was busy with their help in drafting retrospective legislation to circumvent my court action. The retrospective legislation ensured or tried to ensure that the mistake that was made would be covered back to 2005, so some 15 years of mistakes were no longer mistakes.

However, the legislation enacted draws its authority from regulation 43A. I won't bore you with that. The authority deals with lifetime pensions, so the authority for them to cover their mistake deals with lifetime pensions. The issue is that they treated a non-lifetime pension as a lifetime pension. It doesn't make sense. Effect. Even today the CSC continues to apply the retrospective legislation and fails to acknowledge these benefits are not lifetime pensions. So still today veterans are still going through the family law process and their benefits are still being valued using a valuation method that only applies to lifetime benefits or defined benefits.

This forces veterans to take the matter to court, rather than being able to settle amicably. Hundreds of thousands of dollars are being spent by veterans to protect their right to their income, and that's what these invalidity benefits are, it's compensation for lost income. I've been told it's not, yet it is offset, as you know, dollar for dollar, any incapacity payments through DVA.

COMMISSIONER FITZGERALD: True.

MR CAMPBELL: So I've been told by their legal representation from ComSuper and there are people in the audience who would be able to confirm this, that this is not insurance, it's just superannuation. But it has been reported as an insurance payment, compensation payment, in your report. Everyone else acknowledges it, except for ComSuper. So this forces veterans to take the matter to court. Veterans effectively have no super. Their super is foregone, and in its place an invalidity benefit is paid on a fortnightly basis from consolidated revenue. The invalidity benefit is of a compensatory nature.

In effect, a person's compensation is split with another party who has no injury. In effect, the non-veteran spouse – and this is not gender-specific, we do have female veterans that have gone through this – will be awarded a guaranteed fortnightly payment for life. The veterans' invalidity benefit, however, is still reviewable and may cease. So a person without injury is now guaranteed the compensation payment for life. The person with the injury can still lose it. This is not a fair, just, nor equitable situation.

The result of this is the government is now compensating two people for one injury. One without the injury. The veteran is able to access their entitlement to incapacity payments – that only changed in 2016 – which now sees the government paying more in total for the compensable injury. So rather than paying, let's say, 60,000 a year in an invalidity benefit, 20,000 may go to the non-veteran spouse and then the veteran may be topped up by another 10,000. So now the total compensation package is $70,000, with 20,000 going to a person with no injury.

The non-veteran spouse is essentially in receipt of superannuation without having met any of the three requirements of accessing super. Those are attaining retirement age, death or grounds of invalidity. They're the only three reasons you can access your super. It is not uncommon for the non-veteran spouse to be awarded a benefit in the vicinity of 20,000 per annum. To earn $20,000 in super you must have a job that pays $222,222. That is not a requirement. The spouse receives this regardless of their working situation. So they could be in employment and then receive $20,000 a year on top.

Solution. The true nature of the benefit is that of an accumulation interest. It is not a lifetime pension and, therefore, meets the definition of an un-splittable interest. The law is already in place, it just needs to be followed. The authority and subsequently the methods and factors used to value the invalidity benefit, do not apply.

COMMISSIONER FITZGERALD: You've only got two minutes to go before we can have a bit of a chat about these, and I know you've got a substantial submission which you are going to give to us, I believe.

MR CAMPBELL: Yes.

COMMISSIONER FITZGERALD: And you've given us some talking points. So just a couple of minutes on the key other issues that you would like us to talk about.

MR CAMPBELL: Okay. Well, the other key points is the CSC review processes. I accept that CSC is not mentioned in the CSC process, as discussed. The problem is the initial classification process if flawed. They operate very much like an ordinary compensation claim, which is fair enough, given the task they do. What has occurred is akin to the Cominsure fiasco of several years ago, doctors' comments for cash.

In my own case, I was medically discharged with multiple skeletal injuries. I have a report from Defence saying this person's body is knackered. I go to their doctor, the report they give me, running at the Olympics, class C, nothing. I have to review that process, but in the review process you're not allowed to rely on any information that has been tabled. You have to come up with new evidence. How do I prove evidence that has been proven through surgery? The evidence is there. It's quite simply been ignored. So through ignorance I've now got to prove something that has already been proven, just through the flawed process. They don't use the medical evidence that's available to them.

The information sharing between CSC and DVA. The draft recommendation is that that should occur. I believe that should occur. The other anomaly is that DVA will send you to their doctors and they will say, "Yes, you've got all these injuries. These are the levels. Here's your compensation." ComSuper are saying, "Nothing wrong with you." How is that possible? It's medically impossible and it all comes down to the process in the review, and if that information was shared between the two entities, this wouldn't happen.

Then if the information is shared, we wouldn't reach the situations where there's overpayments and that overpayment, because the two entities don't talk, results in double taxation. You've paid tax on the overpayment, DVA want the entire overpayment repaid, including the tax that you've already paid to the tax office. They then take tax out of that. You pay it with post-tax dollars – you pay it back with post-tax dollars, so you pay tax twice. They then don't give you a PAYG summary stating that you've

paid tax twice. Unless you know, you just pay the tax twice. And when you ask DVA, they go, "We don't know." So that's just - - -

COMMISSIONER FITZGERALD: Sorry, we might just stop there and we will read the rest of the submission. Can I just ask a couple of questions specifically? Superannuation is not within our terms of reference, per se, but the interaction between superannuation and DVA is, or Veterans Affairs, to some degree. So we can only enter this discussion in a very narrow way, and I think you appreciate that. That's just the way the terms of reference are. But I do want to deal with a couple of issues.

The current payment that, as you say, has been determined by the court to be an accumulation payment, is currently reviewable, and I presume that means that if your health changes, your health status changes during your life, then, in fact, the payment that is paid under the invalidity arrangements changes. Up and down .

MR CAMPBELL: Correct, and can cease.

COMMISSIONER FITZGERALD: And can cease. So your contention is that your significant disadvantage, relevant to the person that wasn't injured or didn't suffer ill health, who gets a lifetime payment. Is that right? On that superannuation.

MR CAMPBELL: That's correct.

COMMISSIONER FITZGERALD: So what is the logic, do you think, where the payment – sorry, can I go back to it? What's wrong, in your mind, with the notion of a reviewable payment for invalidity? So just why do you think that is fundamentally a wrong principle?

MR CAMPBELL: I don't think it is – no, I think it's okay. If you have the capacity to work and you're back in – you're back working and you're earning an income, you should be reviewed because it's paid on your - - -

COMMISSIONER FITZGERALD: Right.

MR CAMPBELL: The classification is done on your qualifications.

COMMISSIONER FITZGERALD: Okay.

MR CAMPBELL: So if you gain a new qualification, you're back in employment, the payment can cease, yes.

COMMISSIONER FITZGERALD: So you're not objecting, Brad – it's just my – to just get clarification, that you're not objecting to the reviewable nature of the payment, itself?

MR CAMPBELL: No. Well, the issue that occurs is if you're on an invalidity benefit and you go to the bank for a loan for a house or a car, they look at it and go, "But this is a reviewable payment. It's not guaranteed."

COMMISSIONER FITZGERALD: So that's where the – is that where there's an adverse consequence?

MR CAMPBELL: There's an adverse consequence. What the government is turning around and telling other government agencies is that, no, this is a lifetime pension.

COMMISSIONER FITZGERALD: Right.

MR CAMPBELL: Well, if it's a lifetime pension, why can't I get a loan? If it's a guaranteed lifetime pension, why – if I go back to working and you review me, is there a guarantee that I'm not going to lose my benefit? No, there's not, so it's not a guarantee. It is not being paid as a lifetime pension. A lifetime pension dictates it's paid for life.

COMMISSIONER FITZGERALD: So is it the categorisation by government agencies that's concerning you, or is it actually the way in which that payment is actually made?

MR CAMPBELL: It's not necessarily how the payment is made. It's the classification.

COMMISSIONER FITZGERALD: Okay.

MR CAMPBELL: ComSuper know it's not a lifetime pension but they're treating it, reporting it as though it is, and that has negative outcomes for veterans in various aspects of their life.

COMMISSIONER FITZGERALD: So the second thing is, and this has been raised by a number of other organisations, and I'm sure it will be raised in the next day or so here, is that an invalidity payment under the superannuation scheme is offset against an incapacity payment under the Veterans Affairs Scheme, and some people have submitted they think that's unfair, and we've examined that and come to a view, but I'm sure there's going to be lots of disagreement about that. What is your view

about that, the offsetting of the incapacity payments received in DVA and this invalidity payment under super?

MR CAMPBELL: Well, that's a government policy direction. That's what the government want. I agree, we shouldn't be compensated twice for the one injury, and that's a mechanism that stops this occurring. But as I've highlighted, what is occurring now is that they're compensating two people for the same injury, and one person without injury. Incapacity, being injured, you're entitled to, at a minimum of 75 per cent of your retirement wage after 45 weeks, if you're under MRCA. Under DRCA it's 70 per cent. One or more points was the five per cent reduction, which is just nonsense. So as a whole, the compensation package should be offset against each other, but at a minimum you should be paid at minimum your 75 per cent.

COMMISSIONER FITZGERALD: Okay. The third point just related to that is we have looked at whether or not the determination of the invalidity payment under super should, in fact, be brought within the administration of DVA or the Veteran Services Commission, whatever there is in a few years' time. And am I right in saying you think that's a good idea or did you – or you don't have a view on that?

MR CAMPBELL: I see there's merit in it, as long as there is a mechanism within the total compensation package for you to be compensated for your loss of ability to earn superannuation as well. No one joins the military expecting to hit retirement age living in poverty. So if I had served my 40 years, 45 years out in the army, I would have had a reasonable standard of retirement. Because my employment was cut short by some 30 years, I now have no – I'm in receipt of my super, but this is only increasing at the rate of CPI.

COMMISSIONER FITZGERALD: Yes.

MR CAMPBELL: So if I do rely on this, so essentially I understand what you're saying but if we – if you remove the benefit out of super, and that part of - - -

COMMISSIONER FITZGERALD: It's administration out of super.

MR CAMPBELL: Yes, yes, out of super, there needs to be something to replace the member's super at retirement age. That is just a consideration that needs to be - - -

COMMISSIONER FITZGERALD: Well, and I will need to think about that just a little bit further but if I can come back to the fourth point,

and then Richard may have some questions, given this is a very complex area. But the fourth point is we have heard from many people that at the present time you have to have an assessment by the Defence Force doctors, a doctor nominated by DVA, and a doctor nominated by ComSuper. Now, that's changing. There are, in fact, some pilots to change that at Holsworthy and at Townsville. But at the present time that's possible. So your view is that that needs to be brought together so that there's only one assessment. Is that right?

MR CAMPBELL: Yes.

COMMISSIONER FITZGERALD: Yes, and do you see any practical implications for that? I mean, these trials that are currently being examined, I understand are joint ventures between Defence, DVA and ComSuper, to try to deal with that issue, but they're only pilot projects at the present time. But do you see any downsides with that approach of only having a single assessment for the three agencies, and the three purposes? It would change the nature of the assessment because at the moment each of those are held for different purposes, but if you could get a common set of purposes, would that work?

MR CAMPBELL: I think it would work, as long as the underpinning principle that I didn't get to talk about is ethical. The word ethical is - - -

COMMISSIONER FITZGERALD: Just talk to me about that.

MR CAMPBELL: Yes. So ethical is a serious submission. It should be noted that a key government principle of acting ethically has been omitted from the Commission's report. If ethical behaviour were to be entrenched behaviour within various departments, then the issues we face would not exist. As long as by having – if the doctor's appointment was veteran-centric and they weren't there as doctors for comment, which does happen – cash for comment. And a true reflection of that person's injuries and capabilities was reported to the various agencies, then there would be no issues. But the problem is that we do have issues with this because doctors - - -

COMMISSIONER FITZGERALD: If I can just follow on from that, and then Richard will have some questions. You say that they should act ethically. Well, we agree, absolutely, and if we haven't said it, we will, because that's an underpinning of all of our approaches to both private and public enterprise. But why will it change? I mean, at the moment we've heard people say that DVA doctor shops. It finds the doctors that are going to give it its answers. People don't say that necessarily in Defence, but they do have views about doctors. And I'm sure if we spoke to

enough people around Super, they would have that view. So, yes, we can say they should act ethically, that is both the practitioner and the government agencies, but in practice would it make a difference?

MR CAMPBELL: It's hard to say. I guess it just depends if they're going to act ethically or not, because in my case they didn't. ComSuper withheld my medical evidence and didn't give it to the doctor. So I sat there and explained all my injuries to the doctor and they said, "There's no medical evidence. You've provided me no evidence." I didn't have that evidence. One thing that does need to occur is that part of the discharge process is that ex-ADF members, medically retired need to be informed on how best to interact with what's coming, and that's an issue.

You're just thrown out the door. And being a good digger, you go, "Does that hurt?" "Kind of." Because our pain threshold is a lot higher than the average because we've had to endure a higher pain threshold. So when a doctor says, "Does it hurt?" "Yes," but it's screening, so we don't generally say, "Yes, my shoulder hurts. My back really hurts." It's just like, you know – but that's what you – when you're fresh out of Defence, that's your mindset. It's not until 10 years later when you talk to people and go, "You've done yourself a disservice there," you know at the time. But that legacy goes with you.

COMMISSIONER FITZGERALD: Sure.

MR CAMPBELL: I understand what you're saying. I don't see any issues. There's not going to be as many other issues going to the single doctor, as there are issues that we face today. That comes down to the system.

COMMISSIONER FITZGERALD: Sure, and I just want to be clear right at the moment, each of those referrals have a slightly different purpose, so you have to rejig the nature and purpose of the assessment for that to happen.

COMMISSIONER SPENCER: Brad, you described earlier how you went through a system of appeals through the superannuation group and then up to the Federal Court. This may be out of scope for the VRB but did you at any stage go to the VRB around any of these issues, or was it exclusively through the superannuation pathway to get the reviews that you wanted?

MR CAMPBELL: ComSuper doesn't come under the VRB process.

COMMISSIONER SPENCER: Yes. Yes.

MR CAMPBELL: So it's purely Superannuation Complaints Tribunal.

COMMISSIONER SPENCER: Yes.

MR CAMPBELL: I've been to ASIC. ASIC said, "Bugger off."

COMMISSIONER SPENCER: Right.

MR CAMPBELL: I've been to AHPRA. It's a single complaint. Every government agency we've been to don't want to know about it. I went to the Attorney-General's office. He sent me to my local member. My local member refused to raise it as an issue in Parliament.

COMMISSIONER SPENCER: Right.

MR CAMPBELL: So my representative in my State wouldn't do anything. All the legal entities that are set up, the tribunals, the Superannuation Complaints Tribunal said, "It's frivolous and without merit". And when I raised the issue about the authority, well, this is not a lifetime pension. The second time in court my own legal team wouldn't even raise that as an issue, so I don't know what's going on there.

COMMISSIONER SPENCER: So what you're describing is, you know, like, a series of events that have, in a sense, gone wrong from day one, and then just compound and you're describing to us the experience you've had through that sort of journey you've been on. If we go back, I mean, I just come back to what Robert referred to earlier, that is some efforts of cooperation between DVA, CSC and Defence around the transition issue and the joint medical and there's this Holsworthy trial that Robert referred to.

Cooperation is good. We don't think it goes far enough because it relies often on just goodwill between people, so that things don't fall between the gaps. A benign explanation of some of this can be things just fall between the gaps or there can be other things going on. So one of our recommendations is a joint transition command to say there needs to be – somebody needs to take responsibility for the transition process, and all aspects of that transition. As you know, we have said that ADF does most of that at the moment, but ADF should be responsible for a period through that.

There should be a much more proactive series of steps and engagements, both for the veteran and their families. Families in the widest possible sense. And that should go for a period afterwards of about six months.

Some have suggested to us a period of 12 months. Do you think – and the responsibility – because often what happens between different areas of government is nobody is responsible or it's unclear who's responsible.

So just around that particular issue, right at the beginning at the sort of journey you've been on, we're trying to get responsibility and saying it should be with the ADF, it should be with Defence, it will go to DVA or CSC whichever body comes afterwards later on. Does that make sense to you? Do you think that would be helpful, to try and ameliorate some of these things that seem to go wrong from day one?

MR CAMPBELL: Well, I've been out 12 years or 11 and a half years now, so I believe Defence has changed a lot since I was in. We basically just got kicked out the door, see you later. I believe now they do have transition cells, and what you're discussing is being worked on. I'm not – I don't work in that space. I don't think I'm really qualified to give an opinion on where it should go. I'll leave that to the ESOs that actually work in that space.

COMMISSIONER SPENCER: Sure. Okay. No, fair enough.

COMMISSIONER FITZGERALD: So the aim of that transition authority or transition would be that it would have DVA and ComSuper in it.

MR CAMPBELL: Yes.

COMMISSIONER FITZGERALD: So that right from the beginning of the transition process, the key players – and there may well be others – that all should be sitting around in the same place, are making, you know, the whole process easier, and there's no reason why that can't happen. It can happen. What is missing is a structure by which that can happen. What is missing is a structure by which that could happen and again I go back to my original point, you can keep recommending doing things but if you don't have the right system and the right structure it won't happen and that's what we've been looking, structural issues so it may be of comfort.

Just in relation to one issue, can I just clarify this: are you receiving an impairment payment, not incapacity payments but impairments through the DVA system as well?

MR CAMPBELL: No, I'm under DRCA so I'm one of the forgotten children.

COMMISSIONER FITZGERALD: You're the DRCA.

MR CAMPBELL: I don't get anything other than a lump sum, that's it, see ya later.

COMMISSIONER FITZGERALD: Well, sorry, can I just ask that question. Did you receive a lump sum?

MR CAMPBELL: I have received a lump sum.

COMMISSIONER FITZGERALD: So the answer to my questions I, yes you were, you were on DRCA and you received a lump sum but under DRCA you can't put that into a periodical pension. One of the proposals that we're for is that MRCA and DRCA will come together in one combined Act and there are some technical issues in relation to that, including working out what the level of benefit would be but one of the things we do see is that people should have the choice of being able to take a lump sum or a periodic payment; it's for life or at least for a significant part of that.

Would that have made a difference to you or would you - and, I mean, you may not be able to answer this because it's history but at the moment, as you say, DRCA doesn't give you that right, you have to take the lump sum. Do you think that moving towards at lease optional position where you can take a period payment, would be a good thing?

MR CAMPBELL: I believe, been given the option, yes. Not being given an option you have no choice. At least if you're given the option you can make that choice and that's a very individual choice. For myself, I possibly would have taken a lifetime fortnightly payment rather than a lump sum but I didn't get that option. One thing I didn't get to touch on is the Gold Card, I can't get a Gold Card. It doesn't matter how banged up you are under DRCA, you could be worse than the guy next to but can't get a Gold Card.

COMMISSIONER FITZGERALD: And do you receive a White Card?

MR CAMPBELL: I have a White Card, yes.

COMMISSIONER FITZGERALD: All right.

MR CAMPBELL: But the White Card doesn't take into account the complexities of sequela conditions where you may have an ankle and knee problem which invariably will lead to a hip problem. Rather than being able to just go and get that hip looked at, because once you start getting joint problems every other joint goes, so then it's a process and every time

another joint goes, you've got to back to DVA, go through the whole process, it takes a year, another year to go through the "fix you up stage", whereas when you start getting those niggles, get on top of it, if it starts - - -

COMMISSIONER FITZGERALD: Just so I can understand this, as the impacts of your injuries start to evidence themselves and become more severe, even under DRCA you can go back and put additional claims as those conditions become evident, is that right?

MR CAMPBELL: That's correct.

COMMISSIONER FITZGERALD: And again if DRCA stayed as it is, you would receive additional lump sum payments subject to acceptance, that's correct?

MR CAMPBELL: That's correct.

COMMISSIONER FITZGERALD: The White Card gets, and correct me if I'm wrong, but the White Card also gets adjusted for those conditions that have been accepted by DVA, is that right?

MR CAMPBELL: That's correct.

COMMISSIONER FITZGERALD: So the White Card is not (indistinct)?

MR CAMPBELL: No.

COMMISSIONER FITZGERALD: So what's the problem with that from your point of view, Brad?

MR CAMPBELL: Well, the problem is, (a) DVA actually have to accept that position.

COMMISSIONER FITZGERALD: Correct.

MR CAMPBELL: There's a lot of - they're not exactly veteran centric at times. And, (b) you've got to go through the whole process again and it's a very stressful process. I've only just had my back covered. My treating specialist stated it was lumbar spondylosis and they said, "No it's not" so it's like, I've got it - it's in black and white (indistinct) so the difficulty with getting injuries accepted, until you go through the process you'll never understand it.

COMMISSIONER FITZGERALD: Sure.

MR CAMPBELL: And that's a big thing. It's fine for the policy makers and the decision makers to say this or this, until you actually go through the process you'll never understand or fully appreciate the difficulties.

COMMISSIONER FITZGERALD: Sure. Well, I accept that although I must say we've now heard from hundreds of people that have been through the process so I have a slightly better understanding but you're absolutely right, having not been through it I can't fully appreciate it. Is there a final comment you'd like to make, we're just out of time?

MR CAMPBELL: Essentially, and I know this probably isn't the arena for me to raise these issues, but I've been given no choice, I was advised by a governmental minister I can raise my issues with ComSuper. I'm not sure if you read my submission that I wrote for the Prime Minister, that was largely ignored. It's very frustrating when you see issues in the veteran community that can be very easily fixed, all it is is apply the law, and just through the ignorance of trying to tell someone there's a lifetime pension when you could ask anyone on the street. If you went up and said, "Hey, if I can stop your payment, is that a lifetime pension?", I'll give a million bucks if you find someone that says yes.

COMMISSIONER FITZGERALD: Sure. All right. Thank you very much, Brad.

MR CAMPBELL: Thank you.

COMMISSIONER FITZGERALD: Good, thank you for that. You're a very generous audience. Nobody claps in any of the other public hearings we've had so you don't have to if you don't wish to but you're very generous. If we could have Peter and Ron, the Royal United Services Institute please. You might grab the furthest microphone.

MR MAPP: This one?

COMMISSIONER FITZGERALD: This one.

MR MAPP: Sorry.

COMMISSIONER FITZGERALD: No, that's fine. And are you Peter or Ron?

MR MAPP: I'm Peter Mapp.

COMMISSIONER FITZGERALD: Peter, all right. So, Peter, if you could just give your full name and the organisation you represent?

MR MAPP: Peter James Mapp.

COMMISSIONER FITZGERALD: Thank you and the organisation?

MR MAPP: I represent the Royal United Service Institute Queensland where I'm the president.

COMMISSIONER FITZGERALD: Good, thank you. And if you could just give us ten minutes in relation to the key points you'd like to raise?

MR MAPP: May I tell the audience what "RUSI" is in case there's a misunderstanding.

COMMISSIONER FITZGERALD: Yes, please do.

MR MAPP: RUSI is not an ex-serviceman organisation but a not for profit incorporation with the object in matters of defence and security. The core membership, being retired military people and serving military people, and we desire to formulate considerate opinions regarding the Productivity Commission outcomes. RUSI Queensland may not reflect the opinions of the national federal body which maintains contact with government.

In fact, we don't relate or have an arrangement with the Department of Veterans Affairs but deal on a one to one basis with the Department of Defence. We have an office maintained in Canberra in the Department of Defence. We are headquartered in Victoria Barracks, Brisbane. Members who are clients of the Department of Veterans Affairs, are part of our core membership and we are aware that there are veteran issues which are in need of updating or reviewing.

One point of view stated was that the Department of Defence should hold greater responsibility from recruitment through transition and then through to the retirement for all of life. There was an opinion on the onus of responsibility in processing a claim with the Veterans' Affairs should not be that of the veteran but that of the Department of Defence or perhaps in terms of duty of care.

Of concern to members of RUSI who are recipients of DVA, there is a desire for integration of the passing of information between the two departments. There was points of view from very high levelled military

officers that there wasn't sufficiently good processing of information in the processing between the various departments, this at the level of brigadier and major general. Of concern to members of RUSI, who are recipients and clients of the Department, is desire that the integration of the Department of Veterans' Affairs into another government department should not take place.

I have had conversations with the Defence Force Welfare Association, DFWA, and I have been briefed very completely by that organisation. I have no wish to put anything on the table which would take from their submission so will hold back in that point of view. For your information, I am a life member of the RSL, I am secretary of the Darra and District RSL Sub-Branch Incorporated. I have held the positions of a Sub-Branch president, a district delegate, a district vice president, over a period of 20 years. I have lived and participated in the life and activities at the RSL, heard the complaints, guided people in advocacy, observed where the Department came under unfair criticism, and observed the behaviour of various RSL members regarding DVA issues.

The reason RUSI decided we needed to have a point here is simply that the basic member of an RSL, and I am not speaking officially from an RSL perspective, I am speaking as the president of the RUSI, that be understood because the RSL are presenting their own paper or letter today, but the groundswell of general level RSL members does not understand or understand how the process takes place and there is nobody that can be held responsible other than that member. So what we're speaking about here is where the member fails or the organisation fails and who's responsible? I think that's about what we need to say.

COMMISSIONER FITZGERALD: Thank you. can I just understand the relationship between your organisation; Defence, you have your office and you're embedded within the defence department by way of convenience.

MR MAPP: Yes, we are.

COMMISSIONER FITZGERALD: And do you receive funding from the Defence department?

MR MAPP: We do, yes. It's in the terms of - I have a grant system which will undertake operations of seminars.

COMMISSIONER FITZGERALD: Sure.

MR MAPP: We will run a seminar in July of this year which will not involve anything other than the issue of defence and security however four years ago we ran a very successful seminar on post traumatic stress and one of your speakers later today, Dr Khoo, who will be able to verify that we brought people from all over the nation.

COMMISSIONER FITZGERALD: Sure.

MR MAPP: And New Zealand and then we had a Canadian speaker who resolved the issue of how post-traumatic stress is being focused upon and where the direction of all the participants, whether they be a sufferer or a doctor or an administration, and how the process is handled.

COMMISSIONER FITZGERALD: Sure. Just clarify one issue, our recommendation wasn't that Veterans' Affairs system comes under Defence, it was the policy moves to Defence but the administration of the scheme be independently and reportable to the Minister for Veterans' Affairs but putting that aside, what do you think the role of Defence is in terms of its duty of care to serving and non-serving veterans? And the reason I put this is, one of the most surprising things in this inquiry was not that people have opposed us moving the Veterans' Affairs policy into Defence, but the strength of that argument based on a whole range of issues in relation to Defence itself.

Many people have questioned Defence's commitment to its personnel once they're on a transition path. People who have questioned Defence's ability to actually make a policy in the space. They've talked about conflicts of interest and the proposal we have is we think that one of the interests of Defence is in its personnel, both serving and non-serving, which we thought was unexceptional, that has been hotly contested. So I was wondering whether your organisation has a view as to what is the duty of are of Defence, not DVA, of Defence to serving and non-serving veterans?

MR MAPP: It has been discussed at RUSI level. My opinion would be that once you start service and you go through the process of - even if you're not deployed and then you go through transition and then into retirement, Defence started the problem and will ultimately have to take moral responsibility. Whatever the system does to take it through these three process doesn't necessarily meet the standards that people that are transitioning seem to expect.

I have been involved in several meetings of other ESOs that put points of view about how transitioning should be different. Always you could find

that they didn't follow the process but how you explain that to some of these people I really can't tell you.

COMMISSIONER FITZGERALD: So could I ask this, Peter, do you believe that there's been any significant change in relation to Defence's approach to dealing with and transitioning of serving veterans, particularly those that are being medically discharged?

MR MAPP: Yes.

COMMISSIONER FITZGERALD: And in what way has that changed?

MR MAPP: The process I understand came on after more modern wars and we heard it said today by the previous speaker, but I think there is genuine consideration. I do know of incidents some time ago where the officer passing the fellow into transition signed off on issues that he shouldn't have signed off on.

COMMISSIONER FITZGERALD: And does your membership, by and large, comprise of serving or non-serving veterans?

MR MAPP: Both.

COMMISSIONER FITZGERALD: Both. And if I could just talk a little bit further about Defence, one of our concentrations in our report has been about a dealing with preventable injuries and we understand there's always going to be a level of injury within the defence forces, and the reporting of those and the dealing of those both through health rehabilitation services and I was just wondering whether you have any particular view about the defence force's attitudes in those areas?

MR MAPP: I think it's responsible. Again, I'm not serving - sorry, I'm 79 and I finished serving at 25. There's a very big gap of reality here. In fact, the compassion that was there when I served to the compassion level that's now is enormous.

COMMISSIONER FITZGERALD: Enormous for the better?

MR MAPP: Yes. I can tell you when I pulled out of the military, you were on the back of a truck and they said, "Jump off", Victoria Barracks. I don't think that would be happening in this day and age.

COMMISSIONER SPENCER: Just a couple of questions. You mention at the beginning in your submission that you don't see yourself as

an ex-service organisation so we use that acronym, ESO, all the time so I was a bit curious about that because your members do tend to be current and ex-service people so why that distinction when you say - - -

MR MAPP: Okay , the constitution - the Royal United Service Institute originated after the Napoleonic wars. It's legendary and its operation is in Great Britain. It arrived in Brisbane in 1893. It's operated through that period with the sole objective of the defence and security of Australia. So when we speak to Defence, we talk to them and speak to them on those issues, those issues which will concern us, and influence government and have a point of view. Our vice president in Brisbane served eights years at the military attaché in Indonesia so he's pretty well informed. He's only been out of the military since mid-last year.

COMMISSIONER SPENCER: So when we look at, and as we were saying earlier we're going to be - we'll have more to say in that final report about ESOs, presumably you would be encouraging us to think a bit more broadly than that, which organisations could provide a service that is ultimately directed to the wellbeing of those serving or having served because you're currently funded by Defence but (indistinct).

MR MAPP: Yes, I wouldn't move away from the factor of our Defence arrangement, maybe that's not going to be always secure but I'm sure that if we went to the Department of Veterans' Affairs they wouldn't see us in the same light as an ESO.

COMMISSIONER SPENCER: And, Peter, in terms of your membership do you have a cross-section of - what you're describing I think is people from a range of different backgrounds and experiences but do you have a younger group of veterans as part of your organisation?

MR MAPP: We have a dynamic which we're attempting to address in that membership (indistinct) off far too high in age group. I think this was a generality of just about any organisation, which is a community organisation to be honest.

COMMISSIONER SPENCER: And just one last question: with having a presence, a physical presence, within the department, but beyond that do you find that the department reaches out to you, is seeking your advice on a range off issues, do they - - -

MR MAPP: We meet with them on a regular basis. RUSI has a federal organisation, a federation. We take points of view to the national level. We speak to the minister periodically. We're not about making policy. To give you an example, in July of this year we are running a seminar purely

based on Australia's position in the South Pacific and Indonesia. This is being overlooked at this point in time, more in favour of what the problems China has to offer. The bigger element of where Australia's influence has been is that our area of influence now covers from the Indian Ocean, all of the South Pacific and well into the North Pacific. We need to be on notice that the community at large understands these sort of issues. You won't do it without some criticism.

COMMISSIONER FITZGERALD: So just to clarify, you wouldn't be consulted - it's a question, would you be consulted by Defence in relation to issues relating to the wellbeing of serving or non-serving members or veterans?

MR MAPP: The federal body will be.

COMMISSIONER FITZGERALD: And you've expressed a view about concerns about putting Veterans' Affairs within defence, and I understand that, but do you take a more broad issue in things like transition, those sorts of things we've been talking about, or not really?

MR MAPP: Under my presidency I must point out to you that that hasn't occurred.

COMMISSIONER FITZGERALD: Sure.

MR MAPP: They are issues we must address in the future. RUSI has a responsibility to itself because it's quite capable of imploding as organisations like it, that the demographic, which is the young existing servicemen, doesn't necessarily see an organisation like RUSI as other than quite a group of old men.

COMMISSIONER FITZGERALD: Sure. Well, one of the things that has become very clear during this inquiry, and it's indisputable, is that the veterans' community is very much split across ages and the ESO community similarly so.

MR MAPP: Yes.

COMMISSIONER FITZGERALD: And it's more stark than I've ever accounted it in any other inquiry I've done and there are two streams and people bring very different views to the table from those two streams. So the issues that you've raised about your own future and that of the age group as well, I think the whole sector is probably trying to come to grips with at the moment.

MR MAPP: Yes.

COMMISSIONER FITZGERALD: But as objective outsiders, we see this extraordinary two streams within the veterans' community - - -

MR MAPP: Some will tell you that organisations like the RSL will go through a gap from when you're serviced to when you find an interest in veterans' affairs and veteran issues and I know that's the case in the sub-branch that I'm involved in.

COMMISSIONER FITZGERALD: Sure.

MR MAPP: I also think that the modern younger person, and I take into consideration that we had 35 years of very little military activity and suddenly there's a generation gap in how we approach life.

COMMISSIONER FITZGERALD: Well, we're experiencing that. Peter, thank you very much for presenting.

MR MAPP: Thank you.

COMMISSIONER FITZGERALD: We very much appreciate it. We will now break for ten minutes and we'll be back in ten minutes time, thank you.

SHORT ADJOURNMENT **[10.23 am]**

RESUMED **[10.40 am]**

COMMISSIONER FITZGERALD: Thank you very much for returning, and if we could - we already have our friends from the RSL. If you could both give your names and the organisation that you represent, please.

MR DENNER: So Scott Denner. I am the state secretary and general manager of operations for RSL Queensland.

MS JENYNS: And Margaret Ann Jenyns. I am the veteran services support manager for RSL Queensland.

COMMISSIONER FITZGERALD: Can I just do one thing? Can we just move the other microphone so you have both got microphones. That's it.

MS JENYNS: Thanks very much, Doctor.

MR DENNER: Thank you.

COMMISSIONER FITZGERALD: Just there will be fine. I am multi-talented with microphones. If you could just now give us a ten to 15 minute overview of your key recommendations, and we are very grateful for your submission, and also your participation in previous forums with the Commission.

MR DENNER: Thank you. RSL Queensland Branch has read and considered the draft report released by the Productivity Commission and appreciates the opportunity to respond to the issues which are raised. RSL Queensland has been supporting our Defence veterans and community since 1916. We were originally formed by soldiers returning from World War 1, and RSL Queensland is still run by veterans, for veterans. Our members are young and old, female and male. They have serves overseas and at home in armed conflict, peacekeeping missions and disaster recovery, and what they have in common is service.

RSL Queensland is the largest ex-service organisation in Queensland with 35,000 members in more than 240 sub-branches in ten districts. We offer advice, support and comradery to all current and former ADF members and their families. We help veterans the broader Defence family in real and practical ways, whether they are members or not. Our services range from assisting with DVA claims to funding vital research into PTSD and veteran mental health, from easing the transition to civilian life to providing opportunities for members of Queensland's Defence family to connect with each other.

RSL Queensland's submissions to the Productivity Commission align with objects 1 and 6 of our constitution by recommending pathways to support the effective rehabilitation and lifelong dignity of current service people, veterans and their families, and concurrently ensuring that current and future members of the ADF serve in a well-resourced, trained and fit organisation which maximises their success on the battlefield and minimises battlefield casualties. RSL Queensland supports many of the findings of the Productivity Commission relating to the complexity of the current processes. However, some of the proposals, whilst not costed, appear to significantly reduce access to benefits and processes which are currently available to veterans. As an ESO which has campaigned

strongly for veterans' recognition and for their access to appropriate care and support through DVA, we will not support any proposals which lessen the value and availability of benefits provided under the existing structure, unless there is a clear benefit gained from simplifying processes and making benefits more accessible and fit for purpose.

While there is much within the draft that, if implemented, would enhance the support to veterans, RSL Queensland strongly rejects the new governance arrangements, most particularly the establishment of a single ministry which the draft report describes as bringing the long-term wellbeing of serving and ex-serving members into consideration of broader Defence policy. RSL Queensland believes that in developing the draft report, the Productivity Commission has failed to conceptually separate the mission of the ADF with that of DVA, and indeed has approached the review from the perspective that the ADF operates in a matter akin to other large organisations within Australia.

The mission of Defence is to defend Australia and its national interests, while the mission of DVA is to support those who serve or have served in the defence of our nation. Combining two departments which have such fundamentally different goals may result in a short-term (indistinct) to the current account, but in the medium and long-term will neither enhance the defence of Australia and its national interest, reduce risk, or better support veterans.

As an example, RSL Queensland notes with concern the observation in the draft report that a change to who pays for veterans' compensation and rehabilitation by levying a premium on Defence for uniformed ADF personnel would provide an additional incentive. A premium is, in effect, a price signal about the real costs, lifetime, not short-term, of service-related harm. We believe that price signals will drive a perverse short-term approach to preparing personnel to defend Australia and its national interests. Personnel in the Army and those in the RAAF and RAN who are required to engage in close combat are, in effect, tactical athletes. Continuing with the sporting analogy, whilst a professional sports team would look to preserve their team by training in a manner that increases the likelihood that the majority of team members will be available for competition, this is secondary to ensuring that those who do take to the field are stronger, faster, and have greater endurance than their opponents. This is even more important for close combatants where physical superiority may literally be the decider between life and death.

We note in the draft report that the Commission appears to infer that a reduced injury rate associated with reducing marching speeds or running distances is implicitly a good thing. RSL Queensland categorically refutes

this assumptions based on the lived experience of our members. Whilst physical training should be graduated and conducted utilising world-leading sport science principles to reduce injury and increase performance, the physical performance characteristics required of close combatants must be based on their efficacy and survivability in combat, and not a simple reduction in compensation payments. To do risks the lives of Australians.

Separately, although not germane to the overall thrust of the Commission's report, RSL Queensland notes the fallacy of the comment within the draft report that although the member is technically compelled to go on a deployment if ordered to do so, in practice, deployments are highly sought after and there is often an element of choice involved. This observation may hold for isolated instances where the number of personnel required for deployment is comparatively low, but is not reflective of the Australian experience of war since Federation, including of conscription, mobilisation of CMF and Reserve units, and enforcement of the provisions of the Defence Act 1903 and the Defence Force Discipline Act 1982. Thank you.

COMMISSIONER FITZGERALD: Good, thank you very much. We have a detailed submission from you, and we will come to some of those matters in a moment. Can I just deal with the issue in relation to Defence? It is one that you will have heard that we have raised several times. As you are well aware, DVA and the Defence Department exist within the Defence portfolio already.

MR DENNER: Sure.

COMMISSIONER FITZGERALD: One of the things that has happened in this public hearing is many people have not understood that, and it has come as a revelation to many that DVA already is in the Defence portfolio. For many years now, the Minister has been the same person both for Defence personnel and for veterans.

MR DENNER: Correct.

COMMISSIONER FITZGERALD: One of the issues for us is the policy making between Defence and DVA in relation to serving and non-serving veterans is not coherent, not consistent, and it certainly doesn't deal with the lifelong needs of the veteran. We were coming from a very simple position: how can we better integrate policy - not administration of the scheme, which was never going to go within the Defence department - to better account for the whole life of the serving, non-serving veteran, based on the government's definition of a veteran being anyone who has

served more than one full day. That is a decision of government, not the Productivity Commission. So what is it about Defence that you think - that makes it so ill-equipped to be able to deal with planning? Now, you've named one issue, which is about a conflict of interest of a conflict of purpose.

MR DENNER: Yes.

COMMISSIONER FITZGERALD: But I won't go on, other than to say that is not so in New Zealand, where in fact Defence does in fact have responsibility for veterans policy, and it is not consistent with some other armed forces across the world, where they actually have the twin goal of defending their nation and ensuring the wellbeing of their service personnel throughout life. The Australian construct is not unique, but it is not the only model. I just throw that back to you to just sort of understand your concerns about policy going into Defence, because that is all that we were putting in.

MR DENNER: Yes, sure. I will go to your last point first, and I agree that there are other models that are in use around the world. The UK have some similarities to the New Zealand model as well. Simply because another nation is using a model is not, in my mind, an indication that it is an effective or correct model.

COMMISSIONER FITZGERALD: Sure.

MR DENNER: One of the key concerns that we have from that perspective, as we note, is the effective conflict of interest that it creates between supporting veterans in their rehabilitation who are wounded, injured in defence of the nation. I use the statement that the Productivity Commission made about the price signals that you are intending to create. Our concern is that at a point in time, operating under a single budget in a single department, choices will end up being made between providing an increase to a disability payment, to a pension, or buying equipment that serves for the defence of Australia. We think that that is a wicked problem, and not a problem that should be created by a machinery of government change.

COMMISSIONER FITZGERALD: Just in relation to the price signal, all employers around Australia today, including yourselves as the RSL, have multiple incentives to create a safe workplace, contextualised to the industry. Some of those industries are high risk and the likelihood of injury is high. We understand fully that the military environment is unique and there are a number of factors that indicate that injury is likely to occur in certain circumstances, particularly training and operational

issues. But the notion that the employing body - and again, we acknowledge that Defence Force personnel are members and are in fact servants of the Crown. It is the only body that is exempt from bearing the financial responsibility of the injuries that occur to its personnel.

MR DENNER: Yes.

COMMISSIONER FITZGERALD: Your sporting analogy, which I think is an interesting one about athletes, they are all subject to workers' compensation.

MR DENNER: Sure.

COMMISSIONER FITZGERALD: The question is whether or not any of the professional sporting teams in Australia, to use your analogy, are in fact perversely impacted on their training of elite athletes. I am not aware the evidence is there. What I am saying is that organisations that actually are engaged with athletes, professional sports people, people in high risk businesses, are subject to both regulation and a price signal, and there is no evidence that that has in fact downgraded the quality or skills or the performance of their workforce. So why is it in ADF that this fear is so great? I am not disagreeing with you, but I want to understand what it is about ADF that is so special. Because the evidence at the moment is both good quality regulation, and I acknowledge there is some poor quality, and appropriate and reasonable price signals actually seems to work in a positive way, not in the negative way. Yet many people put your proposition to us.

MR DENNER: Sure. So the fundamental difference between the armed forces and any of the other organisations that you make is that people in the armed forces are trained to kill people and operate in areas where they may be ordered to do something that will definitely result in their injury or death. That is the fundamental difference. So you know, the term tactical athlete is utilised increasingly frequently to describe the fact that their performance on the battlefield will be a decider between life and death for them. A mechanism that may deliberately or not deliberately influence the training such that the training of personnel is suboptimal, in order to reduce a health premium, as example, will actually have a long-term consequence on the health and safety and indeed the life and death of service personnel.

COMMISSIONER FITZGERALD: That is assuming that the price signal, and a premium is a price signal but that is not a sin, the evidence that that would occur is not clear to us. Now, if I can go back a little bit. In 2011 when the full effect of the workplace safety laws were introduced

to the ADF, everyone has said to us in the ADF that there has been a significant change in the way in which training and safety is dealt with. Most people have said positive things. It is equally true that there are some that have said to us they think it has softened training, and had an effect in that way. But the evidence is not clear. What is clear, there has been a reduction in the level of preventable injuries in certain areas, such as down at Kapooka where we visited the army training school and so on. So the question I just want to ask again, I suppose, is that people would have said at the time those regulations would have the same dampening effect or dilution of, you know, our force capability. But the evidence isn't clear that that is the case. And I just wonder whether or not you might be overly cautious in your view about what a premium would do to ADF.

MR DENNER: Look, I agree on overly cautious when it comes to the lives of Australians, and that is what we are talking about. So this isn't an experiment that we can just run to see if it works or not. Australians have paid with their lives by doing that before. We were poorly prepared in the leadup to World War 2, and literally thousands of Australians died because of that, particularly the CMF serving in PNG because they didn't have the same physically robust training standards as the AIF that was in North Africa. So as a country, we have got a lived experience of that. I agree that I am being very conservative about it, but I care about the lives of Australians.

COMMISSIONER FITZGERALD: Sure, and so do we, and I am sure that we have a collective mission in relation to this. And the RSL, as I understand it, have agreed with basically our goals and principles that underpin both outcomes for veterans and the scheme itself. Can I just go to a couple of others that flow from that? You have linked, and I may be incorrect, but just in your opening statement, those issues about physical performance and a reduction of payments. We have basically, as you know, retained the VEA.

MR DENNER: Yes.

COMMISSIONER FITZGERALD: With very minor modifications. We were looking at bringing MRCA and DRCA together, and the only issue there is what is the level of payment, and we will make a recommendation subject to all of these hearings about that, but it is likely to actually benefit many veterans. And nobody that is currently entitled to a Gold Card or other sorts of healthcare would have that removed. So when you say reduction of payments, there is nothing in our report that indicates that that would be the case. So what are you referring to specifically? There are some allowances we have certainly said we should

look at, and there is about a dozen of those. Some of those we think should be paid out, some of those we think should be incorporated into the main benefits. But when you say reduction of payments, which ones are you specifically referring to?

MR DENNER: Are you talking about the opening statement that I made - - -

COMMISSIONER FITZGERALD: Yes.

MR DENNER: - - - or detail within our report? So what I referred to in the opening statement is not about individual payments, but the consolidation of the budget of DVA and Defence into a single budget. It is perhaps a fig leaf, but certainly the government talks of the budget for DVA as being uncapped. I think there is probably some practical realities to that, but regardless, that is quite separate. If the budget for both organisations are brought together and are fixed, decisions will need to be made about how that funding is allocated.

COMMISSIONER FITZGERALD: Sure. Well, let me assure you on the last point, that is not our proposal.

MR DENNER: Right.

COMMISSIONER FITZGERALD: That the Veterans' Services Commission, or DVA if it survives, would in fact be separately funded. We have indicated that part of that funding would come through the premium, and that is a separate issue, but it is related. But we are not merging Defence. I just go back to it, in the budget the Defence portfolio already includes DVA, but it is not Defence Department's. I can clarify that upfront.

MR DENNER: Yes.

COMMISSIONER FITZGERALD: You have raised a whole range of issues in your submissions, but if I just go to one. I understand, and correct me if I am wrong, that you are proposing a slightly different version of the transition arrangements than what we have proposed. I was just wondering if you can give some explanation to that. I think we have got the same objective, but we are coming to it from a different angle.

MR DENNER: Sure, and perhaps if I can just talk about why both Marg and I are up here. I will certainly respond to questions about broader policy. Margaret has long, indeed, experience with supporting veterans and dealing with DVA, so I will just defer to her in this case.

COMMISSIONER FITZGERALD: Sure.

MS JENYNS: Thank you. Would you like me to go through what our submission was?

COMMISSIONER FITZGERALD: Just in very brief terms why your model.

MS JENYNS: In brief terms, yes.

COMMISSIONER FITZGERALD: And why you think that might be preferable to the one we have proposed.

MS JENYNS: The model proposed in relation to rehabilitation for transitioning members is that essentially DVA would take over the process at a specified time before the person was - the date that they were actually identified to transition out. So what I have gleaned, from a long experience in dealing with rehabilitation processed with DVA, is that there is a virtual conflict between what Defence is providing through the Defence Rehab and what DVA is moving into, to then provide once they have transitioned out. So the conflict there is the actual takeover period. DVA doesn't get advised of people who are transitioning out in a very coordinated and specific way. The advice comes in a variety of timeframes and a variety of processes, and often when a person transitions out, they may not be prepared for the whole change in the life of what they are going to be going through. That is because sometimes it is left very late. So our proposal was that 30 days before the date of their transition out, the rehabilitation process is handed completely over to DVA. My proposal is that is already facilitated by the existing legislation, so it doesn't require any particular changes. So section 39 of the MRCA allows that the Chief of Defence Force is the rehabilitation authority whilst they are in service, and then under 39(3)(aa):

> *if the Commission, after considering advice from the Chief of the Defence Force, determines, in writing, that the Commission is to be the rehabilitation authority,*

they can take over.

What that would mean, within the ADFRP, their prime purpose as I understand it is getting the serving members back into the Defence Force. Back into the roles that they were existing - their existing roles. That's what the ADFRP is mainly about. If they can't get back into their existing roles, they are put into a role which is suitable for them within Defence.

So the whole aspect of moving into a civilian vocational rehabilitation process is quite foreign to their main core business, and it is the sort of work that DVA does, and I, in my submission, have said they could do it better. But if they could get engaged early and give a veteran a full understanding of the process and a way forward and a link into a high quality rehabilitation provider, who is expert in not just medical and psychosocial issues but also in vocational rehabilitation, they can then move forward with an existing plan. So at the date that they walk out of Defence, they have a complete plan of what is in the future for them. That is including working with commonwealth superannuation, including working with all aspects of their future. So they will be working in conjunction with the joint transition command, but they will be under DVA. They will have specialised rehabilitation providers who are working to assist them back into - - -

COMMISSIONER FITZGERALD: What we were looking at, we won't go into the detail, we have got plenty of opportunities to do that later. But we were wanting to get to the same outcomes but by a slightly different structure, I suspect.

MS JENYNS: Yes.

COMMISSIONER FITZGERALD: We see the joint transition command as certainly picking up people well before their discharge date.

MS JENYNS: Yes.

COMMISSIONER FITZGERALD: We absolutely see it as a multi-disciplinary and multi-departmental sort of beast which would have DVA and ComSuper and others involved in that. But can I just ask a specific question in relation to the rehabilitation? That has been one of the very big issues, where people have started or should have started rehabilitation prior to discharge, but on discharge it all falls apart. There is a number of factors for that. I was just wondering if you can comment about that particular issue? I know it has been raised in the taskforce, but your view of how it is functioning at the present time.

MS JENYNS: Well, a lot of the reasons it falls apart is because if a person starts their transition into civilian through the DVA process a bit late, they have to lodge a claim for liability, they have to get that process, they then have to apply for incapacity payments and whatever, and then they can be placed on a rehabilitation program. So often there is quite a gap between when they walk out the door of Defence to when DVA picks it up and says we're ready to go. That's the time when any veteran is most vulnerable. They have gone from a very structured, controlled life,

and suddenly they are in this vacuum, not knowing where the next step in their life is going to go. It's during that time, and I can say from experience, where we lose a lot of veterans. Where they get so confused and disorientated by the whole process that they start to take on more of an invalid type mentality as far as their future goes. It's the very important role, I think, of both Defence and DVA to say, get in early, so that when a person leaves they know exactly what the process is that takes them forward.

COMMISSIONER SPENCER: Sure, and we would absolutely support that view. Can I ask a few questions about the future role of ESOs? Because clearly RSL Queensland plays a really significant role with the veteran community, and you described earlier the number of veterans, families you support, the range of services. By way of background, we know that the - Robert Cornell has handed his report to government. It hasn't been made public yet, hopefully it will be soon, we are certainly encouraging that and we can look at that. That will have recommendations about the advocacy issues obviously into the future. But as you described in your opening comments, I mean, the range of services you provide is very widespread. From our point of view, and I think we have signalled this already, but we certainly want to say more in the final report. We see that as part of the bigger system. It's not just a government system, it's a bigger system. And an extremely important part of it, because as I mentioned earlier, there are those that are often the most isolated, the most in need, who will not engage with government services, who will be invisible to government services, but not to your members and your networks. Those kind of soft entry pathways into really finding out who needs help and how to provide it is an extremely important part of the system. I mean, two things that have struck us is, one, obviously the range of ESOs and what's happening, and as Robert said earlier, what ESOs do is up to them. It's part of a civil society, you decide what you are going to do. The role of government is who do we speak to? Who do we sit down and carve and nut out better solutions and answers so that they can do that? And very importantly, who do we fund, and why do we fund them? And we will be encouraging a better sense of planning strategy thinking about what makes a difference, and where is the outcomes from that.

There is a whole range of issues in there. When you look to RSL Queensland, you know, five, ten years from now and you think about what would we be looking for in terms of a government relationship? Money is part of that, but beyond that, what would fit well with where you see RSL Queensland going? Just in that discussion, obviously we are conscious that the notion of hubs is developing, conscious of what's happening up in Townsville. So what are the new models? What are the new ways in

which you, as RSL Queensland, would want to be operating if you look to future of a system like this?

MR DENNER: Sure. Can I perhaps just start with a bit of context. All member based organisations, whether they are ex-service organisations or not, are facing some societal pressures around membership. Of our 35,000 members who are in Queensland, they all have to be current or ex-service personnel. Their average age is 68. They are the ones who provide our volunteer effect. We concentrate in Queensland on running an effective business so that we can employ people increasingly to do the services that we provide. So whilst our member base is aging, the average age of the veterans that we support remains relatively young. Around 75 per cent of the claim support we provide is for DRCA and MRCA, so only about 25 per cent is VEA. So if you use those as a rough approximation of age, the average age of the people that we help is probably somewhere between 35 and 40. The veteran community is definitely looking for assistance, which is quite separate than do they want to be a member of an organisation? Part of the reason for the growth in the ex-service organisation community is failure on the behalf of the RSL to adapt effectively over the last 20 years. I think certainly as an organisation in Queensland, we are trying to respond to that. There is a lot of cultural change that needs to go on to move from being an organisation that contemporary veterans view as relevant to them versus being one that older veterans do.

Practically, one of the actions that RSL Queensland took was establishing another ESO named Mates4Mates in Queensland, and that was done deliberately. It is very targeted on support for the wounded, injured and ill, but it is also very targeted at being an organisation that is attractive to contemporary veterans.

What does the space look like ten years from now? Some of it will depend on government policy, and some of it will depend on how effective large ESOs like Legacy and RSL can be in adapting to the modern environment. We have done a lot of demographic studies here in Queensland. There are some very strong concentrations of ex-servicepeople. We know that in the northern suburbs of Brisbane about 8 per cent of the adult population are current or ex-servicepeople. That percentage is about the same in the west of Brisbane and in Townsville. In many of the other areas in rural and regional Queensland, it might only be 2 or 3 per cent, and they typically are much more aged. We see a hub-based approach developing in those areas that have large concentrations of veterans, and a fundamental shift in the peer to peer activities that veterans perhaps historically have looked to.

I think in many ways, the RSL, one of the adjuncts to the services that it provided was comradery, but effectively the establishment probably of the drinking culture in the 60s, 70s and 80s, and that aligned with society at the time. What we do know from extensive analysis of veterans in Queensland, and we surveyed about 3000 veterans and their families last year, is that they are really looking to move away from that as a means for engaging with each other, to have peer support, and much more towards a health and wellbeing model. So totally unsupported by government, so separate from what needs to happen through DVA for rehabilitation. Contemporary veterans and many older ex-servicepeople as well are looking for organisations to provide that opportunity for comradery to exist in a much more healthy environment, and we believe that hubs are going to be part of that, where physical activity can occur that is accessible by a broad range of the Defence population, but at those hubs services can be provided to assist connecting DVA with other ex-service organisations.

COMMISSIONER SPENCER: Look, it is an interesting trend, and I am sure you are aware of it, but generally across a whole range of human services what you are experiencing is the trend, namely that many organisations began purely as volunteer organisations around a particular issue, but over time, for a whole range of reasons obviously, the need to have a smaller group of professional services, but then how to leverage volunteers and what roles. And you mentioned peer to peer, and once again we'll have more to say in our report about that, but we understand the value of that. That is a very significant entry point for a lot of people in the form of assistance.

Just coming to another issue, we talked a bit earlier this morning about the peak body idea, and that is sort of a bit of a holy grail, I suspect, in terms of how to achieve that. It is not without its challenges for sure. But your thoughts on that? Because once again, government hearing the voice of a constituency in terms of deciding on its policy and its response is very important. How do you think that should emerge in terms of peak body, both input and influence, for government to be able to better attune its policy thinking around what is going to work and what is needed?

MR DENNER: Sure. Again, speaking frankly, the reason that there is a need for a peak body or something analogous to it is because of failure on the part of the RSL over the last 20 or 30 years. Practically speaking, up until the 1960s at the RSL national AGM, the Prime Minister of the day would go to the national AGM. So it reflects poorly on us as an organisation that there is a need for some form of national consistency, but I agree that there is. The form that that takes, I am quite open minded about that. I think as a current and ex-service community, you know, we

will need to be accepting that acting with one voice doesn't mean that everyone will agree with that voice. I think that has probably been part of the reason for the proliferation of ESOs, is as soon as one person disagrees with a line that their ESO is taking, they have gone and created a separate ESO. So I think there is some individual self-regulation that we need to do, but we need it as a - let's call it an industry, or you know, a grouping of peers. We need to be able to give government a single voice.

COMMISSIONER SPENCER: Thanks very much for that, Scott. Can I just raise another issue, which was a bit surprising to us, and we first encountered that when we came to Queensland last year, and that is the role of state governments. We see, both here and in several other states, state governments beginning to enter this space, and there are a range of state-based services. So we have had several veterans say to us, who have moved after discharge to another state, or they have just moved simply for new jobs or whatever, that they have encountered issues around benefits that they got through one state government but not another. Your thoughts about is there an emerging role in this space for state governments, or not? What could that look like? I am not sure what we can say about it, but I would be interested in your thoughts about how that seems to be a newly emerging trend.

MR DENNER: So there is a lot of benefit to state governments in they can deal with this in the right way, but they need to look at is holistically. I'll use Queensland as an example. The LAND 400 project for armoured vehicles has been awarded to a supplier who is going to build an armoured vehicle manufacturing plant to the west of Brisbane. That is an enormous injection of cash into the economy. The ideal employees at that factory, and particularly the people to do the training and introduction in the service of Defence, ideally are ex-servicepeople who have that experience in operating armoured vehicles. You know, we are a garrison state in many ways. There's three really large garrisons in Queensland: in Townsville, to the north of Brisbane, and then out at Ipswich. If state government looked at it in a holistic manner, around employment, around services that are provided to Defence around those garrisons, and also around the families, there would be a very large upside. As a slight adjunct to this, there is a definite impact on the children of service personnel associated with being in service. It is something that we as an organisation are invested in understanding the impact. But you can imagine, if you are a service person and you're getting posted from one geographical location to another every two years, there is issues around the schooling system between states, but there is an impact on the child as well. So there is a lot more that state governments can do to support current serving personnel as they are moved from location to location, but also to assist their transition into civilian life.

COMMISSIONER SPENCER: Thank for that.

COMMISSIONER FITZGERALD: You indicated just then that you are moving to a health and wellbeing framework, which we obviously support, because our whole report is about moving to a wellbeing framework. But I want to just canvas a couple of issues. Right at the moment, it is a system in which outcomes are almost impossible to determine. I know that many ESOs have now come to the support of DVA and want it to remain, and your organisation is also of that view. Yet it is a very unusual phenomenon that nobody can actually determine the outcomes for the veterans at all.

MR DENNER: Yes.

COMMISSIONER FITZGERALD: So we know what people get, we know what payments are received, we know what expenditure is made on health and community services, but no outcomes.

MR DENNER: Yes.

COMMISSIONER FITZGERALD: I am surprised that the veteran community up until now has not been demanding of an outcomes-focused scheme, given we spend $13 billion a year on it. Now, it is not about cost saving. It is just - am I right in saying that the veterans community hasn't been calling for the outcomes, or has it been frustrated by government in not being able to obtain that? And the second part of that, is there a change in culture? Because in the other area of human services that we do enquiries into, everyone demands outcomes.

MR DENNER: Yes.

COMMISSIONER FITZGERALD: This sector talks about benefits, inputs, how you fund things, but not outcomes. At the individual level, they do. I was just wondering, are we moving to a culture which really does want to be outcomes-driven, both in Defence and DVA particularly, or is there a barrier to that in the whole scheme?

MR DENNER: I think the barrier is history. You know, I would contextualise that there has been, you know, a prolonged struggle that has happened between the veteran community and the government really for the best part of 100 years around recognising the impact of service, the impact that that might have on someone's body, rehabilitating them, but doing it in a manner that supports the dignity of the veteran. I think probably what has happened is culturally as a group of people, through the

ESOs and through the veteran community, we have grown so used to having to fight for individual components of recognition that it's then we're perhaps nervous that when people start talking about outcomes we think it's just going to be a fig leaf to take away some hard earned recognition. But fundamentally, yes, this needs to be about making people whole again, if they can be made whole again, and for those who can't supporting them with dignity. We completely agree with that. There is a mountain of data that exists within DVA that has not being effectively utilised as part of this.

We would suggest that there is a massive issue with polypharmacy, particularly for Gold Card users, and there is a lot of work that DVA can do. So there's probably massively suboptimal outcomes to a lot of people receiving support through DVA because of issues such as polypharmacy.

COMMISSIONER FITZGERALD: Okay, and just in relation to that then and either yourself, Scott, or Margaret might want to comment. In 2004 the government ultimately introduced MRCA, which had a very different approach both in terms of trying to take a rehabilitation and return to work sort of approach. I was wondering, looking back on that period of what some 14 or 15 years now, do you believe that approach was fundamentally sound? I'm not talking about the actual Acts which are difficult and confusing but – and I know that people who are VEA protect that Act and we are – we've recommended that it be retained. So it's not argument about VEA.

But that was a huge change. A huge shift. So I was wondering whether there's evidence, anecdotal or otherwise, that that direction, that policy change which was huge has actually delivered. Just from your own experiences and organisation or is there – is the evidence unclear about that.

MS JENYNS: Well, I mean I do believe it has delivered but it's also delivered some complexity. But I mean when MRCA was first mooted, and it was following the Tanzer review, there was a lot of ESO consultation.

COMMISSIONER FITZGERALD: Yes.

MS JENYNS: They went through a lot of – a very long process trying to get – and the ultimate goal was to get from a new legislation the best bits of both the – what was then the SRCA and the VEA. With a specific focus on rehabilitation and wellness, and so the process worked well. I think the outcome with MRCA, with some little flaws and things, is a

good product. It's just that the confusion in relation to the three existing Acts - - -

COMMISSIONER FITZGERALD: Sure.

MS JENYNS: - - - and the various differences there makes it hard to follow. But if you just looked at MRCA by itself it would be not a bad legislation, I don't think. I mean there's some issues there you might (indistinct).

COMMISSIONER FITZGERALD: Sure. There's lots of issues.

MS JENYNS: Yes, yes.

COMMISSIONER FITZGERALD: And we've recounted some of those.

MS JENYNS: Yes, yes.

COMMISSIONER FITZGERALD: But if I (indistinct) that from that point of view then, if we look at the health card system, we're trying to understand how best to deliver health outcomes for veterans and we're looking at the card system and we put alternative thoughts on the table, but not alternative recommendations yet. How – in your mind, how do we – how do we get better outcomes in the health area and the mental health area other than just by everyone keeps saying we'll extend the Gold Card. So putting aside our view that we have concerns about how the Gold Card operates, and we'll look at that more fully, beyond the Gold Card what is – and again you may not have a view of this, what is it in the health area – health service area and mental health service area that needs to change?

I mean we can have as much – the cards are simply a funding mechanism and that's very important, but actually the most important thing is services. Funding is important but services are even more important. So whilst they're completely connected, we're trying to concentrate (indistinct) on what the services need to look like. So I wonder if you have any comments about the general health, mental health space going forward.

MS JENYNS: Yes, I do have quite strong views on that in relation to the fact – exactly as the Commission found that there's no review process. There's no outcomes driven look at how the general provision of treatment is establishing wellness. So when a person is provided with a White Card or a Gold Card they are entitled to get treatment for that condition that's been accepted or for all conditions, and there's no real monitoring of that

and no real effort to ensure that the treatment they're getting is best practice, and I refer back to what Scott said in relation to pharmacy.

COMMISSIONER FITZGERALD: Yes.

MS JENYNS: That's a particularly big one. So, you know, we've got the Gold Card, we've got treatment and that's great. There should be a review process, and at the risk of constantly flogging a sad horse with the permanent impairment where I suggested there be a review process there if a person lodges a claim for permanent impairment early, you assess them at the level of the impairment they've got at that time and then you have a review process. And to me that's the only real ability that DVA has to be able to say is this person getting treatment – because they'll be on rehab programs or whatever – that is effectively reducing the level of their impairment.

If it's not, is there something wrong with it? If it's not – are there things that we can learn from that? Say, maybe there needs to be a better way of approaching these things. So built within that PI process I saw the only real opportunity to review the effectiveness of the medical process.

COMMISSIONER FITZGERALD: There's an absolute logic to what you say. So that I can just understand that, what – why is that not part of the process at the moment? If I can just understand this. Under MRCA and DRCA people are able to take lump sums based on an assessment.

MS JENYNS: Yes.

COMMISSIONER FITZGERALD: And so that makes it complex if there needs to be changes down.

MS JENYNS: Yes.

COMMISSIONER FITZGERALD: So that's a complexity in the system. But putting that aside for one moment, what's the objection to having regular reviews for people that are on impairment payments? Or are you talking about even reviews for people just simply who are receiving services?

MS JENYNS: No, not once they've been paid. So it's in relation to before they're found to be permanent and stable.

COMMISSIONER FITZGERALD: All right. Okay.

MS JENYNS: Okay. So it's when - at the moment what DVA does is giving them an interim payment.

COMMISSIONER FITZGERALD: Yes, that's right.

MS JENYNS: And says you've got an interim payment of, you know, we can see that you're really, really badly hurt but we'll give you an interim payment of 10 per cent - - -

COMMISSIONER FITZGERALD: (Indistinct).

MS JENYNS: - - - because we think you'll get better. Go away and get better, and that's the process. So what I'm suggesting is you say we can see you're really, really hurt, we'll give you an ongoing, you know, periodic payment which reflects the level of your hurt, but we will review it periodically to ensure that you're getting best practice treatment. Cap it at two years or something like that and then say now we'll pay you out your full amount and you can take it as a lump sum or you can continue to take it as an ongoing payment.

COMMISSIONER FITZGERALD: Sure.

MS JENYNS: But what it does – and what I found frequently in a previous life, if you say we'll give you $10,000 to – or 10 per cent to make you feel happy because you're really, really hurting that increases the hurt.

COMMISSIONER FITZGERALD: I see.

MS JENYNS: People feel quite, you know, upset that they're only getting a small amount of assessment when - - -

COMMISSIONER FITZGERALD: Right.

MS JENYNS: - - - anyone can see they're bad.

COMMISSIONER FITZGERALD: So just to understand that fully. It's the period whilst you're assessing the permanent and stable.

MS JENYNS: Yes, exactly right. That's the only thing (indistinct words).

COMMISSIONER FITZGERALD: We've said that should be capped at two years.

MS JENYNS: Yes.

COMMISSIONER FITZGERALD: A determination should be made at that point.

MS JENYNS: Yes, yes.

COMMISSIONER FITZGERALD: It shouldn't linger on.

MS JENYNS: Yes.

COMMISSIONER FITZGERALD: But you're saying that during that period of time the interim payment needs to be assessed at the highest level or a higher level.

MS JENYNS: Yes.

COMMISSIONER FITZGERALD: Rather than what some people might say is a token level.

MS JENYNS: Yes, yes.

COMMISSIONER FITZGERALD: And then you do the reassessment.

MS JENYNS: Yes.

COMMISSIONER FITZGERALD: Okay. Thanks for that. Just a couple of other questions if I can. The issue in relation to MRCA and DRCA coming together, you've been I think supportive of that, subject to a couple of caveats. If I can just deal with that just for one moment. Is the caveat largely – we understand it's complex but once we put that aside for one sec, is it largely around the way in which the Gold Card is treated or do you have other concerns in relation to MRCA and DRCA coming together? We have to work out the payment level, that's a question. But is it largely around the Gold Card?

MS JENYNS: Yes.

COMMISSIONER FITZGERALD: Okay, we get that. And the second thing is subject to that I understand you're broadly supportive of a two scheme approach over time, subject to a whole lot of things being fixed up. Is that right?

MS JENYNS: (Indistinct).

COMMISSIONER FITZGERALD: So we end up with a situation where a person is only in one scheme and eventually thirty years from now there's only scheme anyway.

MS JENYNS: Yes, it's just that we feel that trying to force – do you want to speak to that, Scott?

MR DENNER: (Indistinct).

COMMISSIONER FITZGERALD: Sure, please.

MS JENYNS: Just trying to force it through there's so many complexities involved - - -

COMMISSIONER FITZGERALD: Sure.

MS JENYNS: - - - that you will then – you know, you'll start off with yet another legislation essentially because of the transitional effects of it all.

COMMISSIONER FITZGERALD: But that's a – that's really a timing issue, isn't it?

MS JENYNS: It's a timing issue, yes, but I mean it will mean that, you know, once again we have veterans who are totally confused as to the process.

COMMISSIONER FITZGERALD: Well, we'll try – yes, we're trying to minimise that but we understand the complexity. Those in VEA are least affected but those in the others are affected. I'm just conscious of the time but we've got just a couple of minutes. Is there anything else in your submission that you want to raise with us before we finish? Because I know you've got an extensive – and I must say when I flipped through I'm very pleased by the number of recommendations supported or partly supported. So that does my soul good. But that there are some more you have strongly not supported or objected - so we take that on board as well.

MR DENNER: Sure. So it's not contained in detail in our report but I note the presentation made by Mr Campbell around ComSuper and, you know, it would be our fervent wish as an organisation as RSL Queensland that you would have been given greater scope to look into ComSuper. We deal extensively with DVA and fairly regularly with ComSuper. I've got 50 full time staff that do nothing but – and their feedback to me is that DVA is a model partner compared to ComSuper and we don't believe DVA is a model partner. This is simply comparative.

I – the specific issue that Mr Campbell was talking about, you know, I met with the CEO of ComSuper last week and I made the observation to him that I think, you know, this to me looks like a junior bureaucrat in ComSuper made a decision in about 2004 or 2005 and the organisation has doubled down on something that makes absolutely no sense ever since, and they've – they've fought it hard. So as an organisation we put in a freedom of information request to them to get some data to prove that the payments are renewable – are reviewable and of course they are.

But the organisation said it didn't have any data on what was reviewable and this is a core purpose of ComSuper. So we went to the FOI commissioner who forced them to give us the information, which of course proved that they are reviewable payments, that they do reviews annually and that they do reduce payments. It just seems madness to us that they continue to report to the Family Court on Form 6's that this is a lifetime pension when it clearly is not. It's an issue with an organisation that's been captured by a decision that it's made previously and it's just totally unwilling to unwind it.

COMMISSIONER FITZGERALD: Without going into the technicality of it, because it is a very technical area and you heard my response to Mr Campbell earlier, we are entering it but only in a very limited way. But can I just ask this question. Why do you think ComSuper has taken the approach – you've said that they've locked into a decision and they – you know, they dig down and we've seen that in many agencies. But if there's no logic to it and in fact if there is some evidence – as Mr Campbell has put this morning – that the Federal Court took a different view.

MR DENNER: Yes.

COMMISSIONER FITZGERALD: Why do you think an agency such as ComSuper would hold that line?

MR DENNER: Compensatory payments. So we did a very broad leafed assessment on the negative impact of people who'd been subject to decision based on that and we assess that it totalled about $250 million.

COMMISSIONER FITZGERALD: Is that largely through the Family Court (indistinct).

MR DENNER: Yes.

COMMISSIONER FITZGERALD: So the linkage to the Family Court is in fact the critical issue in that issue you've - - -

MR DENNER: Certainly that's part of it, yes. There is some knock on effects in terms of the impact on the life of the person who's receiving it. So Brad talked about people not being able to get mortgages and certainly there are some ancillary impacts.

COMMISSIONER FITZGERALD: So can I just ask one other question in relation to that. A different issue but the offset in between the impairment payments paid under superannuation and the incapacity payments paid under the DVA. Is the RSL's view that that sort of offsetting – while some people in the sector object to it – is appropriate?

MR DENNER: So effectively with offsetting it needs to be that the payment that has been offset is for the same thing. So if a payment is a compensation payment as opposed to – so it's for injury and suffering as opposed to a payment that is for the continued support of the person because they're not able to work. Those – there shouldn't be offsetting, but if there – if the payment is designed to do the same thing, it is logical that there is.

COMMISSIONER FITZGERALD: Okay. Thanks. Richard, any final comments?

COMMISSIONER SPENCER: That's fine. (Indistinct words).

COMMISSIONER FITZGERALD: Thank you very much. That's been terrific.

MR DENNER: Thank you.

COMMISSIONER SPENCER: Thanks Margaret.

MS JENYNS: Thanks (indistinct).

COMMISSIONER FITZGERALD: And could I have Mark Raison, I think it is. Good. Thanks, Mark. There's some water there if you need it.

MR RAISON: Thank you, sir.

COMMISSIONER FITZGERALD: Mark, and if you can give your full name and if you're representing an organisation the name of that organisation.

MR RAISON: Certainly. My name is Mark Raison. I'm here on behalf of the Brisbane North District RSL, being one of the 10 RSL districts in Queensland, as previously mentioned.

COMMISSIONER FITZGERALD: Good. So if you could just give us your key points in about 10 minutes that'd be terrific.

MR RAISON: Not a problem. I just might start with a little bit of background. I did 19 and a half years in the army. I was discharged medically unfit in 1997. I was the first person in Victoria to be discharged AIRN, so it's come under the new scheme where if you couldn't be a young fit soldier, even if you had experiences in other lines, you were discharged, and you were given a month to go away somewhere, do a job experience and then left and told there's people out there called advocates that will help you.

I informed my boss at the time that I am an advocate. I had been for three years at that stage whilst I was in and I had no training on organising the discharge for service member. So it was a very hard time. At the time I was living in a caravan and I wasn't earning enough money to pay for the rent, for my dog living in a kennel. I told my wife to leave me because I couldn't afford to pay the rent on the caravan. Luckily she didn't. I was eventually retrained as a paralegal and with my advocate background I've been doing that now for 25 years in ESOs.

So I just thought it was important to let you know I've had four veterans commit suicide on me in the last 25 years whilst dealing with the department. I'm not going to say it's the department's fault. Obviously I have no proof of that but I've been through this system myself, dealing with multiple legislations and no one has yet mentioned the other legislation which is Centrelink. The DVA advice to me when I got discharged medically unfit was go on the dole.

If you do that – and I wasn't earning any money, I then have the other payment problems should I bring my claim. My claim took 18 months to settle. Luckily I was in a fortunate situation where I had a good supportive family around me or I may have been the fifth person that – going through this situation because it's very hard when you can't support your own family.

I'd like to go onto the matters at hand now I've given you that bit of a run down. One of the first things is BEST [Building Excellence in Support and Training] funding. Currently BEST funding rewards failure. It's done on a points system and if you take a matter to the AAT you get more points than if it goes to the VRB or if it settled as a primary matter. Now

where we are at my ESO and our district, we pride ourself on trying to solve matters at the first point of call.

It used to be called building a bridge, and we try to provide the doctors' reports, the statements and all requirements so when we put the claim in - I've been told this by people from the department, they look towards the end of the month, when their stats are due, for claims from our sub branch because they turn around and grab them and they don't have to write off to doctors, they don't need to contact veterans, they don't need to do listing questions, smoking statements because that is all there in the claim. So those claims are picked up and they very often ring us and say "thanks, the decision will be in next week" as opposed to, you know, making the doctors' appointments, getting veterans statements and all the other things that are required.

So we are being penalised by doing our job more productively. So funding has reduced over the years by three quarters. So it seems a funny way where if I turn around and tell my advocates don't do a good job because that way we'll get more money. So it's an inherent problem with the best funding model at the moment.

I agree with the first speaker about the ESOs and that and the problem. I think about accreditation for ESOs. I think one of the big problems we have, we don't distinguish between an ESO and a social club. I'm in a transport association ESO, I'm in a parachute association ESO. I'm the advocate for seven ESOs, and many of these organisations really aren't ESOs. They're not representing, they're not – they don't have advocates, they're not making submissions to the government. I'm not here for the transport association or the parachute association, I'm here for my RSL district and my RSL sub branch.

So many of these clubs I'm a member of that we call ESOs, if we had accreditation we would know the difference between and ESO that has advocates, wellbeing officers, provides welfare for our veterans and their dependants as opposed to a social club where we get together a couple of times a year to talk about old times. So that might be a distinction there that you - talking about injuries in training, Dr Rudzki was brought into RMC in the early and mid -1990s to look at why there was so many injuries and days of productivity lost at RMC.

He's a sports specialist. He gives great needles in the spine, by the way. I had that experience, and they found out that the sporting field was the biggest single injuries. They were getting more from there than training in operations, and on operations, which there obviously wasn't many at the time.

The stopped training at RMC. They stopped sport. They still did physical training, but reduced or stopped their sports training dramatically. They found out the sports training was contributing to the fitness level, and by reducing and stopping the sports, and reduced the level of fitness of the cadets, and they brought the training back in for the sports.

So, talking about what the RSL were saying before, it has been recorded. So if you're able to track down those stats from RMC about how the training level was reduced because of the – too scared of the injuries. So that was in the mid-90s.

After the Black Hawk disaster, which I had several clients from, the then chief of the Army set up the hearing and said we were aware there was problems, and I can now assure this Commission that every member of the Defence department knows all their entitlements in relation to the Veteran Affairs, and I spoke to the other two service chiefs, and they've assured me the same thing.

So, a tick of the box, and of course, it's not true. It was never true then. It's not true now. People that are discharged do not know their entitlements.

So one of the recommendations in that, which was accepted, was that each person discharging will be appointed a discharge officer, and that person will be given the job of streaming that person through transition.

Now I'm aware that's not happening still, even though it was an accepted recommendation from the Black Hawk enquiry.

I wasn't going to speak about this, but after the first speaker, one of the recommendations or things that the Commission is looking at, is the reduction of why someone who dies from a non-service related condition, if the person is a special disability rate, EDA, or TPI, their widow becomes a War Widow and gets a Gold Card with its benefits.

What I'd like to say about that is, the reason that the – may receive these benefits from non-service related death is to make up for the actual and potential of many years lost income, because the Veteran who is receiving these benefits are very often out of the workforce prematurely.

In my own case, I had to leave the workforce at 45. I would love to be back doing my full-time job as a paralegal. I loved it. Absolutely thought it was great, but I'm not able to do it.

So, solely due to their accepting the service conditions, these small benefits are given to the Veterans' dependents as a way of saying thank you from a grateful nation, because that person may have been required to be a carer, and the joint income of that couple has been reduced.

So, giving them a Gold Card and calling them a War Widow is a very small payment for what they've done. Because if that Veteran was required to have full-time payment and care while that spouse went out and worked, the government would be a lot worse off than they are.

Can we use that water?

COMMISSIONER FITZGERALD: That's fine. Have you got any other comments, or would like - - -

MR RAISON: I have got a couple more.

COMMISSIONER FITZGERALD: Just a couple more, and then we'll have a chat.

MR RAISON: Thank you so much. In my years as an advocate, I've done claims for people from New Zealand, Canada, UK, and the USA, and I can tell you, their systems are a nightmare, and I'm not saying it's because they have DVA and defence in a way that you are looking at.

But their system is definitely not as beneficial as ours, and you think we have a hard understanding system, I'm still trying to work out the American one, and I've done claims under it.

I have a question for you at the end, please. I do have a – that state governments. That also refers to councils. Different councils provide different benefits to Veterans too. Most of them haven't heard of the SRDP, and I've had to ring up several councils and explain what that is and try to get benefits that a TPI may receive that they don't.

So, I do have one question. It's been mentioned several times in the draft that people currently on benefits will be grandfathered, but I didn't notice on everything.

I'm just trying to clarify. Every Veteran that's currently on a benefit, allowance, et cetera, will all those be – will be grandfathered, or only the ones where he's mentioned where it will be grandfathered?

COMMISSIONER FITZGERALD: So, let me just deal with the question. In relation to impairment, incapacity payments, the healthcare cards and so on, it applies.

The only issue is there is about a dozen or so allowances that we've looked at, and some of those we've indicated should be paid out with a cash sum. Some we think should be incorporated into other payments, and those payments increased, and some we've raised the question as to whether they should exist or not.

So apart from those allowances, which we have got lots of comments back from different ESOs, the basic impairments and incapacity payments and so on, and why we decided to keep the VEA is largely because of recognition of that.

In an ideal world, the VEA would – the VEA, the MRCA and the DRCA would all become one, and it's not possible to get us there without causing enormous disruption.

So we basically acknowledged, in an imperfect area, that in fact we should retain the benefits as they are. For some people, the benefits will increase, and that depends on decisions that we have to make in relation to MRCA and DRCA in the file.

So, the answer to your question is, but for some of those allowances, the answer is yes, they should stay the same.

The problem is, if I can just make it – the difficulty we have is, to get the same outcome doesn't necessarily always mean you need the same sorts of benefits going forward, and so, one of the difficulties is this is a system that is driven by benefits, entitlements, and we are saying it should be driven by outcomes.

And so for the different people, you need a different array of both services and payments to achieve those outcomes, and this system is exceptionally inflexible. It's completely based on everybody getting this benefit, this entitlement.

Now largely, going forward, that remains unchanged. But where we are – my questioning to other people about mental health services, yesterday we spoke about home services, and all those sorts of things, improving rehabilitation, improving transition, is trying to maintain, basically, the benefit structure, but actually to do more with the system that's currently being done.

So that's a very longwinded answer, but the answer is, in relation to impairment, incapacity, healthcare, and so on, they basically stay, for the current, for those currently entitled.

Can I go to your aper, and thank you for your submission. You've raised a number of issues, and I'll only touch on a couple, and Richard may as well.

In relation to the statement of principles, can I just turn to that? We flagged that we think good practice would only have one test. I was wondering if you could just give us your view about that?

MR RAISON: It's purely from a beneficial nature. If we're going to go to one test, I think the reasonable hypothesis would be the obvious choice. I think most ESOs agree with that.

It's very hard. We're in an organisation, a job nature, where to report your injuries can cause the loss of your job. Just to report them. So before MRCA came out, we used to go, as soldiers, to a private GP, use our Medicare Card, and get our medication on the side, to try to hide the injuries from our employer.

Now, we can't even do that. When you apply for, even Veteran Affairs, and to notify them you've had an injury, your CO or OC is informed that you've applied, that you have an injury. So underreporting of injuries is rampant throughout the military because of that fear of their job, which makes the paper trail very hard to find.

So if we do go to a single set of SOPs, I think the obvious choice for us would be the reasonable hypothesis, because it's very hard to track down someone you jumped into a pit with five years ago, and who carried your pack for you, but you didn't want to go and see the medic because you didn't want to let them know you hurt your back.

COMMISSIONER FITZGERALD: Sure. As an advocate, and in trying to have claims dealt with under both of those tests, in practice, do you find the application of those two tests, the beneficial balance of probabilities, and the reasonable hypothesis, in practice, makes a huge difference?

MR RAISON: Very much depends on the injuries. Quite often, the SOPs are virtually identical. The requirements at other times, they are greatly different.

So it very much depends on – orthopaedics are quite often more beneficial and easier to prove through those two. So it is easier to prove on the reasonable hypothesis, where other things, they're nearly identical, and even the proof at law doesn't make a great deal as to the medical evidence.

But with many, yes, I find it is an easier one to meet, and of course, and allowing for now that we don't have the smoking and drinking anywhere near as much as we used to, that those ones used to be a very, very big difference.

COMMISSIONER FITZGERALD: All right. But your position is, if there is to be one, then you're saying to us very clearly it should be the reasonable hypothesis standard.

MR RAISON: Certainly. Yes, please.

COMMISSIONER FITZGERALD: The second one, if I can just deal with this, is in relation to special rates of pension. If I can just deal with that for just one moment.

We were recommending that the SPR, the Special Rate Disability pension, disappear in MRCA. It's a very tiny group of people that have it. We were not talking about getting rid of the Special Rate Disability pension in VEA. Just what's your rationale for keeping this?

MR RAISON: The few people I have, and how long it's been going for now, many years, MRCA, the few people I have receiving that are very rarely physically only. It's usually mental and physical, or mental.

If these people were required to go back to get a specialist's report every 12 months, or a GP report every three months, I've had people not go and get incapacity payments. I've had people say, I can't handle it anymore, storm out of my office, and they're living under bridges because they're not receiving income.

The people that are receiving the SRDP, I'm worried that they may fall into this bracket also. If they were required to continually keep fronting up, and remembering the conditions must be permanent, and it's a much higher set of standards and points than it is for the TPI at the moment, these people have been assessed by these people as being – their doctors and by independent doctors – that it's a permanent condition.

I'm worried that these people will be the next generation of Veterans that will miss out because they will be on incapacity payments, and some people just say it is too hard.

COMMISSIONER FITZGERALD: If we fix up the permanent and stable sort of issue so that people are not left in the never-never, and having to live with that uncertainty for a long period of time, and taking Margaret's comment from the RSL, if we were to look at the payments that were paid during that periodic payment, would that reduce some of your concerns?

Because, as you say, it's often about just establishing that it's permanent and stable.

MR RAISON: Yes.

COMMISSIONER FITZGERALD: But once you've done that, the normal benefits should apply.

MR RAISON: I'm not really worried about what it's called as much as if those people were determined, you know, if it was, you know, two years sounds a great figure, if after two years they've done all the rehabilitation and they've been, you know, exactly what you're recommending, what it's called not a problem.

But if that pressure was taken off them where they wouldn't have to, I don't see a problem with that.

COMMISSIONER FITZGERALD: Because that's basically – well, that last part of what you've just said is our recommendation, which is, we try to get it resolved within two years and then people can live their lives with a little bit of certainty.

And just the other issue, can I raise it? Your own personal experience, can I just ask, when did you transition out of the defence forces?

MR RAISON: The end of 1997.

COMMISSIONER FITZGERALD: And your experience, as you say, was pretty horrific.

MR RAISON: It was. It's definitely not a single case. It's, you know.

COMMISSIONER FITZGERALD: And we've heard, the single most talked about issue to us in our consultations prior to the draft, was transition, understandably, both by current and past serving members.

From your experience of dealing with more recent Veterans, do you think the system has improved, and if so – and if not, what do you think the one or two things that you think are top of the list that we should be looking at?

MR RAISON: I will say it's improved dramatically. It certainly has, but I am still getting Veterans to come see me, saying, they appointed me a discharge officer, I seen him twice since I've left. He gave me a pile of forms and said fill them out, and he gave me a pile of pamphlets and said this is what I'm entitled to.

And we're not dealing with people with legal backgrounds or medical backgrounds. We're dealing with normal people, and giving them a bunch of forms and saying, you'll be right mate, is not adequate, and we are still seeing that.

But it has improved since my time in the military, 20 years ago, without a doubt. But it seems to be base driven. There's certain military bases that have a better handle on it than others, and depending where they come, and I'm pretty sure these jobs might be a regimental job.

It's a job where it's not the person – the discharge officer's primary role, and if they don't have a good working knowledge of it, and they're the discharge officer this year, and next year they're doing another job, as happens in the military, there's not always good handovers, and it takes three years to become an advocate.

So to try to get someone whose core job is to be a platoon commander and maybe give them an extra (indistinct) job as discharge officer for their unit, it's not adequately training, and then it's not being passed onto the Veterans.

COMMISSIONER SPENCER: Mark, thanks for your comments about the best funding, and your observations on that, because that certainly sounds like the worst outcome, if you're achieving better outcomes which are being penalised for that.

So it comes back to this general question of how does government best invest to get outcomes with services, and look, thanks for that helpful distinction. I think it is useful to think of ESOs. Who's providing services for Veterans, and perhaps a broad distinction between what may be more of a social club so that we start to focus in.

But it comes back to something we've talked about several times this morning, and that is government having a clearer role of what services

will best meet the needs of Veterans, and engaging with those people in the Veteran community who have experience and observations and thoughts about front run experience that can help with the design process, and then government can commission organisations to go out and do that, and fund that appropriately.

And we think there's scope there for additional investment. One thing that struck us is that the current level of investment in what ESOs do is pretty modest, when you look at the overall cost of the scheme.

So that is very helpful. Is it Greg - - -

MR RAISON: Dr Rudzki.

COMMISSIONER SPENCER: Rudzki, yes. No, we've certainly engaged with him. So we've got a lot of that background. But look, that's an interesting issue you raise about what happened at RMC, because – and look, just to give a context to this, because this is why we get challenged in this space of what was described to me in another military system of where they have all responsibility, lifetime responsibility as well, and it was described to us as a duty of care, and a duty to prepare.

So, we've heard this morning that people can see that they've just been in a conflict, and there's a view which says, well, they are and you can't do anything about it. Other systems grapple with that conflict.

So it was interesting, the RMC one, because in discussing that with a defence department that does carry those two responsibilities, there was a very interesting and different engagement and discussion around what that means, and how to strike the right balance.

And I think it was summed up in a comment that was made by the Chief Medical Officer, that we are concerned when there are too many injuries, and we have long-term data that tells us what's happening, and we track that. We're very concerned when there are too many injuries.

But then he went on to say, and we're too concerned when there are too few injuries, which summed up for me quite nicely that very difficult challenge that all defence forces have around the world of the duty of care and the duty to prepare.

So, I just park that there as a – I think whichever way we can approach that, whether it is defence having more responsibility, or not, during service, is a moot point, and a highly contested one.

When we come to transition, and I just go back to the conversation we were just having with Robert about this, and your own experience, one of the things that challenges us is we hear very good initiatives to get better cooperation between DVA and defence and CSC about the transition process.

It goes to something you said. When you have people on bases, and this is our experience, we've been to many bases around Australia, and we've seen what I've described as bright spots of transition. More often than not, that's about the person who's running it. The minute they're not there, things change.

So, to us, that brings us back to this structural issue about if we rely on goodwill and good people working across boundaries, that only gets you so far.

So the fundamental question for us is, who is responsible for transition? So, look, our proposed solution to that, but there are different views on that, and we've heard that this morning, is this notion about joint transition command, which says that for a period of time, defence is responsible for that.

So command needs to take on board that responsibility. At a certain point, then DVA – there's the handover to DVA. But that will come after what we describe as the critical period of transition.

Do you think that model's got potential value? Do you think it would be helpful in trying to get through this issue of just not relying on an individual doing a good job, or certain bases doing it well, but not others, and that changes over time.

MR RAISON: Unfortunately, I don't. I think Margaret's idea is probably superior, where the sooner DVA can get hold of those people, because it is DVAs job. They're the ones paying the money, at the end of the day.

I know it is the Department of Defence, but it's the DVA, you know, people see the letterhead with the cheque, and just have DVA take that over as soon as possible, and certainly, if (indistinct) with the defence, with the discharge officer, but because they're going to, no matter where it comes along the stage, they're going to be dealing with DVA at some stage.

So yes, to deal with Defence and ComSuper is great but the sooner we can get DVA in there, because they're the ones going to be organising the retraining, the medical, the examination, so that's not a Defence core job,

where that is DVA's core job. So I think the sooner we could get them involved, the better.

COMMISSIONER SPENCER: So just a question, if it's all right, from that: so if that was the solution, how does that work with, whilst the person is in service and in a command structure and DVA comes in, how does DVA assert its authority at that point as to what should happen and what's in the best interests of the discharging member?

MR RAISON: And I can certainly see why you're saying that, you know, will be, you know, a structural problem. I mean, no government department likes to lose, you know, control of what they've got, no one likes standing a step back. You know, I think that like most government departments, we do as we're told. When I was in the Army I did as I was told and if Defence were told to work it out, they haven't worked out retraining; they haven't worked out the discharge; and this is after they said they would 20 years ago after the Black Hawk disaster, so after 20 years of trying to work it out perhaps it's time that they go back to their core job and DVA take over their core role a bit earlier.

COMMISSIONER SPENCER: All right thank you, Mark.

MR RAISON: Thank you so much.

COMMISSIONER FITZGERALD: But just in relation to that last point, I'm perplexed by this. In any other inquiry they would say to us; that is, the interested parties like the ESOs and veterans, would say, "Make the Department change", in the Veterans you say, "Defence is shocking at doing this, this, and this" and just, we'll let them go. It's an anathema to us. We can't quite understand this. If there is an acknowledgment that the Defence department has a duty of care, which it does, not only a duty to prepare and of course it's not going to be long after discharge, because that is when DVA should absolutely come in, and as you and Margaret and others have said much earlier, at the end of the day why is there not a pressure from the veterans and the serving military to actually get Defence to do what most people would think is a "reasonable" explanation, not lumbering them with veterans' support system, and we never proposed that.

But why is there this reluctance to actually to say, "'And' Defence should get it together". If I read between the tealeaves, well maybe not, you basically say, if they haven't got their act together in the past 20 years, you have no faith they will now. That seems to us an appalling position but it may be an accurate position. So is what you say what I'm just saying?

MR RAISON: Yes, very much so, yes.

COMMISSIONER FITZGERALD: So why is the veteran community not up in arms saying, "Defence should change"?

MR RAISON: Well, we're up in arms saying, "Let DVA do their job". We are up in arms but we're coming at it from a different point of view and the reason we have two different points of view is because we've been through it from two different ways. We've been through it and I've seen it and you're interviewing people so, I'm not saying I'm right, I'm just saying that's my belief and - - -

COMMISSIONER FITZGERALD: No, no, - - -

MR RAISON: And I understand your point too.

COMMISSIONER FITZGERALD: No, I'm not attacking your view about DVA or anything, I'm actually just asking why the veteran community doesn't actually require the Defence department to do a slightly better job in relation to its own personnel which seems to us to be unexceptional?

MR RAISON: Yes, I don't know, I can only talk from my point of view and - - -

COMMISSIONER FITZGERALD: That's what I was asking.

MR RAISON: And you're asking and that's something that I've (indistinct) other people obviously and we seem to be pretty much of a coming from that point of view. If the Commissioner was to come down with his point of view and it worked, I'd be happy. I mean, if it was better and was proven to be that there was a better way than I'm recommending, I'd be ecstatic about it because I don't want to see young veterans going through what I went through. I mean, it's quite horrific.

COMMISSIONER FITZGERALD: So we have an absolutely shared commitment and I think we can collectively come to a way, and ultimately it's government's decision as to the model, and the structure, we think it needs a structural requirement, and I suppose my question was a broader issue about this issue that Richard's raised several times today and it does perplex us, I have to say. It just seems to me that Defence does have a duty of care., I think they acknowledge that, but when push comes to shove there is an acquiescence that says basically, "We don't think Defence can do it and therefore…", you know, "We'll go somewhere else" and we do find that a bit perplexing so that's just my point.

MR RAISON: That's fine.

COMMISSIONER FITZGERALD: No, that's good. Any other final comments, Mark?

MR RAISON: No, that's it, thank you so much.

COMMISSIONER FITZGERALD: Thank you very much for that, that's great. So could we have Andrew Khoo? G'day Andrew. How are you?

MR KHOO: Good, how are you?

COMMISSIONER FITZGERALD: Good, thanks. So, Andrew, just if you can give us your full name and the organisation you represent and then ten minutes of the key issues and then we'll have a conversation about those.

MR KHOO: Okay, so I'm Dr Andrew Khoo. I'm a psychiatrist working in Brisbane but I'm representing today The Royal Australian and New Zealand College of Psychiatrists. So really what I'd like to comment on - I mean, there's lots to say and the report is huge and, you know, first of all the College - and I will speak mostly on behalf of the College. If you ask me for my personal views I'm happy to give you those as well. But certainly the first thing is the College would like to broadly support the overall direction and outcomes of the draft report and certainly commends the Productivity Commission on their detailed work so far.

I suppose I divide up the College feedback in terms of the draft report, into three parts. The first is that things we'd like to say about things that we specifically support in terms of recommendations; then recommendation we feel perhaps could do with some amending; and then finally just a few further comments on things that potentially could be added in. So firstly, the draft report acknowledges critical need for a more effective mental health and suicide prevention strategy and as well as the need to provide seamless support for veterans and these are things that we strongly support.

In supporting specifically recommendation 7.1, we would like to advise that implementation should incorporate a focus on improving awareness of mental issues across command within Defence and this is for a number of reasons which I'm happy to go into specifically later. In supporting recommendation 13.3, the College would advocate for better training for DVA staff particularly on engaging with mentally ill clients and

specifically also with the language used in communications that are written as well as verbal, less bureaucratic, more understanding, and we think that that in itself will deal with quite a number of issues.

We strongly support recommendation 15.3 around suicide prevention and we'd encourage greater support of DVA by clinical experts, particularly psychiatrists in guiding reforms around these areas. Next I'd like to talk about some amendments we felt would be helpful in terms of the report from the College point of view. The first was recommendation 6.3, particularly with regard to the Joint Transition Command that's been suggested and we would like to suggest that psychiatrists perhaps, as well as other clinical experts, be embedded within that and I'm sure that's probably what you had in mind as well. And that, thinking about whether this should be placed under the auspices of the Department of Defence given the historical lack of engagement with veterans and their long term outcomes.

An amendment to recommendation 8.1, and while we very much support adopting a single - first of all, we very much support harmonising the three different legislation pieces and we also very much support adopting a single standard of proof for - because there was a freeze a few years ago put on any incremental increase in - I think it was put on by the Abbott government, there was a freeze and that has lifted and so they've fallen. The remuneration that we get for senior veterans has just fallen further and further behind over the years, so what I would say is that the best - look, if we need people helping us make those kind of recommendations to the government, people like a Productivity Commission we feel, because the more people that are leaning on them and telling them that - we can tell them there are manifest problems but, you know, when they're making the budgets that's, I think, conveniently forgotten.

COMMISSIONER FITZGERALD: So we'll take that point up because we're looking at both whether or not the - what are the differentials across the whole health care system, between what DVA pays and others and sometimes there's not a big gap and others there is.

MR KHOO: Yes.

COMMISSIONER FITZGERALD: The second thing that interests me, more importantly, is how do you get (indistinct) process because pricing is an ongoing issue. You know, funding or fee setting is ongoing so we've looked at that in the area of other parts of human resources so we've got to look at what's the process that makes that not a random but actually a considered ongoing process.

MR KHOO: Well I think you could look at, for example, how WorkCover Queensland works. They just follow - I believe they might just follow what health bodies are saying that you can charge and they will just follow that and follow that directly. The other way would be that the DVA decided that there was going to be a certain percentage gap between them and a bulk billing or MBS pricing would be and then just use that but they would have to considerably increase it so I could get more of my colleagues to see veterans.

COMMISSIONER SPENCER: Andrew, just pulling back and thinking more generally about this. I mean, across a whole range of human services what typically you can see is that - the response to the crisis situation, so governments in areas like homelessness, child protection, out of home care, they're constantly having to address the crisis and the dynamic that's at play here of course is how, if you go back to an earlier period, could you have intervened had early intervention and prevention measures, which mean that the outcomes for the individuals affected and who end up in a crisis, that you would minimise that happening? So that's about the person, that's entirely about the person and their wellbeing and getting earlier into working and addressing the needs of that individual and sometimes that's right at the early stages of their lives in child protection-type issues.

So that's often driven - but then the research comes and the research says, "Actually, this happened here and this is what happened later on 10, 20, 30 years later". So if we can intervene earlier at this point, will change that trajectory, all right, so then people - and it's tough for governments because governments then say, "But we're overwhelmed with the crisis, we want to intervene in early intervention, but we just never quite get to it" so that's a dynamic that plays out all the time. It seems to me one of the ways in which you kind of break that cycle is to show that over time, and this is where money becomes important and whenever money gets raised people think, "Oh it's about saving money" but it's about better use and smarter use of money because once again, and research shows this in other fields, if you do get in early not only does the individual get a better life trajectory and a better outcome, it will actually save dollars and more dollars over time can be put into those efforts to save a much "greater" quantity of money later on when they're truly is a crisis.
So look, that plays out in many other areas so when I look at the mental health issue in relation to the military system - and you're already saying it, there's a lack of research and there's a lack of awareness around this. So what could help to change understanding and attitudes about both the better outcomes for individuals and the better direction of financial resources into earlier interventions that happens at the moment?

MR KHOO: Okay. A massive question and a very good question that we could talk about for a long time. If you - - -

COMMISSIONER SPENCER: And I'll just say that we're looking at what would a really terrific scheme look like over 20/30/40 years so this doesn't happen tomorrow, I appreciate that, but over time how could we move to that sort of approach?

MR KHOO: So the first thing I'll say is that there is research, very solid research, very well accepted research worldwide, for virtually all of the mental problems that resolve from military service, the early - well, all of it, as far as we know, early intervention works so that's the first thing. Even though there is a dearth of research and understanding about a lot of things and a lot of that dearth of research comes from the fact that many defence forces around the world didn't want to shine a lot on problems that they were creating so that has been a hinderance. And also many defence people not wanting to be researched because that would mean they had a problem and how that problem might impact their ongoing employment promotional opportunities, deployment opportunities, et cetera, so lots of barriers to research but certainly not insurmountable.

But the overall answer for that is that the answer is in the research. The answer is in it if we can show, if we can talk to the right people and say that, "If we intervene early, we will change trajectory of - will 'completely' change the trajectory of these currently serving people". I can give you a very - very briefly I'll give you an example that is very personal to me and that is I run courses for post-traumatic stress disorder. A few years ago a proactive brigadier at Enogerra came and said to me, "Can you treat our guys that are currently serving?" Previously before that, we had to wait till people got so sick that they got kicked out or left of their volition and then treat them which was way too late because all their social and psychological deterioration that goes along the way had already happened so it was much harder to treat them. He said to me, "Andrew, if I give you these guys with PTSD, they're currently serving, can you give them back to me and I can still use them?" and I said, "Well, the answer is I don't know" because we'd never that before and there is - you know, we haven't done that really around here, we haven't used the courses for them. So he did that and we ended up seeing quite a number.

Now, we were able to return way higher percentages of people to - so these are people with diagnosed PTSD that could no longer work. We returned 25 per cent to military work; now remember that 50 per cent of those that were still referred to us were already on the discharge path so we couldn't even affect them. So we at least got half of them back to work and many of them have now deployed again so this is just an example of

how powerful early intervention so if things like that happen, us producing the papers, us feeding that back to Defence and saying, "If you send us people that are motivated to stay in that aren't already on the discharge pathway, we can return a high percentage of them to work" but that really depends on Defence taking a transparent rehabilitative approach to people with mental health disorders instead of saying, "As soon as you put up your hand, you're gone" because that just discourages them even letting anyone know that there's anything wrong with them and we don't get access to them early when we could have given them a much better outcome.

COMMISSIONER SPENCER: So you mention the barriers to research and just not here but internationally as well, do you say - I mean, there is a transformation on the way, I think, generally in Australia around mental health and as you know the Productivity Commission is doing a major inquiry into mental health so gradually I think the community's understanding is starting to open up.

MR KHOO: I think so too, yes.

COMMISSIONER SPENCER: So those barriers that you've experienced in the past, do you see an appetite to explore this base further within the military at the moment?

MR KHOO: I see more of an appetite than I ever have now which is great. We've got - I think they're redoing now all their mental health strategy and everything and if we can really get them to start understanding that a psychiatric disorder is just like a physical disorder. If you get in a treat it, they can be rehabilitated and they can be returned. We've got to get rid of the stigma that occurs there. We've got to make sure that when we starting returning people, the other people within the military are saying, "Oh hang on, I saw Joe up his hand and say that he had depression or say that he had some anxiety or stress or post traumatic issues and he went away for two months but now he's back and he's fine" and then, "Oh that means I can put up my hand and they're willing to manage, you know, mental health illness", with a rehabilitative model. So breaking down the stigma that's personal, that's cultural within the military organisation, breaking down that stigma is going to be key in getting that happening but I do see more of an appetite to that happening.

COMMISSIONER SPENCER: So it seems to me there's a double benefit there. There's the return to duty was sensibly done.

MR KHOO: Yes.

COMMISSIONER SPENCER: And there is the life trajectory of that individual post-service.

MR KHOO: Yes, 100 per cent.

COMMISSIONER SPENCER: That's one of the things that we hear, which is the stigmatisation of particularly PSTD in raising awareness of that, some people have said to us, when they go through a deployment, people think all veterans have PTSD.

MR KHOO: Yes.

COMMISSIONER SPENCER: So, you know, it's a very difficult subject but community understanding what you just said, no different from physical injuries and it can be early intervention, can put you back on a very positive life trajectory, should enable that individual both for employment opportunities and have better possibilities.

MR KHOO: Absolutely and I think everybody wins. The services win because they're keeping experienced personnel who have got lots of skills that they've invested in already, so yes.

COMMISSIONER SPENCER: All right thank you, Andrew.

COMMISSIONER FITZGERALD: Just a couple of the more specific recommendations if I can; you've supported our approach in relation to a permanent and stable condition. Can I just ask this question which is basically it resolves within two years and obviously there's a payment and support during that process, the issue we've heard is that mental illness is one of the most difficult areas to actually come to that point of saying it is permanent, or even more that it's stable. So we're trying to deal with that and you've supported that recommendation.

MR KHOO: Yes.

COMMISSIONER FITZGERALD: But I just want to understand this: if a person with a mental health condition, and that's the core of their claim, and we say yes, it's deemed permanent and stable after two years; is it likely that in many cases people would actually move to a situation where mental health is much less of a concern or a problem or for those people where mental health is central to their claim, it's likely to remain a debilitating problem for some considerable time, I'm not aware of the evidence, that's really what I say of that.

MR KHOO: All right, so it's difficult to find specific evidence on that but what I can do is, after treating veterans for 20 years myself, I'll tell you what I think with regards to that and certainly that is reflected by the interest group that supports and advocates for veterans within the College, and that is that it is possible that down the track veterans will improve considerably. It is also possible down the track that veterans will, for whatever reason, deteriorate quickly. So the stable and stationary thing is very hard - it's a compensation thing that is very hard to apply to mental health and, because mental health is impacted by so many things (indistinct) ways you can move forward in life. That's why we thought it was an excellent idea in terms of just saying at that two year point, "Well, you know, regardless you're going to get compensation now. We're not going to draw it out and make you wait."

COMMISSIONER FITZGERALD: Sure.

MR KHOO: I will say that even if, however, down the track if an individual was to move and I'd hope was to move down the track in a positive trajectory point of way, because you've got to remember too, like PSD, for example, it takes a long time to get better. Two years would be an average or maybe below average time before someone would reach maximal improvement anyway because all the changes they have to make in their life and all the things they have to do. So what I'd say is even if they were to improve significantly, because you've got lots of clinicians trying to make that happen, they shouldn't be punished for that because they've still lost two years and had their life trajectory significantly skewed by the damage that's been occurred via their work so it shouldn't make a difference anyway and I'd - yes.

COMMISSIONER FITZGERALD: No, that's fine. Semi-related, is your support of maintaining a non-liability mental health care, we would support that, but can I just ask this question again: you've said in your submissions, it was recommended the Productivity Commission prioritise the maintenance of the mental health treatment. So we agree and we believe the White Card is beneficial.

MR KHOO: Beautiful.

COMMISSIONER FITZGERALD: The question is whether or not that should or not be extended beyond its current recipient group?

MR KHOO: It should.

COMMISSIONER FITZGERALD: But, again it's only a funding mechanism.

MR KHOO: Yes.

COMMISSIONER FITZGERALD: So we come back to this fundamental question, and I know you've been in a round-table with us on this, is the service system itself. So what we understand is that in relation to medical problems of a physical nature, the system works well enough, not perfectly but well enough and the mental health service doesn't work well enough and so the question that still remains, after the draft report, is what is essential to improve the mental health service system? So, we've talked about pricing and we've recommended a revision of the mental health strategy for veterans, and I'm sure that people will agree with that, but I'm still a bit perplexed as to what it is in the servant system that needs to change?

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MR KHOO: I think the biggest change that could happen involves veterans, or us identifying veterans, that need help and then our ability to "keep" them in effective care. So now, that incorporates again mental health literacy, that incorporates stigma at cultural levels, at individual levels, that incorporates them having a better understanding of what mental health treatment means, a better understanding about what the medication means, a better understanding of what they can expect when; so, "Come and see your psychologist or a psychiatrist or some kind of council but don't expect to be well within a month" You know, "We start a process and this process will build as we go and stick with us and you will get better and if it's not working, it's very easy to find someone else."

This is the other thing too, you know, a lot of service people are used to be just told what to do so they come and they get treatment and they know the fits not there between them and their particular treater but they figure that, like if they were in the Army, that you've just got to do what you're told to do so they just sit there and nothing happens until they get so jack of it that they just leave. Whereas they don't know that this a service industry. You know, you're out of the services now, you are now in this free service industry-type well where if something doesn't work go and see someone else, find someone else and even, in mental health I would advocate for this but it's a terrible thing to say, shop around for doctors and find the one - or psychologists or councillors, find the one that works.

So it's getting them into treatment and keeping them in treatment and I remember one of the doctors that wrote the US Department of Defence Handbook on the treatment of mental health disorders in veterans, said, "The biggest change we can make to our outcomes is keeping veterans in treatment" but I would add to that it's accessing them, finding them, identifying them, getting them in, and keeping them there.

COMMISSIONER FITZGERALD: So you may not have thought but very shortly DVA will have a register of all ex-serving veterans because they're going to get a White Card so by some means this will all be registered, I don't know the process. So they're not necessarily clients of DVA but they will be registered so the notion that we won't know who and where veterans will be less of an issue into the future. But in relation to the mental health aspects of that, I was wondering whether or not any attention or any thought has been given as to whether there should be a proactive dialogue with veterans, that have that card, not to say that you have mental health issues but we actually will have a group that can be contacted on a regular basis.

MR KHOO: Yes.

COMMISSIONER FITZGERALD: And I wonder whether or not preventative sort of educative material is helpful in that space. Given one factor, we know people generally don't listen to anything until they have to; that is, you can talk about an issue for ten years but it won't be until the moment of crisis that they actually say, "We're listening" but it is a new era. Whereas previously the veteran would have to approach DVA. Now, DVA will have access to a vast register going forward.

MR KHOO: And that is a great step forward. I think the other thing to say around that is a really formalised education package for GPs because they're the kind of gate-keeper for the medical system so just making sure - because I think there are things being put in place too for a post-discharge kind of medical that they've got to get and making sure that they lock in with a GP there and the GP says that, you know, "There are all these things that we've got to monitor for, all these physical things, but just as important there's all these psychological things we've got to monitor for and we've got to be proactive in our health across all of those and so if we need to, I'm going to go and get you to have a review by a psychologist or a psychiatrist just to sort of make sure that you're psychologically healthy, not to find where you're psychologically deficient", you know, and so this a proactive way of moving forward there.

COMMISSIONER FITZGERALD: So just two quick questions to final, you've supported the use of a one measure of proof in relation to the SoPS, the statements of principle, but you've chosen the reasonable hypothesis one which is the lowest level. Could you just articulate a couple of your reasons for that, for choosing that particular one again? I know you mentioned it in your opening statement but just a little bit more precisely.

MR KHOO: Well, the College feels that this will take away another barrier that the veterans need to jump in that difficult transition time when finding compensation - you know, when trying to work out their compensation sort of issues. I think that it will also hopefully with time improve the DVA's - or give the DVA something to have PR about in terms of they're going to look less like an insurer and more like the beneficent body that they were painted as when they were first formed and I think - finally, I think if you make the compensation barrier less, I think in some ways it also decreases their barrier to going and finding help for their rehabilitation purposes so I think that there is a cross-over there within the individual that, if you make the compensation easier you don't complicate the rehabilitation in many ways. Because the amount of times I've seen veterans deteriorate spectacularly, purely from a psychological point of view, because of the process that they're navigating, in the compensation, is too many times for me to even count. And then the last thing, too, is if we're focusing on transition and suicide – two of the big issues – then both of them could be significantly enhanced, in terms of outcomes, I am sure, if we lower that bar.

COMMISSIONER FITGERALD: And just a follow up question; we've heard from widows and widowers, but particularly widows, and also partners of living veterans, about their mental health conditions over the last several public hearing days that we've had. And there's a general sense by those advocates that we and the system itself underplays their needs in relation to mental health. And at the moment, put in very simple terms, Open Arms provides the way forward. But it's the only way forward, and so various proposals have been put forward. I was wondering whether you have any comments about how we should approach the issues relating to both widows and dependent family members, including partners of living veterans.

MR KHOO: Are you talking about treatment, or are you talking about compensation?

COMMISSIONER FITGERALD: No, not compensation. I'm talking about mental health commitment.

MR KHOO: Great. Look, I think it's another education package that needs to go out there. I think, too, that a lot of partners feel that they don't deserve treatment, because nothing really happened to them. We've got – and, appropriately, we've got a lot of very good advocates that will rubbish that kind of particular thought, because it is ridiculous, and because partners go through the whole journey with the veterans. Partners as well as children go through the journey with the veterans.

And that's an education piece that we need to roll out, that, "Your problems are no less significant." And in fact, we find in our research, too, that the better the partner is, the better the veteran goes. The better the veteran's relationship with their children, the better they are down the track; less guilt, less remorse, more support, et cetera. So, yes, a very important piece, and again, it's another education thing that needs to go out. Open Arms is very good. That is a non-capped service. And, again, I think more efforts into pushing what they can offer, as well as sort of letting people know about the other – many other good NGOs that provide services in those areas.

COMMISSIONER FITGERALD: That's good. Thank you very much. That's terrific, Andrew.

MR KHOO: Thank you.

COMMISSIONER FITGERALD: Thank you very much for that. That's good. They're very generous. Nobody – in no other public hearing do they clap, only in Brisbane. We'll now break for an hour, precisely one hour, and we'll get back to – we've got quite a number of people, so we'll be back at quarter to two. So it's 12.45 roughly, so at quarter to two.

LUNCHEON ADJOURNMENT **[12.43 pm]**

RESUMED **[1.43 pm]**

COMMISSIONER FITGERALD: Good, thank you very much. So if you could both give your full names, and the organisations you represent, that would be terrific.

MR JEHN: Yes. My name is Thomas Jehn. I'm an advocate at the Veterans Advice & Social Centre in Hervey Bay, which is administered by the VVWA.

COMMISSIONER FITGERALD: Terrific.

MR SPAIN: Daniel Spain. I'm an advocate for the Veterans of Australia Association, and we work at the Veterans Advice & Social Centre in Hervey Bay. So, collectively, we represent the views of the Veterans Advice & Social Centre.

COMMISSIONER FITGERALD: Terrific, thank you very much. So, as you know, you've got about ten minutes to gives us the key points of your submission, and thank you for the detailed submission that you've given to us.

MR JEHN: All right. I'll just start with a bit of background information. First, the Veterans Advice & Social Centre has been running since 2003. Where we are, it's an alcohol-free, gambling-free zone, and all veterans from all conflicts are welcome there. Our main aim is for advocacy work. We have extended that now also to the younger veterans. The background is here, in 2013, Daniel was discharged from the army. At the time he was discharged, he was very, very traumatised, and his wife contacted me and asked me if I can do something for him. At that stage, Daniel was self-harming, plus other things.

With that there, we got him into the Veterans Centre. And with the Veterans Centre, it's completely non-confrontational, where any veteran, or wife of a veteran, family of a veteran come in, and doesn't feel intimidated or anything else at all. Daniel got himself together. With that, I saw he had aptitude, and I mentored Daniel for nearly five years. And with that, Daniel had formed the Veterans of Australia Association, which is an ESO in its own right. And even though it's mainly for the younger veterans, Daniel still does advocacy work for veterans of all conflicts, under all the Acts.

But with that one there, I commend Daniel on what he has done, and what he has achieved, and also with the following, he has got the younger veterans, and the assistance Daniel and his team have given the younger veterans. When they talk to me, it's like talking to a grandfather. Here, Daniel can talk to them, and it's one-to-one basis, on their own level. I would like to pass over to Daniel now, please, if you don't mind.

MR SPAIN: Thanks, Tom. So in 2013, when I first was reached by Tom, I came to the realisation that there was limited support and services for the younger veterans and their families. We have a lot of younger veterans returning to the area, particularly those that are on some form of DVA payment. They're moving from suburbia to a regional area, where their families are, and it's – cost of living and all those things come into it.

So that was in 2013. In 2014, we formalised, by inaugurating the Veterans of Austria Association, VOAA. A need to be autonomous was identified, due to several barriers identified within the veteran community. And we wanted to be perceived by the public as a younger veterans bona fide ex-service organisation. Our association firmly believes that the

veteran community still lacks appropriate advocacy and representation at state and national levels.

I must stress that VOAA is what DVA would consider a bona fide ESO. We provide high-quality and qualified pensions advocacy and welfare services, and advice for the younger veterans community, with assistance from welfare through to primary claims, VRB, and AAT. What was encouraging was the submission – the report which I've heard you speak about, the scoping study with Mr Cornell. I had a lot of in-depth discussions with Mr Cornell, and I'm looking forward to his report, because he was very eager to take on our view.

Our ESO – we're of the thought that – well, until proven otherwise, we are the only younger veteran ESO in the country, providing advocacy, welfare, pensions, and advice service for younger veterans by younger veterans. And on our submission, our contact details are there, so if there's anyone out there doing the same thing, I encourage them to get in contact with us.

All right, moving on to some dot points here. These are, again, on behalf of the Veterans Advice & Social Centre. There's a lot of mixed views on the definition of "veteran", in our understanding where many are coming from in their views of the term "veteran". But we must refer back to 6 December 1972, when the Government first introduced defence service into the VEA, with a revised definition of "veteran" to include defence service in the meaning of the Act.

There is no reason for discrimination in compensation, other than the different standards of proof, which applies to the VEA. However, we support that they be amalgamated into the reasonable hypothesis, for the benefit of the veteran. Veterans legislation is supposed to be beneficial, and it should remain that way. All serving members of the ADF are trained and prepared to deploy, and fight for their country, and, if they're called to do so, should be entitled to be called "veteran" under all Acts. This is regardless if they have war service, operational service, or peacetime service only. You are a veteran. The comments on the military service: we believe this has been explained well in the draft paper, and through the submissions made. I'll pass on to Tom.

MR JEHN: Thank you, Daniel. I'll just go on to a different aspect here. Next one is the studies on the impact of deployment on families. I think this one here is very, very important. I read with interest that there is some evidence from the United States that deployment can benefit families of veterans, and that was in your draft paper, gentlemen. I've been dealing with families of veterans for many years, and I'm dismayed

that this even appears in the draft report, as we're discussing disabled veterans' wellbeing and entitlements.

One thing the US does is look after their veterans. I heard before some of the talks about the Veterans Act. But once again, the US looks after veterans, and they also look after the veterans' family, relating to emotional health issues, by providing free medical and dental to dependents and families of serving and retired veterans, in VA hospitals all over US and on all military bases. My daughter is married to an Iraqi veteran. She lives in America. Herself and her children have full access to VA hospitals' medical and also dental treatments. And that also includes emotional problems as well, and I applaud the Americans for doing that.

As briefly stated in my submission, the veteran's family often suffers months of parental aggression related to deployment issues, and ongoing family distress, that are high-risk factors for child psychological distress. It is normally up to the veteran's family to pick up the pieces and provide support to the veteran, and support to the children. And often, the wife does not obtain support, until she is at breaking point, often resulting in family breakups, and, at times, veteran suicide.

In Australia, I'm surprised and amazed sometimes at the support the wives give to the younger veterans. When they come back from deployment overseas, they haven't come back from a holiday, getting a good suntan, even though they might come back with a suntan. A lot of them are coming back broken people, and there is no support or integration when they come back. I know they have the psychological reviews, but half the time that's a piece of paper, and just a quick tick, "Yes" or "No", "How do you feel?" And as I was saying before, previous speakers, most of the time, veterans always understate. But it's the wife that gives the emotional support.

Unfortunately, in Australia, since all the repatriation hospitals became privatised, many of our younger veterans and their families do not have the luxury of attending a repatriation hospital dedicated to veterans or veterans' issues. And as they have been privatised, once again they are in the queue with the normal civilian population. The aim of a repatriation hospital, when it was set up, was for – repatriation hospital for veterans and returned servicemen.

Now, at the moment, the repatriation hospitals, even though they do have cenotaph put there, where they have Remembrance Day, ANZAC Day services, that is – if a veteran wants to go there, he is put on the same

waiting list as a civilian, even though the veteran's problems a lot of the times is crucial.

With the mental health issue, I have seen younger veterans turned away from the repatriation hospital, because they haven't had the beds for them, and they've had to go to alternative hospitals, such as Buderim, et cetera. Now, that's not good enough, gentlemen. A repatriation hospital should be what it's named. They keep the name "repatriation hospital", but unfortunately, veterans aren't getting the benefit. I'll hand it back to Daniel. Thank you.

MR SPAIN: Wellbeing of recently serving veteran's family: I think Tom spoke on that quite well. We agree that family members play a critical role when defence force members are reintegrating following deployment, and particularly when they're transitioning out of the military service. There's been a focus here on the medical discharge transition. However, it seems to be lacking input regarding the administrative discharge or transition. There's only, I think, I from memory – and correct me if I'm wrong – about 15 to 25 per cent of ADF members that are actually medically discharged. That's a big gap in the ones that aren't medically discharged.

Views on the challenges faced by veterans' families: we agreed with most of the comments provided within the draft report and those within submissions. The Australian Defence Force remuneration: many veterans are being medically discharged, and are forced to rely on ComSuper invalidity payments, based predominantly on their pay grade. The incapacity payments and ComSuper – the incapacity payments under DVA and the ComSuper invalidity payments are offset against each other, as you are aware.

An issue here with them is, often, the spouse of a veteran, or the family cannot access assistance from Centrelink, as these are income-tested before tax. So it's significantly reducing any entitlement the family may have through Centrelink, perhaps for a carer's payment, which, when the veteran needs care and cannot access the dependant's allowance through DVA, they're being crucified in that regard.

There does not seem to be provisions within MRCA or DRCA for those who have been granted compensation to be eligible for the DFISA payment. This has significant effect on young veterans, who I deal with all the time, and their families, as families are often forced to repay childcare rebates, family tax benefits, and other such allowances and benefits from Centrelink.

Often, veterans' families are then deemed by Human Services as ineligible for their childcare rebate, which they have received for the last 12 months, or even longer. And they are sent out a letter, stating they have to repay this money, whereas under the Veterans' Entitlements Act, DFISA is there to offset this against the compensation.

I am intrigued by the comments by the Department of Defence relating to the payments of allowances for posting to remote locations within Australia and tax-free allowances for overseas deployments, and would like to compare these allowances with fly in fly out workers, such as miners, and the monetary expenses paid to the public servants sent to and working in remote areas or overseas locations. It's an ambiguous one there. I'll just pass over to Tom.

MR JEHN: Well done, Daniel. Now, the next thing I refer to is box 2.8, some issues in understanding veteran health studies. Now, I think it's important – when I was listening to what Dr Khoo was saying before, and I completely agree with Andrew, with these comments. Many veterans tend to understate, refuse to admit they have problems, due to the culture of the ADF. Anyone who served knows what culture is, and I'm not going to go into it.

This is commonly called the I Feel Good Syndrome. (Indistinct) the I Feel Good Syndrome due to the fear it may affect future promotion and/or future deployments, and is often demonstrated in medical documents. The amount of times I have gone through the medical documents of many, many veterans – and you'll see they've had a broken tibia or something, and they ask them in there, "How is it?" They say, "It feels good. I've got no problems. All I want to do is get back out again, and not let my mates down." It's part of a culture, and you have to serve in the military to know what that culture is.

So as I was saying, it's often reflected in medical records, where they downplay the extent of their injuries, emotional problems, without further medical investigation. Unfortunately, many of these problems manifest and are diagnosed after discharge of service. Now, this is where we go into the emotional disorders. A lot of these, even though on the statement of principles you have a limitation of time on them, on certain SOPs, many of these emotional problems come years after the service, and sometimes when they get older.

I've had 80-year-old World War II veterans, who have had no problems all their life, all of a sudden have a breakdown, where they start reliving – whether it's because of senility, getting a bit of dementia or what, I don't

know, but there's no time limitation on these. And I think that's something we have to realise and make sure we're aware of it. Back to you, Daniel.

COMMISSIONER FITZGERALD: I just need to – I'm just mindful of the time. Just a couple more comments, and then we'll have a chat.

MR SPAIN: Yes, all right. A focus on wellbeing and rebuilding lives: we agree with most of the comments relating to wellbeing and rebuilding lives. It is particularly disturbing that a veteran must make a lifelong choice of whether to take incapacity payments, along with a lump sum, or take the SRDP. This is under the MRCA. And many are relying on the Commonwealth Super and their access to invalidity class A or B.

It is my opinion that lump sum compensation payments are inappropriate for many veterans, particularly younger veterans. And it is noted, invalidity class A or B pensions are offset against the SRDP, under the MRCA. And I just want to add that there is a difference between the special rate of pension under VEA and the SRDP under MRCA. And I've heard the two terms being crossed a lot today, and there is a big difference here between them.

If a member is medically discharged, the first assessment that is made on discharge, or prior to discharge, is a determination under the ComSuper, which is effectively the insurance claim covering the ADF employment. It is not about liability, but simply the capacity for the individual to work. These payments are made as remuneration for loss of earnings. They are not compensation, so it is definitely not fair that these are offset against permanent impairment payments, that being the SRDP.

It is acceptable that the SRDP be reduced for any permanent impairment already taken by that veteran. However, it is not acceptable that it is offset against the Commonwealth Super invalidity payment. And I also believe that the SRDP payment, if offered, may also be offset against a retirement super payment. So those who have gone on to serve through their DFRDB, and are awarded their pension as more of a defined benefit for life, it is also offset, reduced because of that. And that is their money, that is their right, and they're being crucified with that.

I'm aware that MRCA provides funding for the member to gain financial advice prior to making a decision regarding a lump sum or ongoing payments, as a pension. However, when a young person is faced with the proposition of obtaining a very large sum of money or a small fortnightly compensation, payment, the overriding temptation is to take the lump sum. And often, there is a significant difference between offer of $100,000 or a small payment of $16 a week.

They do not think of the ramifications of when they hit the wall, and are no longer able to work or able to earn a living. In this case, they cannot double dip and revert back to the SRDP. It is offset against any invalidity payment. This is the main reason we are seeing more and more homeless veterans seeking assistance today. They do not receive, or are unable to receive invalidity class A or B. This seems to be taking over the role of supporting disabled veterans financially, with DVA supporting the veteran for accepted conditions and mental health.

COMMISSIONER FITZGERALD: If we can just bring that to a conclusion now, and then have –

MR SPAIN: Yes.

COMMISSIONER FITZGERALD: As I understand it, we've got two submissions from you.

MR SPAIN: Yes.

COMMISSIONER FITZGERALD: One is the one that you've been referring to during that presentation, and that's four pages, and then there's a more detailed one; that's correct?

MR JEHN: That's correct, yes.

COMMISSIONER FITZGERALD: So we've got both. Thank you for that. And we've read those with interest, so thank you. Can I just come back to a couple of points that you've both made. In relation to the advocacy for young veterans – and you've established yourself predominantly for contemporary veterans –

MR SPAIN: Young veterans.

COMMISSIONER FITZGERALD: Young veterans. The difference in what you're hearing from those young veterans to what you might hear from older veterans: has it become clear to that you that, in the work you're doing, they have particular needs –

MR SPAIN: Well, it's absolutely clear, really. These older veterans, I still support a lot of older veterans under VEA entitlements. However, these people, 90 per cent of the time, they're established. They own a home, their kids have moved on, they're grandparents. They're established people. Yes, they may have health concerns and disabilities, but they are established in life. The younger veteran – male, female – has typically a

young family, a wife who is not confident to separate from the husband or wife, because they're that worried about their mental health and wellbeing. And they're forced – the husbands or wives are forced to rely on the partner.

They're on a smaller – on the 75 per cent, regularly, of their incapacity payments or ComSuper, and circumstantially, they're very different. They're trying to provide the best life for their family, with all those pressures, as well as trying to establish themselves, provide the education for the child. A lot of the time, the family environment becomes toxic. The wife or husband is sick of walking on eggshells around the member with the problems, and it's a lot more complex. When dealing with younger veterans, I often – I can see a young veteran for up to 12 months, 18 months, keeping in regular contact with them, before we even put in a primary claim to DVA, because they are simply not ready to do it.

COMMISSIONER FITZGERALD: Can I just ask this question. In relation to the advice you gave to Robert Cornell – and obviously, we are encouraging the Government to release that report, and we will reference it and make some comments in a final report. But what was the principal approach you've recommended in relation to advocacy for young people?

MR SPAIN: Well, it's a very – well, the current situation is very difficult, and it's not sustainable in its current practice. The biggest thing when talking to Robert was mainly about things around the fact that younger veterans are being induced or enticed into certain groups, where they're offering, you know, "Come on this trip, do that." And there is definitely a place for that sort of wellbeing activities. However, a lot of the time, they're one-off events for these people, luck of the draw to get on these things, and they're one-off situations. However, they're not – the ongoing wellbeing care, which we try to provide to all our clients – the younger veterans and their families – is not there. They might shoot off for a surfing trip, all expenses paid, and then gone. You know, that seems to be a focus, and I understand why it's gone that way, most people would love a free trip somewhere and enjoy time with their friends with a wellness focus. However it is not the ongoing welfare support is being provided. In terms of advocacy we've heard it many, many times that with this new ATDP system that is currently in operation that the Department has come out, Veteran Affairs has come out and said that these - it's a registered training organisation where certificates are now awarded.

We are being assured by DVA that if a veteran on incapacity payments obtained that certificate that it will not be used against them as an ability to work. However, then the next paragraph goes on and says this is an individual based circumstances sunset paragraph. So honestly I am

waiting for the time when it is not predominantly run by veterans with entitlements under VEA. I'll wait a few years and I have a strong gut feeling that it will end up being used against veterans who are on incapacity payments as an ability to work.

The current system for instance with this ADTP the administration support officer for Queensland was relocated, no one was told, and then we finally got in contact with someone and the next week that position had changed again, email and phone number and no one was told. It just seems very impractical the way it is at present and there is a strong issue with mentoring at present. I was mentored under the TIP regime, under the old training with Tom when I'd been - we've been working together for five years. I'm now the advocate and Tom is stepping away as more as an advisory role for me and my team, and still, we will still work together as a team down there, but I sat in there every week in all the appointments, I would run the appointments through the proper - originally what was designed as Tom tells me under the TIP as a mentor role.

The current mentor role - a lot of people may wear the badge as a mentor, or the title, but is that person really capable of being a mentor. I went to an ATDP mentor workshop in Maryborough and it was scary to think that some of these people were candidates for being mentors and to pass on their knowledge to other people, because sometimes I see there's a problem within the welfare of veterans, particularly with older veterans of dependency and I see it quite a lot where older veterans are encouraged to - you can get that from DVA, you know, you can get this from DVA with the household services. Then that older veteran who once prided himself in keeping his garden nice, cleaning his windows, is now getting that done for him, the result being he's sitting in his chair all day, you know, downhill quickly. There just needs - the whole framework, the mentality it needs - there needs to be a dramatic shift with a community focus and it needs to be developmental.

COMMISSIONER FITZGERALD: Sorry, we will certainly be looking at Robert Cornell's paper, and some of the submissions he will put in. Both of you have identified the issues of the partners or spouses of veterans and the families of veterans, and I was just wanting to know from both of you, do you have any specific proposals in relation to how they can be better supported at this present time? Daniel, as you've indicated younger veterans are going through that transition and the difficulties and we've heard lots about that, but I was just wondering having regard to your submission are there specific things you think we should be particularly attentive to in our final report?

MR JEHN: Yes, if I can just speak on this one here slightly. What we have got we've got programs running to involve the family of veterans with the every day running of our veteran centre. With that there for example here, and I applaud the younger veterans for doing this, recently we had a fishing competition at Camp Gregory which all the younger veterans, their wife and kids were invited to go. Also there we organised a whale watching trip. We took all the wives and families out on a whale watching trip. We are trying to get the younger families, and when I say this is - to me there's no such creature as an older veteran or a younger veteran, we're veterans, full stop, and the only reason we have the difference, the old or the younger veteran is because of a multi Acts.

The younger veterans come under the MRCA, the older veterans come under the Veterans Entitlement Act. That caused a lot of friction, a lot of jealousy between the different areas. The Black Hawk tragedy has been mentioned is a prime example. I know I've been involved in that one too. But the thing is here virtually it's playing against each other where you get one lot of veteran gets paid X amount and the other veteran serving exactly the same period, but because of his entry date is paid a different level. The same thing goes, Daniel mentioned the gardening. Under one Act you can get the gardening done, the other Act you can't get it done. We have to get consistency, gentlemen, right through. To me I'm very pro the Veterans Entitlement Act. I think it's more beneficial for veterans. The MRCA has got some good points and I know with Margaret I went to the very first MRCA introductory with DVA when it came in in 2004. Okay, I'm fully aware of that. There is good points on both, but common sense has to prevail.

COMMISSIONER FITZGERALD: We are trying to harmonise some of those things and for example the home services and home attendance we think should apply across all the Acts and be improved. But can I just deal with one and then Richard might have some. You've made the comment in relation to the statement of principles that you support a single test, but it's obviously got to be the reasonable hypothesis one from your paper. I just want to go back to that in relation to your statement, Daniel, about a veteran is a veteran, and we have heard various views about that right throughout these public hearings and prior to the draft, but I just want to understand that. In some of the submissions, not many but some, they wanted to distinguish between veterans that are injured in operational service and those that are injured elsewhere. You're fairly firm of the view that they should be treated the same, and the way to achieve that in the statement of principles is just to make it a reasonable hypothesis. Am I interpreting you correctly in relation to that?

MR SPAIN: That's correct, I think it's disgusting that a veteran is discriminated against by way of compensation. For instance lumbar spondylosis is lumbar spondylosis. You should be compensated the same as under the GARP in the VEA for your symptoms and your disability for your rate of impairment. Not because you have war-like or non-like war service or peacetime service. It's just - that's ridiculous, and I've also noticed there's inconsistency of applying these SOPs on DVA' s behalf, where if a veteran under MRCA has four or five war service deployments they're accepting all their disabilities under the less beneficial compensation when most of their injuries have all occurred due to their war-like service or non war-like service, not their peacetime service.

So there is a lot of ambiguity there on DVA's behalf when even through the appeals process I have argued for the reasonable hypothesis through the appeals and the appeal eventually comes back except on a lesser standard of proof for the same factor. It's just bloody ridiculous to be honest, you know. I just can't comprehend why people deserve to be compensated differently whether war service or non war service, and if you look at all those submissions that support that from ex-service organisations and the like they are from a membership base of veterans who have entitlements under the VEA, all their entitlements under the VEA. Not from the membership base of younger veterans with service under - with only SRCA - sorry, DRCA and MRCA service. All the time these submissions, the ones that are predominantly listened to their membership base are predominantly VEA.

MR JEHN: Sorry, if I can just say one more thing here. While we're on about this sort of thing, Daniel did just touch on it, I'm in full agreement, in agreeance with the single stream as far as the statement of principle goes, but also it should be a single stream as well under the Veterans Entitlement Act that because you weren't in an overseas deployment but your incapacity is worse, less than what it was if you were injured overseas. You have two different scales, one for the returned serviceman, one for the Defence service. Now to me that's absolutely ridiculous, because they've both been injured serving their countries whilst in the Defence forces. So therefore we should have a level playing field on that as well as the statement of principles.

MR SPAIN: If I can add on that.

COMMISSIONER FITZGERALD: Sorry?

MR SPAIN: If I can add on that. With the war-like service and operations in today's environment in the Defence Force to get on the deployment most veterans would give their left leg to get on operational

service, to put their employment, their job description into action. You've basically got to be standing in the right spot at the right time to be deployed. That is how it works, and I believe that was still the case years ago. Vietnam, the same thing, there's a lot of people during Vietnam who would have done the same. Perhaps they would have given their right leg to go to Vietnam, but they just simply didn't deploy, and there should be no discrimination, and that's what it is, I use the word discrimination because it is.

COMMISSIONER FITZGERALD: Thanks very much. Just a couple of quick questions. First of all I must say it's terrific to see a younger veteran and an older veteran together talking about shared perspectives on all of these issues. We've heard the voice of the older veteran quite often, but fantastic to hear the voice of the younger veteran, and that goes to some of the contents you've made in your paper about how does that voice get heard in a way that's influential around policy and about current needs, and you've made some suggestions there about that and we're very mindful of that. So I just wanted to acknowledge that.

Just going back to this issue, you both commented on it, and that is the way the different Acts and combination of the Acts play out in terms of benefits and compensation. As you know there are a couple of things we're trying to do, first of all the harmonisation where that's possible. Secondly over time to move to that two scheme approach. True you might have points that you disagree with this on this, but trying to push towards that two scheme approach over the next five to six years is that a direction that you think is a good direction? What are your views on that?

MR SPAIN: My views on that is at present we need to look after our most vulnerable which is those veterans with eligible service only under the DRCA. My personal view is to extend the Defence service under the Veterans Entitlement Act to 30 June 2004 and have all those veterans come under the DRCA. It will give them the same entitlements. They will be subject to the same offsetting provisions against under lump sum payments taken. It's going to provide their family with coverage over the gold card, and if they die for an accepted disability or some other reason with the TPI and the DVA (indistinct). However the biggest thing is then it's going to put them under the one umbrella, everyone has the same entitlements, and then we can start working on the MRCA.

COMMISSIONER FITZGERALD: Okay, so it's a little different - - -

MR JEHN: If I can just go one step further on that one. Sorry, I know we're taking up time here. First of all, okay, reading the draft paper sometimes it's like reading a history lesson, and I congratulate you how

you did put it down, but in 6 December 1972 under the Whitlam Government they brought in uniformity right across all the Defence Force. Okay, the reason they did that really was to try and entice for national servicemen to stay in the Defence and that was a carrot they hung out for them, which is fantastic. But then when they changed after 1994 and brought the SRCA in as an interim period that's when all the trouble started. So between that ten years from 1994 to 2004 all those people who come under multiple Acts. I'm dealing with veterans, I'm sure other advocates here are exactly same. We're dealing with people who come under the Veterans Entitlement Act, the SRCA and the MRCA, and it's a bloody nightmare. Okay. I've got an AAT case going through this very moment based on someone who comes under multiple Acts.

Now virtually once again we go on here again. The veteran is put under so much pressure, trauma and everything else there they're not saying "No", it's not service related, but they're saying that because it happened this one here and it got aggravated on this one here, and then also because of that it also may have come under this one it's ridiculous. We can't get in TPI, we can't get in SRDP. Virtually even if they had apportments you could maybe work something like that, but apportment doesn't come into it like it does in GARP. So on this one here no one has thought it right through, and everything is so fragmented and virtually - it's a nightmare.

COMMISSIONER FITZGERALD: Where we want to end up is, the position I think everyone wants to end up in, that at a point in time you will be under one Act only and very long term there will only be one Act, so we're all heading there. I think what we've got to do is, there's a lot of issues to work through and we've raised some of those, and the timetable for this is also an issue, but one of the things is very clear, we need to get to a situation where at some stage a veteran is only under one Act, and the second thing is that there's relative consistency on a whole lot of issues across all of the Acts in the interim. That's the process we are trying to get to.

MR JEHN: But in the meantime their veteran suicide is rife at the moment.

COMMISSIONER FITZGERALD: Sorry, say that again.

MR JEHN: Veteran suicide at the moment, and that is the big worry here because what we're saying here - look, I'm not being critical if I am - we have had so many enquiries, hearings, everything else over the last five years, I'm sick and tired of hearing it.

COMMISSIONER FITZGERALD: No. So what we've got to do - the problem is there have been lots of enquiries in this (indistinct) but we haven't had much structural or systemic change, and so what we're trying to do is - - -

MR JEHN: There's none at all.

COMMISSIONER FITZGERALD: - - - to actually get to a system where the veterans will be able to be under one Act, one scheme, and the question is how do we get there. That's really the great challenge. We are going to run out of time and your submission is detailed and we are very grateful for it. Can I just deal with one other issue and it comes back to the issue about suicide that you've just referenced. For younger veterans I was wondering whether they are identifying to you, Daniel, or Tom, particular gaps in the health area, mental health area that they want addressed. So I understand there's a big argument about the way we fund it, whether it's gold cards or white cards and other approaches, but putting that aside, and you've made comments on that, in relation to services, access to services is there an emerging set of issues, just in a very brief time if you can, for younger veterans?

MR SPAIN: So the term "wicked problem" was raised by the RSL Queensland and this is one of them. In regional areas particularly, and I would say the same is in urban areas, I can speak mainly on regional areas where we are, the first point of call which we've had over the years until the recent change was the VVCS, now Open Arms. Veterans may not want to approach DVA for the non-liability health care, fear of government type things. There's an issue there, Open Arms providers are overwhelmed. Often the intake and session allocation is based around acute treatment sessions only, periods - episodes of treatment, and the providers in our area actively encourage clients to go out and get - although they get paid a significant amount less go out and get mental health treatment plan and they're happy to accept the patient under that because of the pressure from Open Arms is putting on applicants.

I can speak from the perspective of my wife who is given three sessions and then has to go through the whole history and everything once again to apply and do the intake again to apply for another three sessions. It's just ridiculous, and that puts more pressure on the veteran if the wife isn't getting support. Suicide is - in terms of the white card for suicide, for instance I have a young veteran who did East Timor, Iraq and multiple trips to Afghanistan, he had the white card severe PTSD, in fact he's in the Buderim Hospital at the moment. He had a significant back problem, as well as his PTSD. He fell in the shower. He had been on a – waiting to get prior financial approval for rails to be put in his shower. Because he

has the White Card, the process is you have to get private – prior approval to put them in.

The wife then assisted the Veteran up, and she blew two discs in her back and went – and was sent down to Brisbane to have surgery immediately, and they had – and the surgeon reported back it's the biggest disc bulge he's ever had to remove.

This shouldn't be the case. What a significant stressor, not only on the husband and wife, two children, young family. This only impacts the mental health worse. It's such a complex problem. All these things come into it.

To get treatment, willingness come into it. Is the Veteran willing to get treatment. I can ring up all the time and ask people how they're travelling, go around and see them, but the willingness comes into it. Their illnesses and disabilities exacerbate that willingness and take it away.

But all these little things just compound and compound. I've had two Veterans who I was in Afghanistan with suicide, one in the last month. A friend of mine, and also one client.

Now, this client was a special forces soldier. He was on his entitlements. He had reached, under MRCA, he had reached his entitlements, and I was actually helping him and encouraging him to seek tertiary education.

This Veteran showed no indications whatsoever, and with the other ones, they showed the indication signs. This Veteran showed none at all, particularly being a special forces soldier of – he about eight war service. No signs.

But in terms of getting the service, it is – accessing the service, it is available. I have had many younger Veterans attend the community mental health service provided by the state government, but I think there needs to be more of an understanding between the White Card and also the limitations on prior financial approval.

A Veteran, any Veteran with a White Card, should be able to turn up to the emergency department of a private, funded hospital, and be assessed to be admitted to the mental health ward.

That's what needs to happen. Whether he's taken there by a family member, police, whatever. It needs to be common knowledge that a Veteran can be taken to a private mental health hospital and be assessed for admission.

COMMISSIONER FITZGERALD: And just so, without going on, because we are out of time, that's not possible at the moment, without pre-approval?

MR SPAIN: No, you need prior – as far as I'm aware, and from my own experience in Townsville, when I ended up in the public system, right, and they utterly couldn't – jumped up and down. It was a weekend and they couldn't do anything. You needed the prior financial - - -

MR JEHN: Just to back up what Daniel is saying, we have tried to get people put into the mental health units, and we can't do it. What we have now running is we have our own welfare team. We've identified our high risk Veterans, and we go send our welfare team around once a week to visit these people, and that includes people like Cliff (indistinct).

MR SPAIN: There's a lot of young - - -

MR JEHN: But there's a lot of them like that that we do that there, but we haven't go the resources. We haven't got anyone to back us up. Everything is volunteers, and no one's getting paid for it, and that is one of the problems we're having with the younger Veterans, virtually those, they have to go and work.

COMMISSIONER FITZGERALD: Yes. No, thanks for that.

MR SPAIN: That point was raised this morning by the War Widows' Association, who spoke well. A lot of organisations do have the resources and the income to put on full-time staff and meet any requirements that are put forward.

So this needs to be considered in any recommendations. The best advocates are often the volunteer advocates. The best welfare workers are the volunteer, and that is often the case. The volunteer ones have the experience.

COMMISSIONER FITZGERALD: Thanks very much, Daniel and Tom. We're out of time, and again, thank you very much for the submission and we will consider what you've put in there. It's quite detailed, so thank you.

MR JEHN: I think we'll get the Tilt Train back to Hervey Bay now.

COMMISSIONER FITZGERALD: Good on you. Say hello to Hervey Bay for me. Thank you so much. That was really stirring.

MR JEHN: Thanks very much.

COMMISSIONER FITZGERALD: So, could we have Rob and John, please. Thank you very much. Good to see you again.

If you could, both Rob and John, if you could give your full names and the organisation that you represent, please.

MR SHORTRIDGE: My name's Robert Shortridge. I'm the Executive Vice President, Defence Force Welfare Association, Queensland branch, and just a little bit of background. I spent 36 years in the Air Force. I deployed four times, and I've been out now for about 14 years.

In that time, I've been involved with Ex-Service community, not in the advocate role, but more in a lobbying role, and I'm also a member of the Queensland Veterans Advisory Council.

COMMISSIONER FITZGERALD: Thank you very much.

MR LOWIS: John Lowis, Queensland President, Defence Force Welfare Association. Just a bit of background, like Rob, I entered the Army through National Service. I did about 23 years then. I switched to the British Army in – for the first Gulf War, and I deployed with them as well, and after I left the British Army, I worked as a civilian contractor for the Ministry of Defence over there, and later also had civilian deployments into operational areas as well.

COMMISSIONER FITZGERALD: Good. Thank you very much. And if you could, within 10 minutes or so, just give us some of the key points. Can I just clarify one issue? I have a series of dot points. Do we have a submission from you at this stage?

MR LOWIS: No.

COMMISSIONER FITZGERALD: That's fine.

MR LOWIS: The fuller one is on its way.

COMMISSIONER FITZGERALD: No, that's fine. I just wanted to clarify, so I had the document. So, yes. Over to you.

MR LOWIS: Just a quick one, following on from what was said in the previous thing. One of the things that I have found particularly distressing is when I have got a Veteran who has got substance abuse problems,

namely ice, and we get him through the stage, and he's about to be given a lump sum of $300,000, and there is nothing you can do about it unless you take court orders to do it. There's nothing to (indistinct) it and it's barking mad.

However, there's a lot of stuff in the report that we're quite enthusiastic about it, especially the stuff about the combining the Acts and all the rest of it.

But in the report, you'll also notice a number of reviews that have gone on before, and they've all fallen over through lack of political will, or whatever, around the place.

What you're proposing, in many respects, is a major change management program which requires buy in by a lot of stakeholders to gain any momentum.

I think on some of the stuff, which is quite startling and radical, I think that should be option A, and I think you should have a lesser option B. Otherwise, a lot of the report is just going to be shelf ware.

You're aware of DFWA, our role, and the Defence Force Remuneration Tribunal. You're aware of our role in the vocational educational training setup, where the civilian recognition of military qualifications Australia-wide. We have a bit of experience in those areas as well.

The areas that I'd like to address is the unique nature of military service. I know that's been done to death, and the report is peppered with, yes, military service is unique, but. Or something or other. It's much in common with others. It is not that unique and doesn't justify generous treatment that other workers – over what other workers get.

The concept is often misunderstood and is equating it emergency services and that. However, the big thing is it's subject to military law and giving up certain rights, and that is the particular thing that's unique.

The report does mention emergency services and says, well, you get this and they don't, and brings it up. We will respond to that in our main report.

But in pointing out the differences, I did come across an area that I think is quite relevant when you're looking at the treatment of military members and a whole wellness regime, and preventing stuff from happening.

Emergency services organisations still have meaningful desk jobs that people who are traumatised, that stuff, while they're being rehabilitated or given some respite, they can go to.

Over the last few decades, literally hundreds of uniform jobs have been contracted out and civilianised in the defence forces, and those jobs were there, or were able to provide respite, periods of rehabilitation, periods of normalisation both for the Veteran and for the family. But they were gone.

And the reason they went was because the – I think we referred to it as the bean counters or the gnomes from finance – put the pressure on and said, military, that's your job. Go out there, kill, and if (indistinct) uniform, that job can be corporatized and put away.

So there's a whole range of – and arguments to say, hey, they're needed for this, were thrown out because, hey, the aim of the ADF is to go out there and kill people, not to look after people and provide (indistinct) for them back in Australia.

And there was another aspect of this, too. The training that has been done over the years used to be done all in – we used to have – people used to get trade recognition. A lot of the training has been pruned, and it's been pruned because, oh, that bit of that module is not required for the military. It's only civilian stuff.

So there has been a focus on efficiency, effectiveness, and getting rid of staff. Now we're in the situation where we're saying, gee, transition is a darn good idea and we need to get trade recognition. Why isn't there?

Well, the reason there is because, again, the gnomes from the finance and the efficiency experts and that have got rid of it, and now we're at the stage where, without being insulting, you seem to be coming at this from a cost-cutting measure that we've experienced before, and put us in this position.

There's a lot of elements in the report that refer to affordability and that, and over-generosity, which makes me feel, here we go again. It's cost-cutting, and that's a perception that we have, and that's what comes through.

The terms of reference, just speaking on the use of the term "generous" in the report. Terms of reference require a look at the best practice of workers' compensation, and we're fully supportive of adopting best practice as far as delivery of services is concerned.

But somehow it seems to have morphed into comparing what the financial package that the military get compared with what other workers get, and I think it's a bit of a – things are being a bit skew-whiff. It's not the comparison of delivering services, it starts to focus on affordability.

But if judgments on generosity are to be made, they should compare like with like, as far as possible. I point out that there are many ex-ADF members working as contractors in the Middle East right now, close protection, logistics, and a whole range of stuff. They're doing the same sort of task that they would have done in the military.

Now, I don't know what the current paying conditions or provisions for medical or compensation are at the moment, but 11 years ago, my job as a civilian involved my being on standby for about 18 months, on about eight to 24, or a week's notice to move, and I did deploy a couple of times a bit before that, and it was going into the operational areas that the UK were on.

If I suffered medically from deployments, my package included continuing on current pay for up to two years in the current employment, private health cover, including rehab, carers' allowances, nursing for however long it took.

If after two years of not being able to work, or an assessment of permanent impairment, I could be pensioned on 80 per cent pay until retirement age, and a continued private health cover for life, plus a lump sum based on extent of incapacity. I had the option for those payments to go into a trust, and effectively (indistinct) it from a potential divorce I was facing.

It didn't apply to me, but some had provision for their children to continue on with private boarding school education. The package of compensation, I think, compares very favourably with – well, it gives a more accurate basis of compensation, of accurate basis of comparison than the one that's being used throughout the report.

Another area that we're particularly interested in is CSC and DVA. Now, I'm glad the matter has been addressed in the report. It looks at the invalidity benefit payments by CSC, and we've been very closely involved in that, and I think Brad Campbell's raised a few things this morning, and we've been working very closely with him and quite a few other young Veterans at the Administrative Appeals Tribunal.

There's test case litigation funding being provided for a whole raft of areas there, and we're intimately involved in that.

But there seems to be a reluctance to embrace this by the affected organisations. On DVA point of view, the Veteran Centric Reform shortcoming is really it is DVA centric, which is a narrower subset of a Veteran Centric report – a Veteran Centric Reform, an organisational reluctance to embrace issues or adjust responsibilities beyond the historic legislation to extend into looking at the invalidity benefits.

But that area is an area of a lot of complexity, and especially when you consider that CSC invalidity benefit payments are very much rehab and money – it is very much – not rehab, the exact opposite. There's no rehabilitation element in there at all.

It is just money there for pensioning, and the main aim when a person's got a class A is to stay on class A, and if you're on class B, to stay on class B, and don't let them know that you're going to be work or capable, because you'll lose everything, and that's a bit of a cynical attitude, but it's what the legislation encourages.

I think, looking into the future, there'd be arguments by CSC not to hand over the insurance element, and that DVA wouldn't be capable of doing it. But if you start looking at the future, and the likely actual management of super issues by the CSC when the thing is largely accumulation funding – there'll be accumulation funds and the ability for people to move their funds around, they won't be that – there won't be that much requirement for them to be actually fund managers. We'll go into that in more detail in our actual submission.

COMMISSIONER FITZGERALD: So we've only got a couple of minutes, and then we'll have a chat. So just a couple of key points.

MR LOWIS: Yes. I'll pass over to Rob.

MR SHORTRIDGE: One of the problems I have with, when we're talking about the workers' compensation and the sustainability and affordability, the affordability aspects.

If the government can afford to have a military, they can afford to send them overseas, they can afford to look after them, and I don't think it's the affordability in that aspect when comparing workers' compensation. It is applicable with what's happening.

The problem is, you know, what are you going to do with the people? People who do get injured in their job, fine, but again, it's the government. They're sending people out. They need to do it.

The other thing is the future of DVA. Your recommendation was that it be split by – into four, between defence, or two ministers. I don't think that'll work, and I prepared questions to go to that in the further detail.

COMMISSIONER FITZGERALD: Sure.

MR SHORTRIDGE: Furthermore, we've got – there's a discussion paper that's been raised. Unless you want to go into it now.

COMMISSIONER FITZGERALD: Your (indistinct). Are you going to mention that?

MR SHORTRIDGE: Yes. Well, if you want me to continue on, I'll - - -

COMMISSIONER FITZGERALD: Well, maybe we'll just ask some questions. But do have any other points you want to make, and I'll come back to a couple of questions.

MR SHORTRIDGE: Other than that, the concern is the report says that the – specifically states that none of the benefits have been quantified, which makes it really difficult to find out if it's – is that going to be any benefit to anyone, either financially or for the Veteran, and that's a real worry.

With the ESOs, I do note that you were waiting to – wait to see what happened with the Veterans Scoping Study. Could I suggest maybe you look at little bit higher and say how does the government get ESO input, because right now, I'd suggest most of the people in this room are all volunteers. They're not getting paid.

They got a 900 page, or 700 page report lobbed in on them just before Christmas to provide meaningful comment, and maybe there is a argument to have a Veterans Centre of Excellence, which is duly funded by some of the more affluent ESOs, and government, to be able to provide a professional level of support to the government's considerations.

And the other concern I have is when you're talking a lot of times in the report, apples aren't compared with apples. Under the Gold Card considerations, you've got four different amounts of money that a Gold Card is meant to cost, no one mentioned a comparison – everything seems to be compared to the average Australian, when most Gold Card holders

do, in fact, do have disabilities, they may be able to get current help under NDIS and other disability schemes. So if we're looking at things like that, apples need to be compared with apples and I'd suspect that if you were to do that – and that's not going to be easy because of the complexities of invalidity support, both, within the military and outside – I would suggest things like a Gold Card, there's not going to be a lot of difference between what's available, you know, particularly when you're looking at other people.

COMMISSIONER FITZGERALD: Look, thanks very much for that and, I must say, thanks to Robert and John. Robert, when we came up here to Queensland earlier last year, you raised a whole range of very significant issues, including setting us down the pathway of the superannuation. So I was hoping to escape and you stopped us from doing that. So I'll come back to that in a moment. Can I just go to one point?

I understand – two things you've raised which I just wanted to talk about. The veterans' scheme, including impairment incapacity payments and payments for healthcare, just those three things; we've had to look at the cost of that scheme and to try and make some evaluation of whether or not it's an effective and an efficient scheme.

We came to a conclusion that it is generous. But we didn't come to the conclusion that that was a bad thing, and every time we've used the word "generous", veterans have said, "Oh, you're making a judgment." What we actually said is, "Relative to the five eyes, taking apart USA's health system, it's a reasonably generous scheme." But we've actually supported that because we haven't actually reduced any of the benefits at all, in terms of impairment or incapacity payments and we've kept the structure of VEA and MRCA/DRCA.

So I only make this point to you, when you see us use the word "generous" that's trying to make an assessment, it's not a value judgment. I do agree that there are parts in the report that talks about "unique, but that's true", but I think in the general side and I suppose my point there is this. We got a sense in the veteran's community that, by and large, the incapacity impairment payments generally, were reasonable. They wouldn't have used the words "generous", we might say that, but were reasonable and in all the evidence to us, today, is that's not where the arguments have been or the issues are. So are we reading that correctly? Just trying to give some context of where we came from on that.

But our understanding is most veterans are saying to us that the quantum of benefits, either, impairment or incapacity are, in their terms "reasonable". Would that be correct?

MR SHORTRIDGE: I, you know, can only agree.

COMMISSIONER FITZGERALD: Yes. So the second thing is, just in relation to the workers' comp, we are not trying to turn the military compensation scheme into a worker's comp scheme. But one of the things we have been trying to do, and we are required to do this, is to look at whether there's any learnings from those schemes.

So what we've tried to do is to say, "Well, there's a large number of workers' compensation, accident compensation schemes around Australia in the nine jurisdictions," and what we are trying to say is, "Are there learnings from those?" and there are; there is significant learning and Richard's made that point several times, today. Certainly much more outcomes focused, much more pro-active in terms of early intervention, trying to get people back to work where that's appropriate; so there are learnings.

So I just wanted to just clarify with you. Is it correct? You wouldn't have any objections to those learnings? Am I right that what you're fearful of is trying to turn this into a normal worker's compensation scheme?

MR SHORTRIDGE: Yes.

COMMISSIONER FITZGERALD: Which we don't think you can do and should do.

MR SHORTRIDGE: Right, we're concerned about – well, I've had a long history with dealing with the efficiency and effectiveness people from the Department of Finance which I – you know, I had this approach to it and a lot of this rang bells with me.

COMMISSIONER FITZGERALD: Yes.

MR SHORTRIDGE: "You've got to keep politics out of it," is one of the principles in the Insurance Council, I think, yes.

COMMISSIONER FITZGERALD: Yes.

MR SHORTRIDGE: But we're here because of politics and this thing wouldn't have risen if it hadn't been the political will. Affordability; that's like efficiency and effectiveness with a value judgment and a

political decision over the top of it. There's a lot of good points and the wellness points and that in those principles and we fully support those.

COMMISSIONER FITZGERALD: Sure. So my third general point just relates to that. I hear what you're saying about affordability. Our proposals will actually cost governments more. There'll be more money in the hands of veterans, not less after these proposals. You're right, we haven't been able to cost all those yet and there's a dearth of information that's not available to us, but we'll try that.

So if you take our proposals in relation to transition, improved rehabilitation, any increase role for ESOs in things like veterans hubs, if you actually take the MRCA/DRCA merger where there's likely to be an increase in payments for a whole range of people and so on, it's actually going to cost more.

So I understand the use of the word "affordability" has raised that alarm bell and I don't – you know, I'm not critical of that. I would just simply say, and I have to say this in sincerity, we didn't come from a cost-cutting point of view, nor did the government ask us to. But what we are about is the efficient use of funds and, of course, that's going to raise alarm bells from the finance perspective.

But I do want to ask this question. Where do you think, going forward, greater attention or greater resourcing needs to take place in the scheme generally? I mean, we can talk about the details, but where do you think the scheme – the veteran support schemes we're talking about – is actually lacking – resourcing or lacking – yes, attention at the moment? Because you've got a good broad view of this scheme.

MR SHORTRIDGE: Could I suggest – and you've raised this it number of times in your reports – "statistics"; there aren't any.

COMMISSIONER FITZGERALD: Yes, we know.

MR SHORTRIDGE: And until you have good statistics, you won't be able to identify where the resources need to be put for maximum effect and how do you do this. You mentioned particularly within DVA. They need to try and, you know, sort of take away the compartments and take away the cylinders of excellence. But I think the elephant in the room is also the amount of veterans that are out there that aren't DVA clients, never have been DVA clients and, whilst there was a recommendation by myself and some others to have those people in a census, and that was sort of discounted for costs and a whole stack of other reasons, I think that there are other ways of getting the information.

Now, from the Queensland Veterans' Advisory Council, we've been trying to get the Queensland state government to ask questions on the forms, for those agencies that provided services of veterans; homeless, health, incarceration, training, to say, "Have you served in the ADF?" and if they have, "Are you an Aboriginal or Torres Strait Islander?" "Have you served in the ADF?" – tick.

COMMISSIONER FITZGERALD: Sure.

MR SHORTRIDGE: Now, on top of that, through the Veterans' Ministers' Round Table, because it's not a DVA issue, this is a whole government issue, get all states to do that and then collect the statistics which may help to be able to identify where the problems are.

COMMISSIONER FITZGERALD: So do you think that the fact that people that are leaving the military or the ADF will be entitled to a White Card, will that give us, do you think, a much improved base of information, certainly the details that we registered with the DVA in some way, shape or form? So do you think that, whilst you could do the census approach as you've indicated – and it has merit, by the way – there's another way to enter this?

MR SHORTRIDGE: Yes, but only from two years ago.

COMMISSIONER FITZGERALD: Yes, correct.

MR SHORTRIDGE: Now, what we're trying to do is trying to catch the World War II, the Korean, the Vietnam people who served their time and left.

COMMISSIONER FITZGERALD: Yes.

MR SHORTRIDGE: And they're, "Okay, I'm fine." Now, right, now, they could be going into hospital and no one – they would not have a clue that they might be entitled to a whole stack of DVA entitlements, the hospital wouldn't know, I don't understand why the state doesn't want to know, so then they can transfer the costs to the Commonwealth because it becomes a DVA issue, and I don't know how many people are there. But I'd suspect whatever number people think they are, they're significantly more.

COMMISSIONER FITZGERALD: So Liz Cosson, the Secretary of the Department, gave figures in evidence to the public hearing in Canberra.

MR SHORTRIDGE: Canberra.

COMMISSIONER FITZGERALD: Her estimates were that there were 640,000 living veterans and there's about 180,000 – and I apologise if that's the wrong figure – who are actually formal clients, claim clients, of the service. So that proves the point that you're making and that's 640,000. Of course, its' impossible to verify.

MR SHORTRIDGE: People have tried by going and looking at superannuation data.

COMMISSIONER SPENCER: Yes.

COMMISSIONER FITZGERALD: Yes.

MR SHORTRIDGE: And with MSBS, you know, everyone who has served gets a reserved benefit, so they'll probably know those. But when it came to that for ADB, you didn't serve 20 years, you just got your money back and that was it and there's some – yeah.

COMMISSIONER FITZGERALD: Yes, can I just go to your MudMap, if I can, just very briefly?

MR SHORTRIDGE: Yes, of course.

COMMISSIONER FITZGERALD: Obviously we put forward a proposal to move policy into the Defence Department and Administration to a new statutory authority and, as you would be well aware and maybe it will be in your submission as well, very few people have supported the approach of putting policy into the Defence Department and there has been a great deal of misunderstanding. We never intended to put the administration of the scheme into the Defence Department, but that's an issue.

Can I just ask, without going into that, what's the key few feature of this particular proposal that you're putting forward to us?

MR SHORTRIDGE: Okay, a key feature; you recommended four organisations supporting veterans. You had your Veterans' Service Commission, Veterans' Advisory Council within the Defence portfolio, Veterans' Policy Group and a transmission command and - - -

COMMISSIONER FITZGERALD: Well, within Defence.

MR SHORTRIDGE: Within Defence. Now, that's within the Department, the first two are in the Defence portfolio.

COMMISSIONER FITZGERALD: Yes.

MR SHORTRIDGE: First instance, I think transition command is using – to develop a transition command, it's using a sledge hammer to crack a nut. Now, 80 per cent of people tend to leave, you know, quite successfully and I think there are other ways of doing it.

Right, now, I am giving presentation on post-ADF support to transition seminars out at Amberley and it's really interesting because, when you talk to them and you say – 60 or 70 people in the room say, "Well, if you've heard of DVA's on-base advisory service, put your hand up;" one person puts their hand up.

So I think Defence needs to be more aware of the issues at transition command and particularly when, for complex medical transitions, people are assigned case officers. So I think, you know, that sort of thing with better relationships between DVA and Defence is not necessary.

To have one organisation supporting veterans I think is beneficial; I think it'll be efficient and effective. To have a policy area within Department of Defence; they do the policy and then someone else in another department or under another administerer who's responsible for implementing it is a disaster waiting for place to happen because you can make a policy without taking account of any of the resources required to implement that policy.

So we believe, or I believe, that Veterans' – well (indistinct) that a veteran support group, for want of a better word and sort of structured in what was the DMO and is, now, the Capability, Acquisition and Support Group which has a ministered, it's a group sitting there, have a central office and then, rather than having offices in CBD in four or five states, they can put their people out on the bases, like DMO have their people – or CASG have their people out on the bases supporting the weapons systems – and then there'll be the ability for Defence and the veterans' support group or DVA – we didn't want to use that word 'DVA" so it gets confused of what we want and what's there later.

COMMISSIONER FITZGERALD: Sure.

MR SHORTRIDGE: They'll be there; they'll be together; they'll understand and, quite frankly, my time in Defence, didn't understand anything about what happened and even when I did some Reserve work

back in 2012, people didn't understand, they didn't understand what was out there, what was available for them – to them. So that's why we have the veterans' support group.

COMMISSIONER FITZGERALD: Okay.

MR SHORTRIDGE: A new one is the Superannuation Board and Insurance Board to try and interface with CSE and get some formal - - -

COMMISSIONER FITZGERALD: So if I can just deal with that and then hand it over to Richard. We're aware of your previous concerns in relation to the superannuation generally, but we've been hearing more and more about the invalidity payments within super.

MR SHORTRIDGE: Yes.

COMMISSIONER FITZGERALD: So when, in this MudMap, you put Superannuation Insurance Board, is that largely targeted at that or are you trying to deal with the whole of the superannuation as it effects ADF members or veterans?

MR SHORTRIDGE: Initially, the invalidity side and we believe something can be done, now, you know, by putting advisors out there. In the longer term, the whole box and dice could go there as well because there's elements of superannuation – I'll detail it in the actual report – which are most appropriate.

When a person is getting out and they require advice, they have got to consider their superannuation, they've got to consider if there's invalidity stuff and there's a whole range of things where that advice is terribly, terribly complex and, at the moment, it is only available to them in silos. Within the VEA side of the house and MRCA, you can get a – especially when, you know, "Do I take a lump sum or do I take" – you can get access to an allowance for professional financial advice.

COMMISSIONER FITZGERALD: Sure.

MR SHORTRIDGE: That was not available to consider the superannuation impacts and, as you're aware, there's a lot of complex superannuation impacts in that area. When people were given the option to change from MSBS to ADF Super, they had no access to any superannuation advice and, yet, in the civilian role, there would be provision made or advice to be made, either, through an advance or something or other from the – yes.

COMMISSIONER FITZGERALD: Some one of things that are common in a number of the proposals, even though we've got a particular approach, as you say, the joint transition command, others have got different models. The one thing that we all seem to be agreed on is we need to have Defence, DVA and CSC present, together, you know, in a consolidated sort of range, so that a person can receive that sort of advice that you're referring to.

MR SHORTRIDGE: Exactly right, and it needs to be done formally and not rely on goodwill, which will fade away.

COMMISSIONER FITZGERALD: No, no, we don't want goodwill, as you know. Goodwill's important, but as Richard's often said, "It's not enough," and one of the issues we've had, and just in a serious nature in relation to this, this set seems to rely heavily on goodwill; individual's matter, individual secretaries, individual ministers.

MR SHORTRIDGE: Yes.

COMMISSIONER FITZGERALD: History has taught the Productivity Commission and ourselves and only lasts for a very short period of time and, unless the structures and the systems are solid that can actually withstand, both, good and poor individuals, you end up in difficulty and that's a difficult issue because you've actually got to step outside of the current personnel and say, "Let's think about this ten years from now."

MR SHORTRIDGE: Yes. The other reason why I was saying superannuation comes in, military superannuation is far more complex than the civilian superannuation. Yet, they are governed by the Act and the CIS Regulation which is designed for civilian superannuation industry and it's been said a lot of times, trying to get the military thing to fit into that or interpreted legally to that, is like trying to put a square peg in the round hole, and that is a common thing, duly because the special things associated with that due to the military.

There's a common understanding. If we can get that common understanding of the military, it aides in the interpretation of acts and, you know, possibly easy administrative load and get rid of a lot of the complexity.

COMMISSIONER SPENCER: I can't resist one more word on transition and, look, just so you know where we're coming from, we hear two scenarios. One, is, "I'm fine. I've got my job lined up and I'm out of here." Terrific. Sometimes that doesn't end so well after three or six months. The other one, is somebody who quite clearly is identifiable for

transition but clearly – and obviously medical discharges falls into that category – who is going to need a great deal of assistance through that.

So what we have been grappling with, as we've been discussing, is we see lots of good things happening here and there. It often depends on the base, it often depends on individuals, but the key question for us is, so who is responsible for that whole process through transition? And, look, it comes back to something we've been talking a lot about today.

A lot of the issues – not all of them – but a lot of the issues which are identifiable at that point or are not identifiable, it manifests later in life, what happens before transition, during service and then particularly, during transition, can play a key role in that? It's a lot of things we observe in other systems that respond and are pro-active about that better than we see in the current system and one of the failings we see is that issue of responsibility. Who is responsible?

So that's why we've put the Joint Transition Command on the table. There may be other ways of coming at that, but that was to our thinking. Rob, you mentioned something that I was just a bit intrigued by and you did get a chance to expand on it. But this was in the context of "this is pretty rushed". We put out 700 pages and say, "What do you think?" and, "By the way, tell us in six weeks' time," and we know that's difficult and, you know, this will be an ongoing discussion, no doubt, and we also – I think Robert explained at the beginning of the day – when we hand in our report, government has 25 sitting days to make it public. No doubt, there will be a vigorous and continuing debate about so what will government do about the sorts of recommendations we made.

But you mentioned something of the notion of a veterans' centre of excellence. So I was just wondering where you were going with that. Is that about - - -

MR SHORTRIDGE: Okay, if you have a look, ANAO report efficiency at DVA; you know, your inquiry, you know, the Defence report where they come to ESOs and want a response; the VAS are the centre inquiry into the use of the quinolone, the anti-malarial drugs; AAT cases; the Royal Commission of Banking and Superannuation, which we tried very hard to get CSC into; development of the Australian Military Covenant; DVA's transition taskforce; input to critic to DVAs veterans' centric; perform Australian War Memorial coming in and inviting ESOs. Now, they're people coming to these volunteer organisations and that's all over the last 12 to 18 months, thank you very much, and quite frankly, I think a lot of people, probably in this room, are getting a little bit jaded and it would be nice - - -

COMMISSIONER FITZGERALD: Sure.

MR SHORTRIDGE: Now, my understanding of, for example, some of the White Ribbon people, I've seen a lot in the Indigenous people – do get significant government funding to be able to have people that are sitting there on a full-time basis, to be able to provide this.

Now, I know the RSL suggested that DVA fund this. Well, it's really interesting because it came for RSL NSW who's probably one of the most affluent organisations we have – well, that the RSL has. But the point is, you know, for you guys to – or for government to get good advice, you know, you're relying on volunteers, you know, relying on people giving up their time with no payment, their resources with no payment and sometimes you might get good stuff, sometimes you might not. So if you was – one was to implement a centre for veteran excellence, for want of a better word.

COMMISSIONER SPENCER: Yes, yes.

MR SHORTRIDGE: Funded and maybe located in Canberra because that's where the action is, for want of a better word. And then as these reports come up they can drag people in who understand - generally probably I'd suggest ex-service people, understand, do the job, get paid to do the job so there's responsibility and accountability, and then they'll leave and the government, I think, would get a far better product and a far more concise product because part of their job would be to liaise with the other ESOs.

I wouldn't suggest it'd be under command or under the auspices of one ESO. Get people in. Get them – do the report. I think that would be – give a much better product to government.

COMMISSIONER SPENCER: No, thanks, Rob, and look let me just repeat a few things I've said earlier because I think it goes to this issue. We've commented that clearly there's a changing role for ESOs and that's largely for ESOs to determine. But government comes in in terms of who does it engage with in order to, for want of a better expression, co-design what's needed. And I mentioned earlier about people who have front line experience of what's happening. Now in Human Services, and I've had a lot of experience in that space, as has Robert, it's demonstrably different.

That voice is brought increasingly to the table before even working out what to do about the issue. It's to identify issues, hear from those organisations and individuals on the front lines of these issues and what

can we do about that. It's up then to government to design what does it want to do and commission by way of services, and who will it go to. And we've heard comments earlier today about governments being smart and thoughtful about that. Not just spreading money around but actually working out what will make a difference, what does the evidence tell us, who are the good performing organisations who can do this work?

So I think you'll find in our final report we have much more to say about that both in the earlier design process but also in the implementation process (indistinct). And I commented on this earlier, it's been very surprising to me to see the relatively modest – I'm just using diplomatic language here, funding that goes out to the NGO and ESO communities around these issues and we'll probably have more to say about that because in Human Services it's shown time and time again that the sort of work that you and other organisations do on the front lines of services is extremely valuable and cannot be done by government.

And it's what I describe often as the soft entry points. Those people who are most isolated, most in need, who won't engage with government but you have the opportunity to find them and connect with them. It goes back to an earlier comment, you could use some assistance in actually trying to find out who they are and how to, you know, go about connecting with them. But you have the capacity to do that through peer to peer type programs, through hub programs, through drop in centres, as we've talked about before.

That has to be part of a bigger system. Not just a government system, a bigger system. Where government can assist with that is they can leverage that value and we'll have something to say about that.

MR SHORTRIDGE: And I'd probably argue that the ex-service communities or the Australian defence communities is a little bit naïve because they don't really know how to access government because I'd guarantee if we had the expertise of some of these other more radical organisations they would know how to access and we'd have the money – we – (indistinct) – it's just we're used to getting on and getting the job done and I think that's part of the military ethos.

MR LOWIS: I think the other thing too is we're not just a reactive organisation but being proactive and identifying the issues and formulating something, rather than just sort of responding to a request for information or views.

COMMISSIONER FITZGERALD: Yes, and one of the issues for us is how does policy wherever it sits get better informed from a range of

views, not only ESOs but also for more – there's more and more professional players in this field as well at organisations. So one of the things we're looking at is how do we actually get good quality advice informing policy? And that's at different levels, ministerial, departmental and other sorts of issues and we've have some discussions with that today.

MR SHORTRIDGE: You didn't mention the Veterans' Ministers' Round Table which has only been in existence for two years where all the state veterans' ministers' (indistinct) - - -

COMMISSIONER FITZGERALD: Yes.

MR SHORTRIDGE: - - - with the federal one and I think that's probably – it's a start, it's never happened before and I think it's a very positive one and then you've got the committees that feed into that.

COMMISSIONER FITZGERALD: Yes.

MR SHORTRIDGE: So that's a basis I think too, and that's why in our description in the (indistinct) diagram there we have the Veterans' Advisory Council which I'd imagine would also have some ESO input going direct to the minister because they would probably provide the secretariat for the VMRT.

COMMISSIONER FITZGERALD: We would certainly – yes, we believe the Minister should be directly advised in relation to policies in relation to the veterans support scheme and that has to be not only veterans and ESOs but it has to be a body of experts and expertise, which is currently not around the table. Otherwise all we're doing is we're talking about bits of the scheme. We need to be able to talk about the whole scheme and that now involves private operators in the health and mental health scene as well. So – yes.

All right. Thank you very much for that. We'll break for just five minutes and then come back, so if you want to grab a tea or coffee bring that in and then we'll start in five minutes.

SHORT ADJOURNMENT **[3.15 pm]**

RESUMED **[3.21 pm]**

COMMISSIONER FITZGERALD: We might start. Only so that we can get away at a reasonable time, not from our point of view but from yours. Could we have GO2 Health, Jenny and Kieran, I think. Good. Thanks. So if you just want to grab those two microphones that would be terrific. Thanks very much.

MR McCARTHY: How long have we got, three hours?

COMMISSIONER SPENCER: Good luck.

COMMISSIONER FITZGERALD: Wishful thinking. So Jenny and Kieran if you can give us your full name and the organisation you represent please.

MR McCARTHY: My name is Dr Kieran McCarthy. I'm a veterans' health GP. This is Jenny Strike who is my senior practice nurse and business manager from GO2 Health.

COMMISSIONER FITZGERALD: Good, and the arrangement is if you can give us 10 minutes' worth of, you know, the main – the key points, then we'll have a brief chat after that.

MR McCARTHY: Okay. So my background, quickly, I've been told I've got to tell what I do. I was an army doctor for six years and deployed five times. So now I basically look after veterans. We – I've come from sort of the special operations world and I got involved with the rehabilitation of wounded soldiers back then. I manage, and the practice manages - the best way to put it, some immensely broken humans. We get ones that are very, very complicated and often they see little future for themselves and their family following their services.

We're a coal face provider, so we – we're at Everton Park. We're a large allied health and medical clinic and we look after the contemporary veterans. So the 25 to 55 year olds. We have – we're lucky to have very good relationships with a lot of the feeding organisations, ESOs, RSL, advocates, so we do a lot of the DVA claims and support them that way. We provided a submission to this to help sort of shine the light on some of the issues that we face in the health space.

And I know Andrew Khoo was here earlier. We work closely together. The complexities of accessing care with (indistinct) DVA patients. On the surface it looks quite straight forward. There's the White and the Gold Card system and they are supported in that way, which most of the general public don't get and that's important to understand. But in many ways

because of what DVA is, it's often quite complicated and their lives are very complicated and as I said these are very broken people.

And they often struggle to see a way forward. So one of the problems in the community, as an example, is DVA have very nicely provided everyone with a White Card for any mental health when you get out. So psychologists compared to market rate get paid 60 per cent below market rate, and so we struggle to actually get people in to see psychologists and psychiatrists because of purely funding. So there's funding issues around that.

A lot of the DVA paperwork is very confusing. A lot of GPs don't understand DVA for various reasons or don't have the time, and I suppose the reason we work is we provide that time for them, to take them through a journey. We're essentially a sports clinic. So we do the physical, nutrition and a lot of the psychological support for them. And the system works, it's not rocket science. You take the time with someone, you look at them and you provide support for them and their life improves and that's pretty much what we do.

MS STRIKE: But it's managed care.

MR McCARTHY: It's managed care.

MS STRIKE: So it's not just siloed practice where you have one - - -

COMMISSIONER FITZGERALD: Sure.

MS STRIKE: One practitioner not speaking to the other. Our team all collaborate so we get much better outcomes.

MR McCARTHY: The end point is essentially trying to create a functional member of society with a vocational goal so he can reintegrate back into the community and also support for their family as well, because often the families as we all know are ones that are left out of this. We try and link with all the various ESOs as well to provide some support for them as needed because it's one big team effort. It's a big – it's a pie which we need to have addressed.

We have – we look after about 400 veterans a week in the clinic. We've got well over a 1,000 on my books, 80 or 90 per cent of my patients are veterans. There's 10,000 in the clinic all up – patients. So we're a busy place and we're also quite involved with the Gold Card Coordinated Veterans' Care Program and we advise DVA on that because we have a system which seems to be the one that is the most effective. Look and as

I said before it's – the process is there, it's a good system but parts of it are just too unmanageable, too unwieldy.

The financial aspect is a drama because you're going to have a problem now where you're actually not going to be able to get care because the remuneration is not enough for market rate and the paperwork requirements around that, and that's one of the reasons we wanted to raise this as well. So all of our providers lose income whereas they want to treat DVA but the paperwork requirements around it are going up. The concerns (indistinct words), you know, WorkCover pays better. If we move to a WorkCover model, which I know it's been talked about what does that mean for the actual back end with – you see someone and then you've got to have more paperwork around that which reduce the amount of care you can give.

Anything to add? (Indistinct words) because I'll just keep talking.

MS STRIKE: So in regards to maintaining practitioner care, we struggle to (1) attract psychologists especially, but even physiotherapists because they are paid so much under the market rate and therefore we also struggle to keep them because we have such a high percentage of patients through DVA. So therefore their income drops in relation to the number of DVA clients that they see. The other thing to remember is that there are whole companies that don't see DVA.

So even though everybody is issued with a White Card or a Gold Card and non-liability mental health care, we have numerous psychiatrists, psychologists that do not accept DVA patients. So therefore when they come into a clinic like ours and we see them, there's a higher demand on our psychology because there isn't the availability and not only that, when we have somebody in an acute crisis, which happens quite regularly, we call around to the private hospitals to admit them and there's up to a four week wait to get in for an acute mental health disorder.

And then we end up calling an ambulance and they get sent to the public hospital and they're discharged that afternoon.

MR McCARTHY: Because they're a veteran and they're supported by DVA. And that's unfortunately what happens and then we're left to pick up the pieces and trying to find somewhere for them.

MS STRIKE: But we can't provide an acute care mental health facility. So we need to address the issue of paying psychologists the appropriate market rate, together with physio and (indistinct) because they are also under - - -

COMMISSIONER FITZGERALD: Sure.

MS STRIKE: So veterans may be entitled to these services but if there's not the – if they're not – if the practitioners are not being paid accordingly, there's not the services available for them.

MR McCARTHY: So we've banged on about it. I mean we choose to do this. I'm one of the owners. So, you know it's something that the clinic has - converted in the last 12 months. We've now become - 60 per cent of our patients on a weekly basis are DVA from about 30 per cent and that's in the last 12 months. I'm seeing five new patients a day. It's fantastic. We transition people from Enoggera Barracks. That's one of our big things. We've got very, very strong connections with the barracks. I do all of – I now do all of their DVA paperwork. All their paperwork, their pen and paperwork and we – our main thing we're trying to do is have a very – a very clear transition process. When the (indistinct) shut, they don't notice because everything is picked up so we've got connection with the barracks and they come to us and we can move them on from there if they're in our area and that's been very successful. And why is that, because we just take time and sort of help them with what they need and then connect them with various other organisations which you've spoken to today.

COMMISSIONER FITZGERALD: Can I just ask you a few questions where - I mean it sounds like a terrific integrated care model. As you'd be aware, you know, with the Health Care Home model that the Department of Health is trialling, somewhat unsuccessfully so far, and once again not surprisingly I think money is one of the issues, it's that's been (indistinct).

MR McCARTHY: (Indistinct) evidence, yes.

COMMISSIONER FITZGERALD: Yes. My understanding is that DVA has been trialling something like that, does that connect with you or are you part of that, or?

MR McCARTHY: I'd love to be part of it. We were invited to Health Care Home. We, without banging our own trumpets, we were told we were the model. And unfortunately, and we are very keen on the model, it's what we do, but when you look at its unfortunate financing behind it and the fact that it's a new government, nobody really knows what's going to happen with it, it was too much of a business risk for us to move forward with it.

MS STRIKE: Not only that, the risk stratification tool that they were using does not fit the contemporary veteran yet they are extremely broken people but because they're not chronically ill, but they are chronically broken, the risk was that they would not fit into the high end of the spectrum that there needed to be care. And when I spoke to the Department about this, they could not give me an answer before the time that we had to sign up so - and they still don't have that answer for how people in this category will fit in.

COMMISSIONER FITZGERALD: So this is the Department of Health?

MS STRIKE: Yes.

COMMISSIONER FITZGERALD: Right. So when you speak to DVA and you say, "Well, here's a model that...", and you would know far better than I do, there's terrific examples around the world of how that can work and there's good evidence to show the outcomes from that. So is DVA interested in this? Have you spoken to them about it? Is there any thinking around how could you actually have a veteran specific veteran appropriate model around this notation of an integrated Health Care model?

MR McCARTHY: We're are too busy seeing patients. It would be a stunning thing to do and my aim has always been to have something like our model outside every barracks in Australia, which transitions people supported by DVA and realistically has to be funded by somebody else. I'll run it but I'm not funding it because it's too hard from (indistinct) but it's the perfect Health Care (indistinct). You know, all the guys if we had've said 25 to 55 year olds, varying levels in capacity, some of them horribly broken, some aren't, then we'll punch them into the system and then help them move forward and they plug in everything else (indistinct).

COMMISSIONER FITZGERALD: So some of the arguments you get around this are that, "Yes, that's terrific but it's a bit of a Rolls Royce model"; you would say, "Not on the funding we get, thanks very much"; but the other model that people about sometimes is, "Well, we just need to go to all GPs, give them some specific training in terms of veteran-specific issues, that kind of thing, and that's been suggested by some people; what do you think - I mean, you look at model like that, how do you think that's going to work?

MR McCARTHY: The problem - look, I was invited to go sit on Channel 7's - one of the news programs with (indistinct) medical research for (indistinct) on PTSD last year I think it was, to talk about GP

education for PTSD. The problem with most GPs is time, especially the larger clinics and bulk-billing clinics, ten minute appointments, this is our time - - -

COMMISSIONER FITZGERALD: Yes, can you just pull your microphone closer.

MR McCARTHY: Sorry, yes. So the problem is that most GPs don't have time. They're running a 15 minute, I run a minimum of 20 minutes, another doctor runs 30 minutes and so that is going to be the issues. They don't understand DVA and DVA's not hard to understand at our level, they're just out of time and that's scary for them; (indistinct) training issue could do it. I mean, the reason our place works, I suppose, is it's a one-stop shop, so you're under one roof. It's the GP superclinic model that are actually worse because they didn't work, because there was still solo care under one roof. At least we talk to each other. If you come in to see me, everyone's notes are on the computer. I can see what's going on immediately and make changes on the fly. So that process I think needs to happen because otherwise we're not going to make progress; but how do you get the GPs to want to spend time with people who are just too complicated, so?

COMMISSIONER SPENCER: Have you had the opportunity, you may have had the thought but it's not possible, but have you had the opportunity to link with any research possibilities around, you know, longer term outcomes demonstrating that the integrated manage care model will achieve the result?

MR McCARTHY: We're launching down that path though. It's a bit - I mean, it's an alternative but we've just been approved to do a study with Defence Health with acupuncture and veterans.

MS STRIKE: Acupuncture, massage, naturopathy, in conjunction with their regular care and then the studies looking at whether the outcomes are better.

MR McCARTHY: And then also the Coordinated Veterans' Care. There's a process starting now for mental health care for guys who are on White Cards, to get almost like the Gold Card that was - - -

MS STRIKE: There's a CVC Pilot, we're engaged in that as well.

COMMISSIONER SPENCER: So if somebody said to you, "This is terrific. We want to run a pilot for a certain, you know, period of time. We want to work out how do you fund that appropriately? We want to put

in place some longitudinal research and evaluation around that?" What would you think of that?

MR McCARTHY: I'd hand them to my two PhD researches from UTAS that are running the program coming up.

COMMISSIONER SPENCER: Right. Okay, so you have (indistinct)?

MR McCARTHY: Yes, yes. So the project we've got coming up is a fully funded research appraisal for 12 months. There's a reason we've gone down that pathway, is because the future is finding out what actually works because a lot of stuff I want to look at is outside the box. If you've got PTSD, sometimes medication is not the answer. There might be a floatation tank? What are the Americans doing? They've got way more than us. It might just be some acupuncture, it might just be something else, which is not necessarily funded by Medicare; but it might work? Who cares how, it's just as long as it does because you might get a functional human out of the end of it so some of these projects, absolutely. We've recently just set it up to start going down that process.

COMMISSIONER FITZGERALD: Sorry, what's the Gold Card program that you're involved in?

MS STRIKE: So we have a Coordinated Veteran Care program which is the DVA funded.

COMMISSIONER FITZGERALD: Yes.

MS STRIKE: That program was actually designed for "older" veterans and it's usually designed for the chronically ill. We have adapted that to deal with the contemporary veterans so we're dealing with PTSD, musculoskeletal issues. We're looking at their diet, their exercise, their mental health, so it's actually a very inclusive "total" package and the whole aim of the program is one to develop a relationship with the veterans so that when things turn bad, they pick up the phone to us straight away rather than go down that dark path.

COMMISSIONER FITZGERALD: Yes.

MS STRIKE: The other aim is for preventative medicine. So as we know, the older veteran traditionally has multiple chronic illness.

COMMISSIONER FITZGERALD: Sure.

MS STRIKE: And unless something is done with this cohort of veterans, they're going to end up in that same category in being chronically ill as well as chronically broken. So the large number of them that are coming through is going to blow out the health system as they age if we don't spend time and money on them to actually prevent them - - -

COMMISSIONER FITZGERALD: But can I just ask this question? Given that you've got a team based approach or a coordinated or an integrated tier model, the funding for that, however, DVA doesn't actually fund you for that or does?

MS STRIKE: CBC - - -

COMMISSIONER FITZGERALD: As a model?

MS STRIKE: No, no, no, (indistinct).

COMMISSIONER FITZGERALD: So you get a fee for service?

MR McCARTHY: A fee for service, yes.

COMMISSIONER FITZGERALD: So it's all fee for service.

MS STRIKE: Yes.

COMMISSIONER FITZGERALD: So you've taken the fee for service model and turned it into an integrated care model to use, Richard's expression, "effectively".

MS STRIKE: Yes

COMMISSIONER FITZGERALD: In relation to the Gold care one, is that the same or is that a different issue?

MS STRIKE: No, the Gold card, a CVC program, is funded differently again. So that is a quarterly payment in order to manage their care, ongoing, and there's certain criteria that you need to fulfil in order to be able to do that.

COMMISSIONER FITZGERALD: And your practise deals with that?

MS STRIKE: Yes, so we have a practise nurse that's full time just on the CVC program and we also have another practise nurse that deals with our regular - - -

COMMISSIONER FITZGERALD: So without going into the detail of the funding, is that a mixture of - do you get a funding just for that or do you have to - it's also a fee for service "and" that?

MS STRIKE: It's also a fee for - - -

COMMISSIONER FITZGERALD: Plus.

MS STRIKE: No, it's - - -

COMMISSIONER FITZGERALD: So it comes together.

MS STRIKE: Just a fee for service but both of those.

COMMISSIONER FITZGERALD: All right, yes we'll have a look. We'll have a look at that.

MR McCARTHY: It is a good system, it just has to be done properly and that's the thing. They're like GP managed plans, all practises do those, this is just the next level and what we call it is, it's a "touchpoint" and so there's multiple touchpoints with our patients and so they feel like they're supported and they're not left in the dark and we're with them.

COMMISSIONER FITZGERALD: So if I just take it, and we're going to run out of time, but just a couple of the - the two key points you're saying is, (1) is the DVA needs to set the right price, pay the right fee for the various medical and Allied Health Services; and the second one is they move to a different model in relation to almost this integrated care model?

MR McCARTHY: Yes.

COMMISSIONER FITZGERALD: And that's the two things you think are essential?

MR McCARTHY: Yes, I think so. We've got some crib notes I can give you.

COMMISSIONER FITZGERALD: No, we're assuming (indistinct) to us.

MR McCARTHY: Yes, yes. So look, I think, there's a number of things I want to talk about, but in the absence of time, but they're the big things is the future of care, so yes, funding and ensuring that the right care is provided with accountability so it's not just rorting the system with getting X for this five times a week.

COMMISSIONER FITZGERALD: Just one question, the Health Care Home, as you know, it's coming to light in various other countries as well and very successful with one of them, are you aware of any veteran specific programs in other countries that are built around this sort of model?

MR McCARTHY: Not what I'm aware of but I haven't really had a chance to look and that 's probably our next step, is to really - yes, we'd like to on the forefront, it's what we do, as we build our and continue to develop our particular care plan model, then that's what we need to look at is, as part of this, "Well, the Americans are doing this, why can't we do this as well? because there's evidence behind it. Even though it's a bit out there there's evidence, let's try that because it might work.

MS STRIKE: I suppose one other thing that we would like in regards to - because we are such a specialised veteran clinic we would like to be involved in consultation when changes are made because what we think is going to happen and what actually happens are two separate things. So I think would be very useful to be involves in the consultation process when rolling out new changes.

COMMISSIONER FITZGERALD: This is in relation to DVA (indistinct) health - this is in relation to DVA basically and you're not consulted at the moment?

MS STRIKE: No.

COMMISSIONER FITZGERALD: No.

MR McCARTHY: No. And part of that is - I mean, we know we're around because we have the largest number of (indistinct) program in Brisbane that I know of so - but it's what we do, so we're trying to build a model which helps more veterans basically.

COMMISSIONER FITZGERALD: And just my final question; in relation to your relationship with Enoggera, the defence forces, that is simply a referral basis? They refer to you and you do your magic or is there a payment structure or is there some sort of formal arrangement in - - -

MR McCARTHY: So we have two pathways, so we look after - as an external provider to Garrison Health for serving ADF members for physiotherapy, psychology, so there's a "large" number of people that do use that. And then essentially I transition them, so when they get taken

over by DVA, the day after the get out more than six weeks before, they come and see me, we start the process, I make sure we're not missing things, that's a DVA funder so that's not funded by Garrison. I'd like them to do it but it's a DVA process and it's just a handover and so the rehab coordinators all know me or know us, so they're all involved as well so it's quite a smooth process which is exactly what we're trying to do, is just make it easy for guys and girls getting out, with those connections.

COMMISSIONER FITZGERALD: Right, good.

MR McCARTHY: And they're large because I was a doctor there, so, and my first RSM's sitting right there, so that's why that connection in many ways has happened.

COMMISSIONER FITZGERALD: All right, thank you very much for that and we look forward to receiving your submission.

MR McCARTHY: Thank you.

COMMISSIONER FITZGERALD: So we now have four participants, individuals, and they're going to present for a slightly shorter period of time. We need to make sure we have those organisations and individuals, so if I can just call Neil Robson please.

MR ROBSON: Yes, it's Neil.

COMMISSIONER FITZGERALD: So, Neil, if you can just give us your full name and if you are representing an organisation, please let us know and if you can make a brief opening statement and then we'll have a couple of questions.

MR ROBSON: All right, thank you. My name is Neil Robson. Ex-service with Airforce, did 16 years. Not representing any - - -

COMMISSIONER FITZGERALD: That's fine.

MR ROBSON: All right. I just did want to make a quick mention about advocacy groups, is that when I started to put my claims in, I was amazed at how many advocacy groups there were and 30 years down the track I can understand why there's so many advocacy groups because the complexity of DVA claims process, anything to do with DVA, is a bureaucracy and it's just a mess.

And I read your report, the draft report, I've read every submission that was submitted, a whole of lot of different perspectives there that I never

even knew about - understood a whole lot of different things, and I welcome the draft report because to me it's a bit of fresh air and it's a draft and I saw a lot of openings there with the hearings for, you know, talking about further things so to me this is a positive move, it's not a panacea, you can't fix everything, it's not a band-aid. It's been ongoing for years, the DVA process. My father, ex-Army, he said, "Don't let the bastards get away with it", he died prematurely from injuries. And I have understood what he was going through and I vow to continue on to make sure that myself and other veterans get what they're entitled to. Not anything more but not anything less either.

I submitted three dot points to the Commissioners and the first one was about the reviews. I have indicated a whole lot of references that I found in the draft report. In principle I agree with it but my concern for DVA is relating to governments and my question I put to the Commission was, "What governance change mechanisms and monetary measures will the Department be applying to any changes and who will monitor this and how will this be continually monitored so the Department is not drawn back into previous habits?" As I mentioned before, it's bureaucracy that gets in the way of everything.

My second dot point was on compensation. I outlined a whole lot of references from the draft before with regards to that for the Commission to look at. And predominantly, my areas about external medical providers, the assessment process for claims, and the manner in which these specialists actually disclaim and have this preference to be able to say no to veterans' issues saying that the injuries don't exist yet they're still being treated for these injuries, they still have these conditions when they go for assessment, that these specialists are saying either they don't exist or they're childhood onset. Nearly every one of my claims has been involved with having to go to a medical assessor and every one of those claims bar one has had to go four, five or six different process of medical assessment to get a recognition and I'm still fighting.

One claim was in regards to industrial asthma and allergic rhinitis and I'm having trouble with my voice, this is a particularly bad day, from isocyanate poisoning and working in the reseal/deseal where I'd lose my voice continually, suffer with breathing issues, had lots of surgery; 30 years down the track I still can't get a Ventolin puffer, I still can't get medication or treatment for my accepted condition that was accepted in 1990 despite going through two separate Ministers and having to put three additional claims in for the same process. The Ministers assured me that I have the conditions accepted and I should be able to get medical treatment. Allied Health Services continually ring me up and tell me I have to put a claim in.

The third dot point that I brought up was in regards to the deseal/reseal, it wasn't mentioned in the draft report whatever and this is an example of DVA bureaucracy. The deseal/reseal participants went through a whole lot of mess where DVA, in charge of the deseal, decided that only particular musterings or categories of trades would be the recipients of compensation and the rest of the trades were locked out. A parliamentary inquiry into the matter, it was well known, Rudd did a turnaround. They did a tier system of assessment for - it's not even compensation, it's what, you know, putting up with bad stuff - that was pretty bad, and it's still not sorted out.

There's still people that are entitled to claim the ex gratia payments that are still being knocked back. I've applied three times. They don't even contact your referees and they just say no. My question to the Commissioners are: It's twofold, has the Commissioner considered this detail by veterans covered off in the draft report, measures or controls to never allow this to occur again, the same thing that happened during the deseal because that was badly managed by DVA. Also, is the Commissioner likely to make a recommendation to DVA to reassess these claims as you have done in draft Recommendation 9.3 and draft Recommendation 13.5? Then I also made reference to a (indistinct) trigger on page 375 of the draft report.

COMMISSIONER FITZGERALD: Good. Thank you very much, Neil. Can I just go back to a couple of points so that I understand. You indicated your claim for asthma and allergic rhinitis, was that?

MR ROBSON: Yes.

COMMISSIONER FITZGERALD: Were approved?

MR ROBSON: Yes under Comcare in 1990.

COMMISSIONER FITZGERALD: Under Comcare?

MR ROBSON: Yes.

COMMISSIONER FITZGERALD: But were they ever approved under DVA?

MR ROBSON: No, DVA said that they can't understand the conditions and what's associated with them so that's why I get the blinkered no. I've applied twice underneath - the current DVA I did get the claims reaccepted, allergic rhinitis has been accepted twice, the Veterans' Review

Board also acknowledge that it's been accepted; can I get medication or Treatment? No.

COMMISSIONER FITZGERALD: So can I just be absolutely clear, your understanding there was that the DVA, through the processes you've just identified, have accepted that claim.

MR ROBSON: Yes.

COMMISSIONER FITZGERALD: Have you ever received any payment for that claim as an impairment (indistinct)?

MR ROBSON: I did in 1991.

COMMISSIONER FITZGERALD: From DVA or from Comcare?

MR ROBSON: From Comcare.

COMMISSIONER FITZGERALD: From Comcare but not DVA?

MR ROBSON: No.

COMMISSIONER FITZGERALD: So if you - - -

MR ROBSON: I get a small pension as well from that - I offered to take a lump sum and - - -

COMMISSIONER FITZGERALD: From Comcare?

MR ROBSON: (Indistinct) lump sum and get a pension of something like $18.

COMMISSIONER FITZGERALD: We haven't got time to go into the detail but I just need to understand, are you receiving or have you received a payment from DVA, not Comcare but DVA?

MR ROBSON: No, Comcare.

COMMISSIONER FITZGERALD: Never. And so if you went to DVA today, if an advocate went to DVA and said, "Has there been an accepted claim for me, Robson, in relation to these conditions?"; what would DVA say to that advocate today?

MR ROBSON: I have no idea but a claim has gone in to DVA for asthma and it's been rejected.

COMMISSIONER FITZGERALD: Okay. Can I just do a second one, you're the second person in the last few days that has raised this issue of deseal and reseal and I understand that there were serious issues around that particular issue. You're saying to us that a particular group of trades, or people involved in trades, were "excluded" at a particular time; is that correct?

MR ROBSON: Yes, that's right.

COMMISSIONER FITZGERALD: And you were part of those trades that have been excluded; is that right?

MR ROBSON: Yes, yes.

COMMISSIONER FITZGERALD: And what was the nature of your trade if I could ask?

MR ROBSON: I was a surface finisher. We actually look after the surface substrates, paint coatings, conversion control coatings, and the resurfacing of inside the fuel tanks.

COMMISSIONER FITZGERALD: Yes. And so, just again very briefly, how have you taken your case to the Government in relation to your trade being accepted as a group within that particular - - -

MR ROBSON: I never did anything. I was watching what was happening with the deseal issues because at the time I was going through a separation.

COMMISSIONER FITZGERALD: Right.

MR ROBSON: And going through a separation and trying to embark on another issue of significance is not a very good idea so I was watching the outcomes of what was happening with the deseal through the media and through DVA websites and saw what was going on and then when the parliamentary inquiry came on, after that decision I firstly lodged my claim for the ex gratia system then.

COMMISSIONER FITZGERALD: And you were denied it?

MR ROBSON: Three times.

COMMISSIONER FITZGERALD: Right. Have you used an advocate for any or all of those claims?

MR ROBSON: I am a member of an advocacy. Trying to get an appointment with them is impossible so I've just decided to do it best on your own and leave the services available to those who really need it and I'll just keep trying.

COMMISSIONER FITZGERALD: And just my final question is in relation to your health care at the moment, how do you deal with that at the present time give, I presume, you're not entitled to any cards or as just indicated before, you have to - - -

MR ROBSON: I have a White Card.

COMMISSIONER FITZGERALD: You've got a White Card?

MR ROBSON: Yes.

COMMISSIONER FITZGERALD: You've applied for that?

MR ROBSON: Well, that was given to me after the Comcare.

COMMISSIONER FITZGERALD: Right, okay.

MR ROBSON: That was given to me at that time.

COMMISSIONER FITZGERALD: Right.

MR ROBSON: So I've had that since 1991 and I've had to fight very hard, but mainly I've funded my own treatment and my own surgeries and medication, to no avail from DVA. I'm still slowly winning little bit by little bit.

COMMISSIONER SPENCER: Yes. And thank you for your submission. Just a quick follow to this now: you've referenced some of our recommendations about trying to - the confusion, the lack of transparency, the determinations that are made at the outset that end up with the VRB that don't need to go to the VRB and I'm conscious of the fact that you've had no success with the VRB but you've referenced some of the recommendations we are making and you try and bring that back into the early decision making so are you broadly supportive of - - -

MR ROBSON: Yes, definitely. And my experience with the VRB has been good and bad. With the AAT, completely - I just don't regard the AAT as being a viable solution for any type of review because they kept

telling me, "If you don't have a solicitor working for you, we're not going to work with you" and they were - - -

COMMISSIONER SPENCER: Sorry, who is "they" when you said - - -

MR ROBSON: That was the Administration Appeals Tribunal when an appointment was made, a phone conference was done. They kept saying everything, ruling everything, until I had a solicitor working for me and I told them that they can learn to work with me and dumb it down, so to speak, so that I don't incur the costs and I refused to incur a cost where I put some of their children through university.

COMMISSIONER SPENCER: Was that part of the alternative dispute resolution process at the AAT where you have that conversation, or?

MR ROBSON: Yes, yes.

COMMISSIONER SPENCER: So you decided not to pursue the AAT; is that right?

MR ROBSON: Well, I wanted to but they said unless I had another medical opinion to prove that what this doctor had made up, that it was a childhood onset, then I couldn't go anywhere and that's where it was terminated.

COMMISSIONER FITZGERALD: You've raised this issue in relation to, and I'll use your words, "doctor shopping" by DVA, it's come a lot in the consultations and the public hearing and we've heard again earlier this morning. It's very hard to very to the extent that that occurs but your experience from your perspective is that a number of the doctors have not supported the diagnosis that you think was appropriate. What do you think would improve the scheme? I mean, it's - at the end of the day DVA is going to require a medical assessment.

MR ROBSON: Yes.

COMMISSIONER FITZGERALD: And so at the end of the day is it simply about the ethical conduct of doctors, is it about - do you believe that DVA applies undue pressure on particular doctors to come up with particular findings? I was just wondering from your experience, given it's been over the last 20 years or so, what's the solution to the problem that has confronted you?

MR ROBSON: Well, that's going to be your biggest conundrum because two of the specialists they sent me to, the first words that were said to me

were in the vogue of, "We don't believe that suing the Government and the Crown is the answer" and that was their comment so I see their opinion as safeguarding the Crown, the Government, as having to paying compensation for an injury at work as being a disservice to the rest of the taxpayers.

COMMISSIONER FITZGERALD: Right.

MR ROBSON: So I don't know how you'll fix that but medical and ethically these conditions still exist and I'm still being treated for them but the doctors have said they were childhood onsets so let DVA just take it from there and some of those childhood onsets have been disproved and so they then go to the next level and then try and go through a process of acknowledge - "Yes, you have the condition. You won't get compensation but you will be covered by DVA."

COMMISSIONER FITZGERALD: And just a final question, you said you've got the White Card and the White Card in your case specifies certain conditions; is that correct?

MR ROBSON: Yes.

COMMISSIONER FITZGERALD: Just for clarification, what conditions does it actually cover?

MR ROBSON: There's something like eight conditions I have.

COMMISSIONER FITZGERALD: Right. And in relation to each of those issues, I presume, but I might be wrong, but you would have had to have a claim successfully accepted by Comcare, or now DVA?

MR ROBSON: Yes, which some of those have been three or four (indistinct) down to get accepted.

COMMISSIONER FITZGERALD: Right. So notwithstanding the fact that you've had a number of conditions recognised by DVA, you continue to struggle with DVA in relation to additional issues?

MR ROBSON: Yes.

COMMISSIONER FITZGERALD: All right, thank you very much for that. That adds some clarity some the submission. Good, thank you very much.

MR ROBSON: Thank you.

COMMISSIONER FITZGERALD: Can I have Fiona Brandis please. Hi Fiona.

MS BRANDIS: Hello. So I'm very nervous so please be kind.

COMMISSIONER FITZGERALD: Well I mightn't be but Richard will be so it's all right. Now, Fiona, take your time but if you can give us your name and that would be terrific, just for the record.

MS BRANDIS: Sure. So I'm going by my maiden name today which is Fiona Carol Brandis, I won't reveal my married name to protect my partner's privacy to some degree.

COMMISSIONER FITZGERALD: No, that's perfectly fine. So, Fiona, if you can just give us the key points you'd like us to hear.

MS BRANDIS: Sure. So ever since I was selected to this hearing a week or so ago, I've been up backing and forthing about whether I should actually attend because I'm not a veteran myself, I'm the wife of a critically ill veteran. I pressed my husband to make his own submission but he's far too checked out to actually contribute to that level of administration. So given that in the past, and ongoing, I've had no agency and nobody has engaged with me at any point during my husband's deployment, pre-deployment, when he was returned early to Australia from deployment for medical reasons. At no point did anyone from Defence engage with me. I didn't even know that he had landed back in the country.

I got this critically ill man back in my life and at no point have I had any support. He's had multiple hospitalisations for both treatment and suicidality and at no point has anyone engaged with me. So I feel like, in this space when you're living with an injured veteran it's very claustrophobic and it can be very confronting but it feels like I'm in the bubble and there's just this silence. Everyone's just giving me silence so I wrote to DVA and I wrote to Defence. I don't get answers. I get shoved around, you know, I'm just in this vacuum of silence so I want to fill this void of silence with my voice.

So anyway, I thought I would, you know, just to give you a little bit of context about my experiences. You may have already read my submission. That gave a lot of detail about our family hardship but I'll read an email that I wrote to my family last year, "Dear Family. I write these words with love. Please do not take this as harsh criticism. I suppose I'm writing to you so that if something catastrophic were to

occur you would not be completely shocked or unprepared for that event. Yesterday was "R U OK? Day" and I'm a little disappointed that none of you checked in on (redacted). It's likely that he hasn't been particularly forthcoming with you however you must be peripherally aware that he's going through a tough time and has been ever since he was medically returned to Australia from deployment in 2015."

"So far he has spent seven weeks of this year in hospital; four for a mental health crisis and three weeks for specialist treatment. He'll have another three week hospitalisation before the end of this year. Ten weeks in psychiatric hospital total in one year. In short, he's not okay. To respect his boundaries, I won't share any specific stories but you can read my public submission to the Productivity Commission's..." et cetera, et cetera, "For some heavily edited information and he approved this content. As you will see from this document I also am not okay. I'm not expecting any of you to be experts on his situation specifically or mental health issues generally, however I do ask you to educate yourselves a little on veterans' issues."

"For starters, you may wish to visit the At Ease website, the Australian Veterans' Suicide Register on Facebook is another useful resource. Please note that I'm advocating heavily for (redacted). So far I've convinced the Commonwealth Ombudsman to recommend changes to the way Defence supports families of deployed members and I've also had Defence turn aside a $5000 payroll debt at a time when we were handed by lawyers during the period when he wasn't earning and we were about to lose our house. I also have a number of actions I am presently undertaking with Defence, FOI, and the Ministers of Defence and DVA. As much as I'm trying to accomplish myself, (redacted) could really use some more advocates, also nobody is advocating for me. Love Fiona."

So I sent that to six immediate family members and I had one reply. So I can't even punch through the silence in my own family about what we are going through and I should point out that I'm also mentally unwell as a result of his extensive illnesses, so. Any questions?

COMMISSIONER FITZGERALD: Thank you very much, Fiona. Can I ask just a couple of questions. Is your husband currently discharged or is he still in the service?

MS BRANDIS: Yes, he was medically discharged.

COMMISSIONER FITZGERALD: And when was that roughly?

MS BRANDIS: 2017 and that was after a very lengthy period without pay.

COMMISSIONER FITZGERALD: And he was discharged on medical grounds?

MS BRANDIS: Yes, yes.

COMMISSIONER FITZGERALD: During the transition period, given that he was on a medical discharge how long it would have been before his discharge had you become aware that he's likely to transition out of the service?

MS BRANDIS: I think ever since he was medically returned from deployment, he had a complete mental breakdown in the least. There was issues building from an earlier deployment, he was basically re-traumatised, had a complete mental breakdown and they sent him home and they didn't even inform me that he was coming home.

COMMISSIONER FITZGERALD: And when he was sent home, he was still in the Defence Force at that stage?

MS BRANDIS: Yeah, that's right. He was the adjutant.

COMMISSIONER FITZGERALD: And how long was it between that time and he was actually discharged?

MS BRANDIS: So he was returned home in 2015 and he was medically discharged in 2017.

COMMISSIONER FITZGERALD: So during that period of time, can I ask just two related questions. One is, what was the level of support for him, particularly on discharge? And what was the level of support for you during that time?

MS BRANDIS: The support for him - well, first of all 2016 when he was meant to march out and actually be discharged, he sent his CO an email with a bunch of references to killing himself and I had a Chaplain and an officer on my doorstep. Then about two weeks later he had a full breakdown and ended up in hospital, wouldn't speak to me. The Chaplain that I contacted for urgent care and a social worker engaged with me for about two weeks but then when he got out of hospital and was going through a period of leave without pay, for about 18 months, no engagement for me at all.

I believe that he had the occasional psychological appointment but, to be honest, when they're very ill they don't share - necessarily share a lot with their immediate household.

COMMISSIONER FITZGERALD: Sure. And in relation to the support whilst he was still in the Defence Forces, we understood that there were supports for family members through what is now called "Open Arms", was that your experience? Did anybody offer to you any support either through - it was called something then - - -

MS BRANDIS: Yes, VVCS. No, VVCS, can I just say have just been absolutely wonderful. I have called them a couple of times for urgent advice during times of crisis with my husband and they've been very supportive. But I never heard anything from Defence at any time. When he deployed, I was in a vulnerable position. I had just moved house and I was a first time mother of 16 weeks old twins. I had been told that I would get some kind of information or package. I never received - I've received one paragraph note from his commanding officer in (indistinct) during the seven months he was away and that was it. That was it. Nothing.

COMMISSIONER FITZGERALD: And just in relation to Open Arms. Did you start to use Open Arm services whilst he was still in the defence force, or has that only been since he's discharged?

MS BRANDIS: No, it was - well I mean it was while he was on leave without pay, so I guess technically he was still in Defence.

COMMISSIONER FITZGERALD: So, given that you've had this contact with Open Arms, what's the sort of support you need - you need it and you need, that's not being delivered at the moment? And I'm sure there's a whole range of those sorts of issues. But for you, given that you've got contact with Open Arms, are they able to give you advice, counselling, referrals, or is that just not happening, even though you've said they're very good?

MS BRANDIS: I mean I've only ever reached out to them in a crisis situation. I've tried to engage my husband in coming to couple's counselling or family counselling. Our young children are at a point now where they're starting to ask questions, "Why is Daddy always angry at you? How come Daddy never comes to Nana's house?" They need support. I'm very concerned. I know that Vietnam veterans' children have a much higher suicide rate and very concerned longer term for my children that my husband won't engage. And in some cases because I've been so excluded, I don't feel I have licence to chat, so I have to sort out

my own counselling and I am currently on anti-anxiety and antidepressant medication and that's what I followed through for myself and that's what I fund myself, and I don't think that's right. My illnesses, I had a - I basically struggled on for years until last February I had to literally scrape him off the floor and take him to a hospital. Couldn't get him into Greenslopes, a former repatriation hospital, they were full. Had to take him all the way to Strathpine, while managing my very small children. So there's been nobody - ten weeks in hospital, ten weeks in hospital when I worked full-time and I have young, confused children, and no phone call, nothing from anybody.

COMMISSIONER FITZGERALD: And when you've approached DVA, what have you been seeking from them and what's been their reaction?

MS BRANDIS: Well, I really get shut down. When I write to these Ministers of Defence or DVA I just get passed around to each department of defence personnel, "Your husband's no longer serving so these people are going to deal with you. This is not our responsibility". I get very curt answers. I get - it takes months to get any answers. The only way that I find out any information is you get the - you write a letter, get the response and then get the real answer when you apply through FOI. So they basically lied to me through omission. It's very disrespectful.

COMMISSIONER SPENCER: Your husband's experience with DVA. I mean have claims gone in, have they been accepted, is he getting the help he needs?

MS BRANDIS: Well I mean in some ways DVA is good. I mean it was someone from DVA that put us on to The Bravery Trust, who were able to give - which is an ESO - was able to give us some urgent financial support so that we didn't become homeless. So that was really - that was really good. We had - we wouldn't have known otherwise, he wouldn't have known. Like many situations, it takes a long time to process. I think a lot of people are very familiar with lost documentation. Luckily he had had - "You've never had this treatment, you've never had this injury", well here's this stack of paperwork from 2009 that I'd retained, so you know he's had the normal general trials and tribulations, just not the huge ask that some people go through. But when he's trying to engage in his own administration he's very reluctant to do so and he's very reluctant to engage with advocates because of his massive distrust of Defence and that puts a lot of pressure on me. And I don't have a military background or a legal or health background so I'm just trying to navigate this very unfamiliar industry or trying to keep my family and household and myself together.

COMMISSIONER SPENCER: So he's not had an advocate through that whole process?

MS BRANDIS: No.

COMMISSIONER SPENCER: You have been doing most of it.

MS BRANDIS: I've been doing bits and pieces here. He's like "I can't handle this here, talk to Fiona" and hand over the phone. It's like, "Hello DVA" and then, you know, try to understand all the jargon. It's not familiar.

COMMISSIONER SPENCER: So at various times somebody just picking up the phone and talking to you would have been helpful, rather than waiting for - - -

MS BRANDIS: Well, I just think that if you're wanting to treat the whole better and you can't leave the family out of the equation because it feels like he's got access to - you know, of course, he's been in the military, he's been injured, but vicariously I have suffered as well and it feels like I have just no agency to say, "Hey look, I'm suffering. I need support". I can't get support for my own family, I get blocked by government. It's just really frustrating. You know I think it would have been particularly useful when you send this mentally ill man back from halfway through a year-long deployment and plonk him in my lap and, sure, you're giving him all this support and a return to work plan. I had no idea. I had no idea what I was dealing with. It very slowly escalated and became a lot more confrontational and confronting and confusing. I never knew there was such a thing as mental health first aid until I read somebody else's submission for this inquiry.

COMMISSIONER SPENCER: Have you reached out to the ESO community for assistance, for help?

MS BRANDIS: I've reached out to The Bravery Trust. In some ways, I don't know you have chats - you sit and have chats with people and you get snide comments around the edges and it makes you back away a little bit and be a little bit hesitant. It's like, "Your husband was an officer. How can an officer have PTSD? He's - he would've been sitting behind a desk". You know, this is from sort of a digger's partner, and it's like, you know, when he was first brutalised he was an unarmed peacekeeper in (indistinct), so it can happen to everybody. Somebody it feels like there's a disconnect in that sense.

COMMISSIONER SPENCER: Fiona, your key message is about the partner and the impact on the partner and the family, and we've heard that several times today and through the public hearings we've heard that a number of times. And I think there's - you have brought home in a very clear way that the system needs to absolutely respond to your needs and we have to think about how that's best done. It's very important to hear that story, to understand the full effect.

MS BRANDIS: It has really resonated with me when Dr Khoo was mentioned earlier that veterans do better when their partners are well.

COMMISSIONER SPENCER: Yes.

MS BRANDIS: And, you know, I'm so scared that, you know, I am going - my psychological symptoms are going to move into physical symptoms, like an adrenal crash, I get cold sores when I'm stressed. What if I pick up shingles or something like that? I'm the primary breadwinner. I do all the housework and I do the majority of the child care. I'm on my feet from 5.30 in the morning until 8 o'clock at night. You know, I feel like I'm going to crash at some point and then who cares for my children, who cares for me, who cares for my husband?

COMMISSIONER FITZGERALD: We've had representation from one of the bodies of ESOs, the partners of veterans. Have you had any association with that organisation?

MS BRANDIS: No.

COMMISSIONER FITZGERALD: Are you aware of that organisation?

MS BRANDIS: Again only peripherally from reading the submissions. You don't know where to start asking.

COMMISSIONER FITZGERALD: It might be helpful if we can give you some contact details for them.

MS BRANDIS: Sure.

COMMISSIONER FITZGERALD: They have presented in a couple of the cities we've been at and they're exclusively to try and support partners of living veterans and that may be a helpful contact point that we might be able to give you. But can I just go back to it. Given the pressure that you're currently under, is the next step going back into, say, Open Arms to actually say to them, you know, "What are the supports out there, what are

the contacts?" I know you've accessed Open Arms in times of crisis but is it a service that you'd have some confidence in being able to help you navigate the here and now?

MS BRANDIS: I guess what I'm really after is some support in trying to engage my husband to get support. And he's very anti-engagement with anything military.

COMMISSIONER FITZGERALD: Sure.

MS BRANDIS: So I'm really willing to explore any avenue for my family.

COMMISSIONER FITZGERALD: Okay. Thank you very much for that. Your point is really a very powerful point and as Richard has indicated we've heard in different ways from different people throughout this whole inquiry and it will become a greater focus for us going forward. But we will try and give you some contact details in relation to that partners' group. But thank you very much.

MS BRANDIS: Thank you.

COMMISSIONER FITZGERALD: Could we have Terence Fogarty please.

MR FOGARTY: Can you hear me?

COMMISSIONER FITZGERALD: Yes, absolutely, so that's fine. Terence, can you give me your full name and any organisation that you represent.

MR FOGARTY: Yeah, Terence Fogarty. I don't represent any organisation.

COMMISSIONER FITZGERALD: That's fine.

MR FOGARTY: I put a big submission into the Suicide Inquiry and I've mentioned in the submission I put to you.

COMMISSIONER FITZGERALD: Thank you.

MR FOGARTY: They do any - they just sent it back without any correspondence about 12 months later. I didn't get an acknowledgement from you people so I didn't know whether it was accepted or not, so I put the submission I put to you to the Scoping Inquiry with Rob Cornell and

another lady barrister with him, and I made some notes for him, so I might perhaps read them out.

I'm not a lawyer. It took me four years to obtain my TPI, I had four different advocates. I sense the first three advocates had an inadequate knowledge of the relevant laws. My fourth advocate's worked very hard for me because I helped him by researching some of the topics. After I gained my TPI they asked me to research their too hard cases. That was in 2005 and since then I have researched 45 cases for them and six foreign orders, i.e. where people have approached me directly. My basic process was to scan their files into my computer, return the files to them, then research the file in relation to the legislation and case law. This allowed me to build and annex the relevant material. The High Court decisions, in my view, provide excellent tutorials on critical matters. Peter Healy's Federal Court decision concerning the Deledio case was also in this class; remarkably a Federal Court decision with High Court precedence. DVA's law article was contained in their CLIK CD which was widely available. So, I don't know if you want me to go through the submission.

COMMISSIONER FITZGERALD: Not in detail. We have that. So the first thing I should say to you is, yes, we have got your submission and I want to acknowledge that. But I do want to just try to understand the key issues, so if you can just help me with this. You've identified to us a number of cases where you believe there's been errors in law by DVA.

MR FOGARTY: Yes.

COMMISSIONER FITZGERALD: And your interest in those particular cases, what's that - why have you become interested in - - -

MR FOGARTY: Well the two I've quoted here, the widow Montfort, was an AAT case so it's publically available, and the other, the suicide of Jesse Bird, there was a submission to the Suicide Inquiry by I think his girlfriend or whatever, and so they're the ones I've quoted. My view is that most DVA claims assessments have errors of law, the generic ones, and rather than - I know a lot of people say the law's complex, but probably most laws are, and I think the training's inadequate, both the DVA decision makers and for the advocates and very few of them will cite the case law. And the very powerful one that I quoted here was the decision in Burns and the critical point was this soldier had dived into a pool in Townsville and hurt his back. Now none of the doctors gave a diagnosis that said that was the cause but one of them said there's a one in 20 chance and the judges said, well, under VEA section 120(1) that's more than enough to justify it. And so they don't - in a lot of cases that's not what they do.

COMMISSIONER FITZGERALD: Could I just take that case for a moment if I can. The particular soldier or Defence Force personnel, his injury, when you say it wasn't diagnosed as that, what do you mean by that?

MR FOGARTY: Well the doctors didn't give a diagnosis in their medical reports, but when it got to - this was a High Court decision, when it got there they went back and examined it. So they didn't have to rely on the diagnosis, they relied on the application of VEA section 120(1), which basically is the government's got to prove that it didn't happen, rather than the other way round.

COMMISSIONER FITZGERALD: And why do you think, in that particular case, why do you think the original medical assessments didn't adequately acknowledge the cause of the injury and the injury itself?

MR FOGARTY: Well probably from the doctors' point of view, they don't think there's anything wrong. It's how it's assessed. You know, there legal requirement is to satisfy section 120(1).

COMMISSIONER FITZGERALD: So if you come within the VEA and you have that lower test, the lowest burden of proof test, reasonable hypothesis test, that's that 20:1 that you're referring to, that the High Court ultimately applied?

MR FOGARTY: Yeah - well that's part of it, yeah.

COMMISSIONER FITZGERALD: You've cited the other one, the Jesse Bird case and we are very familiar with that matter. What was the point that you were raising in relation to that particular case?

MR FOGARTY: Well obviously I haven't seen the file, I just went from what was in the submission for the Suicide Inquiry and it seems to me that that medical condition doesn't satisfy VEA section 120(1), although it's a different one under the MRCA, I think it's section 354, but it's the same wording.

COMMISSIONER FITZGERALD: Yes.

MR FOGARTY: They seem to, in the MRCA, have that phraseology but I - it's probably never been challenged. I think that would clash with the equivalent of VEA section 120(1).

COMMISSIONER FITZGERALD: And in that particular case you've raised a number of issues, including this issue of permanent and stable. Is that correct?

MR FOGARTY: Yeah.

COMMISSIONER FITZGERALD: So just, can I ask you, you may or may not have an opinion. We've made some recommendations in relation to the fact that a condition should be determined after two years.

MR FOGARTY: Yeah, I read that.

COMMISSIONER FITZGERALD: Rather than allowing this ongoing and uncertainty about what is permanent and stable. And of course as you know, now the government is able to make a - or the DVA is able to make a payment during that period of time, periodic payments. Do you think that that's a worthwhile shift and change?

MR FOGARTY: I don't know. DVA have a habit of putting their own interpretations rather than the court's ones on. They've copped a hiding whenever they've got up to the High Court and they've had leave to appeal denied to the High Court. I think really one of the solutions is to have the training for DVA claims assessors and advocates independent of the DVA, say by a university or law school.

COMMISSIONER FITZGERALD: You're talking about just the general administration of claims, the assessment of the claims themselves?

MR FOGARTY: Yeah.

COMMISSIONER FITZGERALD: You have no confidence in the current delegates being able to make correct decisions, is that the case?

MR FOGARTY: Well my understanding is they don't have any legal qualifications.

COMMISSIONER FITZGERALD: Sure.

MR FOGARTY: And in most cases they don't even show them the case law. And I had one case I researched and a delegate actually cited a reason for going a particular way as Deledio, but it was the opposite of the Deledio decision, so that person hadn't read it.

COMMISSIONER FITZGERALD: Have you had personal experience in claims in relation to AAT?

MR FOGARTY: Myself?

COMMISSIONER FITZGERALD: Or on behalf of anybody else?

MR FOGARTY: Well, I got my TPI through AAT but it was resolved without a hearing. I had two VRB hearings and whilst I think there's a lot of flaws with VRB, I won them both. So, yeah, I have researched in these papers VRB hearings and AAT.

COMMISSIONER FITZGERALD: And do you have any comment in relation to, firstly, the VRB and then, secondly, the AAT?

MR FOGARTY: Well, one of the things with the VRB, some of their members aren't legal people, they're doctors or - - -

COMMISSIONER FITZGERALD: Sure.

MR FOGARTY: And they have a service member which I don't think they've very well legally trained. So - and they - their decision is just signed by the - I think it might end up being signed by all three, but it's written by the principal member. Whereas say in the courts, each judge gives his or her own decision or says he or she agrees with somebody else. The AAT, it varies and it seems that appointments are doctors. George Brandis, when their turn came up just refused to appoint some others because the ALP will appoint them but he'll appoint his own ones. But there's good and bad in the actual individual people in the AAT. There was a very good one by, I think she was the deputy president of New South Wales and it was just good of the judges' decision but others are pretty ordinary.

COMMISSIONER FITZGERALD: Have you got any suggestions as to any changes in either of those two? Just from what you've said, in your own personal case they both acted - ultimately determined matters in your favour and do you think there's any changes that need to be made in either of those - the VRB or the AAT?

MR FOGARTY: Well, I think the biggest change I could see is that everyone that handle DVA cases should have to have that, you know, tertiary qualification. I know in the AAT they try and pick somebody a lot of times with DVA experience but they don't always uphold the High Court decisions and that.

COMMISSIONER SPENCER: Terence, just a quick question about the delegates because I think it is quite a challenge for DVA because, as you

say, if you don't have legal qualifications or training - and even if you do, as we all know, we're dealing with very complex legislation. I suppose you've raised a couple of issues there. One is we are trying to put forward a number of suggestions as to how there can be a reconsideration of an initial determination within DVA before the VRB process is accessed; once again trying to get better decision making upfront, which I think is your aim as well, better informed decision making. So that might be part of it. But I wonder if - one of the things that has struck us is the legal capability within DVA. From your experience do you see - I'm not talking about delegates now, I'm talking about lawyers within DVA - do you see any evidence of a group of lawyers or a number of lawyers who can be informing, training, looking at decisions, reconsidering them where necessary in order to minimise the issue you've identified?

MR FOGARTY: Well, the ones I've sort of come across in researching and that, I don't think they've got a good grasp of the essentials of law. And the other matter is because at the VRB veterans are denied using a qualified legal practitioner, there's not much knowledge in the legal profession about it and no incentive, like no monetary incentive for them to learn it.

COMMISSIONER SPENCER: Do you think there should be legal representation at the VRB?

MR FOGARTY: I think there should because the veterans fight and die for the protection of a democracy, which includes the rule of law, and they're - then they're denied the right to use it - to use lawyers, and DVA can spend what they like on it, on their legal fees.

COMMISSIONER SPENCER: All right, thank you.

COMMISSIONER FITZGERALD: And in relation to - when you put these submissions in, you put these into the - correct me if I'm wrong - the Senate inquiry into suicide?

MR FOGARTY: Yep.

COMMISSIONER FITZGERALD: And what was the purpose of you putting that into that particular inquiry, what was the connection?

MR FOGARTY: Well I wanted to respond to the inquiry because it was started and probably uniquely so. I actually copied that to Jacqui Lambie this time, who started it, and she's got a heart of gold, she's not a tremendous lawyer but it was a good effort and I think once she got it going I think the smarties in the Parliament pretty much shut it down.

COMMISSIONER FITZGERALD: And you believe that these issues of poor decision making by delegates, who are poorly informed by the law as you see it, has an adverse effect on veterans in that whole claim process.

MR FOGARTY: I think so. It took me four years and four advocates and at that stage I didn't know anything about the law, like the veterans' law, and I had to research it. You know, you've got to make a decision. I just sensed the first three advocates didn't know enough and you're taking a punt then.

I was just going to make a point about - I forget what it was - one of the comments you made, I've forgotten. If I think of it I'll - - -

COMMISSIONER FITZGERALD: Just grab me at the door, that's fine, at the end. Is there any other comment you'd like to make? And again thank you for your submission.

MR FOGARTY: No, that's basically the thrust of what I had, you know. There's not - I haven't come across many that argue that way and you talk to, say, RSL people and that, and of course the RSL doesn't take claims past the VRB, they don't go even to the AAT as a general rule, you know, so - so no, that's mainly what I had.

COMMISSIONER FITZGERALD: That's fine. Thank you very much for that, Terence.

MR FOGARTY: Thank you.

COMMISSIONER FITZGERALD: Can we have Kathy and Steve Barton. Good, you're all set. So Kathy and Steve, could you please give us your full names for the record and any organisation you represent, if you do.

MRS BARTON: Kathy Barton. I don't represent any organisation but I am here supporting my husband, Steve.

COMMISSIONER FITZGERALD: Good. Steve.

MR BARTON: Steven Barton. I don't represent anyone.

COMMISSIONER FITZGERALD: Good, thanks. So if you could just make some of the questions that you'd like us to consider please.

MRS BARTON: Sorry, we're nervous.

COMMISSIONER FITZGERALD: Take your time.

MRS BARTON: I guess I just want to start by giving a little bit of personal history for myself. I was in the Royal Australian Navy for 11 years. I lost my first husband whilst he was in service and while I was still in the Royal Australian Navy over an exercise for (indistinct) in 1992. My second husband, Steve, is also - has also been in the navy and now we currently have our son serving in the Royal Australian Navy.

I'd like to say thank you for the report. It's fairly detailed and I agree with most of it. Some of the things that I'd just like to make note of, and I'll refer to Steve as well. I would really like to see the lifestyle rating ditched. Basically I feel that most people who have served in the military will underestimate their - on the lifestyle rating. We basically - most people join the military at quite a young age and indoctrinated into the military where, as other people have stated before, you're always okay even when you're not. I know that my husband is currently going through that and doing a DVA claim. The doctor actually stated, you know, if your lifestyle rating is like, you know, similar to this, then why are you making a claim? When I had a look at it, it was nowhere near accurate, so I just feel that it's not useful at all.

I'd also like to see DVA claims simplified. I really like the idea of having one Act, and I know that that will take quite a long time to implement, but I feel that - DVA is under a lot of pressure to do the best that they can, and I understand that, but I don't feel that they are doing that, and having multiple Acts is causing, I feel, would cause a lot of confusion. It causes a lot of frustration and I think even fragmenting people who have served in the military and some people feel discriminated against because they come under different Acts.

I also think there should be a more simplified process with making your claim. I'll pass over to Steve about what his experiences have been recently in relation to medical records and GPs.

MR BARTON: Thanks. With my current - I've got two current claims going through at the moment, and with my very first claim I had to go through three GPs and it was only because the issue with time blocks, 15 minutes, the moment you mention anything about GP that just - a lot of the medical centres put up a brick wall because you're taking up the doctor's time, and a lot of the GPs are under pressure too, I guess, not have DVA patients, because they take up so much time and then they're under pressure from their clinical services about how many customers they see.

The other issue is that when I did that first claim when I initially went to see the GP about it he obviously was annoyed because I only had a short timeframe that he could start looking at it. In the end we decided I'd go and get an X-ray, but from the time I went to see him initially to the second time after I got X-rays his opinion had changed, only because Kathy gave him a serving on the telephone for not giving due process, and I find there's a lot of bias against veterans.

MS BARTON: One of the other issues that Steve really struggled with was actually getting access to his medical records. Now, Steve has been out of the navy since 1995 - sorry, 1996, and the I'm okay attitude has caused Steve to deal with his medical issues on his own, not wanting to go to the doctor regularly. That's also caused a lot of problems with making any claims, because there's no history there, so that history in his service medical records. An example would be Steve broke his arm on board HMAS Jervis Bay. We went to a doctor in the evening because it was quite sore and I took him there because he just couldn't sleep, so this was outside of the navy.

That was frowned upon when he went into work the following day and spoke to the medical team at Garden Island. They did an X-ray - pretty much gave him Panadol and sent him back to the ship where they were doing a complete engine rebuild. Now, I had to drive him in, he was in so much pain. I was pregnant at the time, and Steve rang to say, you know, they're not saying that it's anything, but the doctor that we'd seen in the evening had told us that it was broken or that he suspected it was broken. Later that afternoon Steve was still in so much pain that he had to go back to the medics. They then did an X-ray. Two days later they advised him that it was broken, and they said, look, it seems to be in the right position so we're not going to do anything about it. He never had any time off at all. That's the sort of mindset that military people in the past, and I can say even now have to face. So it's taken a lot to get Steve to go and do a claim through DVA, and getting his medical records from Defence was painstaking to say the least. It took months to actually get them on a disc, which we couldn't open, and then he had to go through the whole process again.

One of the things I'd like to suggest is that servicemen and women, and I'm not sure if this happens because my son is still serving, but I would like to see the medical records being given to service men and women on discharge. I guess I'd like to see a little bit more than the tick and flick that they do for your medical history, that they did when we were leaving.

So going on to another point I'm very concerned about the mental health of not only our current service men and women but also our past service men and women, and the processes that they have to go through with DVA, and sometimes even the Department of Defence to get information exacerbates the issue and I'm concerned about the suicide rate.

MR BARTON: One thing on the veterans before they leave the military is that - it was sort of touched briefly on earlier was that there should be an advocate service at DVA supplies or a representative that gives them an exit package. So in that package is a letter stating from DVA that this person's been counselled and has been given this information being services and everything like that. So when I left the military I was given nothing, it was sort of two bob, see you later. My service in Somalia wasn't recognised until 15 years later, and at the time I was, I guess I was okay and had no real I guess need to go to DVA for anything, but because you don't know what services are available to you as a veteran.

When I left I was underqualified, so coming back to the training scenario. Six months out I had a breakdown and found it hard to integrate. So I just had to, I guess, suck it up and move on and - so if the people leaving the Defence Force have that information before they leave at least that way whether they've had any service, operational service recognised or not they are still entitled to some services.

The other thing I want to touch on was about the advocates which was spoken before. I've been through a few myself and the advocates typically - most of the veterans go to the RSL because that's what we've been told and brought up on, and the advocates there they're only there for a day because they're either on TPI themselves and they're just there in a voluntary capacity. So most of them don't really have a full breadth of it, so they just deal with it, the simple issues to go through. So other things like you weren't sure of that, or these other issues, is their own predetermined assumption of what your service is without really delving it too much. So I guess in that regard if DVA could address the advocacy side of things as well as far as whether we need to provide them with more capable people.

COMMISSIONER FITZGERALD: We've got your points here and thank you both for doing that. Could I just ask Steve at the moment you've got a couple of claims going through. When was the first time you put in a claim, was it long after you discharged, several years?

MR BARTON: Yes.

COMMISSIONER FITZGERALD: You waited a long time.

MR BARTON: In 2015 I got recognised for my service, and it was probably another 18 months after that that I actually had applied to be qualified for anything. So probably about - say maybe 2015/16.

COMMISSIONER FITZGERALD: When you left the service in around '96 did you leave voluntarily?

MR BARTON: Yes.

COMMISSIONER FITZGERALD: At that stage did you think you had physical or mental health conditions at that time? I know you had broken the arm, but at that time when you left did you identify, at least to yourself, that you had some difficulties, or is that only much later than that the condition came?

MR BARTON: Unless you were physically impaired the rule of thumb was you're okay. So you had a broken back or, you know, where you physically are not capable walking down the road or doing marching or something. Yes, it was deemed that you were fit enough to leave the service.

COMMISSIONER FITZGERALD: Later on when you started to realise that you were actually not so well, you had other conditions, I gather from what you were saying, Kathy, that you basically became the support person for Steve.

MS BARTON: Yes.

COMMISSIONER FITZGERALD: Did you explore whether there were any other services out there, ESOs or ex-service organisations or other community service organisations that might be able to assist you at that time?

MS BARTON: Probably about two years after I got out I had put my first claim in to DVA and basically they - I didn't have my medical records at that time, and they advised me that there was nothing on my medical records that would allow me to do a claim. I think that that may have caused Steve not to be interested in putting a claim in. He had some, in my opinion, mental health PTSD issues around the time that he was leaving. Yes, he says he was okay, he was a lot better than he is now, but I think that was part of the reason why he didn't pursue anything, and honestly when we left there wasn't anything, we weren't advised of anything.

COMMISSIONER FITZGERALD: So if I could just ask this; Steve, you've indicated that what would have helped you on leaving is an information pack or an exit pack. At the time that you left, and perhaps Kathy as well, did you do a medical assessment, did they require you to do a discharge medical assessment or not at that stage?

MR BARTON: They did a discharge medical assessment. They ask you how you are feeling and they rate it on a scale of 1 to 5 and, yes, I'm okay scenario, so you're sort the generalised run of the mill people and, yes, okay you're good to go.

COMMISSIONER FITZGERALD: Good to go. What about for you, Kathy?

MS BARTON: Pretty much the same. The medic that did my discharge I had had a number of issues after the death of my husband. I managed to stay in the military just over 12 months after the death of my first husband. After my husband died I was having heart palpitations once when I got stressed or anxious, which I'd never experienced before; heart rate went up, body went down on the ground. I still have that today. The navy didn't give me any support at all for my husband dying. No, I will change that. I was - the time when I abused the hell out of the fleet admiral because I was sick to death of what they were doing to me, including trying to post me out of Sydney to Darwin because they felt that that would be the best way to go, when my family lived in Sydney and I explained that to my boss, my senior sailors and officer who were in charge of me, and then their attitude was, well maybe a change of scenery is still the best and if you don't want to go to Darwin then we'll post you to Canberra. That's only four hours away.

That actually wound up causing me to discharge. As I said my issues with my heart. The tick and flick was pretty much they went through what they felt was wrong with me or what may have been caused by service, during my service. There was nothing included about my heart issue, and, yes, it was are you okay with this, and a tick and flick, it was I think a three or four page document and you signed it and it really wasn't explained to you.

COMMISSIONER FITZGERALD: Currently both of you - sorry, I should just ask Kathy. Have you got a claim going through DVA at the moment or have they been settled?

MS BARTON: My claim's been settled.

COMMISSIONER FITZGERALD: And, Steve, you've got those two going through at the moment.

MR BARTON: Yes.

COMMISSIONER FITZGERALD: So what sort of supports do you get at the moment to help you at the present time?

MS BARTON: In what way?

COMMISSIONER FITZGERALD: Whilst you're dealing with these particular issues are you getting support from the ESOs, are you getting support from Open Arms, are you just accessing the general medical and health service system? So just in general what sort of supports are surrounding both you and Steve?

MS BARTON: In general for myself I'm accessing the general medical services. I also see a psychiatrist and I've been to Open Arms twice.

COMMISSIONER FITZGERALD: Have you received - you have the white card?

MS BARTON: Gold.

COMMISSIONER FITZGERALD: You've got the gold card. Given that you've got the gold card do you find that you're able to access the services as and when you need it?

MS BARTON: Mental health services, sometimes that is a bit of an issue. Most other services, yes. I will put the disclaimer in there that I'm also indigenous, so I go through my local indigenous health centre, and they're quite good.

COMMISSIONER FITZGERALD: Steve, for you are you able to access the necessary health and mental health services that you require?

MR BARTON: Up until two weeks ago I didn't know what a care plan was.

COMMISSIONER FITZGERALD: Do you have a white card or a gold card?

MR BARTON: A white card, yes.

COMMISSIONER FITZGERALD: So you didn't know about a care plan?

MR BARTON: No.

COMMISSIONER FITZGERALD: Had you been seeking medical treatment from GPs and that during the last few years?

MR BARTON: Yes. It only really started after I got my claim approved that they were a bit more willing to direct me, but in saying that I had to do a lot of my own sort of research and I ended up going through Allied Health and they've helped me with a couple of the services, but there's still a lot of gaps.

COMMISSIONER FITZGERALD: When you say Allied Health who is that?

MR BARTON: Northside Allied Health. It's just I guess a health services - - -

COMMISSIONER FITZGERALD: Thanks.

COMMISSIONER SPENCER: No questions, but just a comment because - and thank you for sharing your stories with us, because I think it underscores some of the recommendations we are making and you were kind enough to say at the beginning you have looked at the draft report and think that some of the things we're recommending are in the right direction, and there have been changes obviously since you both discharged and there are some positive steps in the right direction through straight through processing and MyService.

It's not without some issues, but I think people getting their records as they discharge and some of the things that would have been helpful to you, so hopefully that's becoming more the norm now. But as you know we're recommending quite a series of issues around transition, some processing, some even more profound than that about really helping people to prepare for what the next stage of their life is going to look like. So hopefully your son will benefit from some of the things that didn't work well for you, but hopefully will be part of the system in the future. But thank you again for telling us about your own experience.

COMMISSIONER FITZGERALD: You have indicated in your submission that your son is currently, and you have mentioned it earlier in the Royal Australian Navy?

MS BARTON: That's right.

COMMISSIONER FITZGERALD: Without going into the actual issues you've indicated he has certain medical issues as well?

MS BARTON: Yes, but once again very fearful for promotion and posting opportunities, to bring those forward. We have mentioned to him about the Open Arms organisation. Just to give you some information. When my son - as our son has been on a ship for three and a half years out of his five years with each deployment the commanding officer has sent information to us about what's going on and who we can contact, and they've provided the VVCS - the Open Arms - sort of like a little fridge magnet thing. So that has been very useful for the family. I'll say that that is a big change compared to when I was a spouse of two service members, and we have provided that to him, but at this point in time he hasn't taken that opportunity. Unfortunately there's still that same culture. I don't know how it's ever going to be shifted, but it needs to be shifted because service men and women will continue to have issues with suicide and homelessness and many, many other issues with their health if we can't shift that, but I think the steps that are happening and have happened are very positive. I'd just like to see them continue.

COMMISSIONER FITZGERALD: So my last question is from what you've said so far it doesn't appear that you, Kathy and Steve, have accessed many of the traditional ESOs for support at all.

MS BARTON: No.

COMMISSIONER FITZGERALD: Can I just ask is there a reason for that? You may not have a reason for that, but Brisbane has quite a lot of ESOs.

MR BARTON: Most of them more in towards town. We live further north - - -

COMMISSIONER FITZGERALD: It's not convenient.

MR BARTON: - - - so a cut lunch and a cup of tea to get there, you know.

MS BARTON: I think for myself part of my issues are how I was treated both as a widow of a service member, how I was treated as a Defence member, and how I've seen my husband be treated, my second husband Steve. I do have some issues and concerns. Yes. It's something I have to work through for myself.

COMMISSIONER FITZGERALD: Good, thank you. Is there any final comments you would like to make before we conclude?

MR BARTON: No, the biggest one was the exit, (indistinct) thing for me that resonated because whether - they claim whether you serve a day or, you know, ten years you're still a veteran. So why can't you be given the information to assist. You may not need it straight away, but at the end of the day I don't have to wait 20 years to use it. That's all.

COMMISSIONER FITZGERALD: Good. Thank you very much, Kathy and Steven.

MS BARTON: Sorry, I do have one more thing.

COMMISSIONER FITZGERALD: Sure.

MS BARTON: I agree with what a lot of people have said and basically the family support for our Defence service personnel and then our veterans is crucial. Without that our veterans are in a whole lot of a worse - a whole lot worse place. So I would really like to see supports put in, more supports put in for families.

COMMISSIONER FITZGERALD: Thank you very much. Thanks very much for that. That concludes the list of those that we have. Is there anybody else who would now like to make a very brief statement before we conclude today, otherwise - yes, please. You have come down and give your name. I did start off the day by saying it's informal, but it's not really. So if you could give your full name and any organisation that you represent.

MR CLANCY: My name's Neil Clancy. I don't represent any organisation, but I have in the past. What I'd like to say is with - I don't know if it's changed now, but when I was going through my claims with DVA the biggest trauma that I went through, and it put me right into a big black hole, was the VRB. Everything I said was treated as if I was a bloody liar - you know, that never happened, and that was with the three of them sitting opposite me and it just made me feel insignificant and just unwanted, and they broke me. They actually broke me that day and I - after that day I said I'd never go through another - put anything else. I wasn't going to chase it up again until I saw a psychiatrist and he forced me to go and see an advocate who sorted it out, thank goodness, and - yes, but I wasn't going to go through it. But that was a big thing, the way the VRB was treating me, and that was back in about 2000 I think it was, I think, I can't remember exact time and that, but, yes, it was - it was

traumatic, and I would never wish anyone, any ex-serviceman or serviceman to go through that again. So I just hope that they have lifted their game and treat a person that's on the opposite side of the table with a little bit of dignity. That's about - yes.

COMMISSIONER FITZGERALD: Neil, you may be aware that the VRB has introduced a whole lot of what they call alternative dispute resolution processes to try and ease that, but I presume in the time you're talking about did you almost go straight to a board hearing, did you?

MR CLANCY: My claim went through and then - well, I was informed as I - well, going back into the 80s, late 80s and 90s I did a pension course and I knew back then, and people have been saying about it, there was a way if you go through if your first claim wasn't put through you could apply for a section 31. I don't know whether that's still going today. I went through that, but, yes, they just - that went through and then the next thing, well we'll go to the VRB.

COMMISSIONER FITZGERALD: Am I right, Neil, that you've put in subsequent claims through DVA?

MR CLANCY: Yes.

COMMISSIONER FITZGERALD: And you've used an advocate for that?

MR CLANCY: To finally get my claim accepted, the one that went to VRB, yes.

COMMISSIONER FITZGERALD: And was that successful?

MR CLANCY: Yes. With the advocate he just turned to me - because when I went to see him I walked in to see him and the first thing he said, "Well, where's your wife", because I walked in there by myself. He said, "You've got to make an appointment, come back with your wife." So that was the push. So I went back there with my wife and she laid it down to him and said, "He's not going through any more VRB or AAT", and because of what it's done, it had done to me, and he said, "Don't worry about it." I gave him all the info and he put it through, and, what, about five months later I think it was I got this big envelope. When I got the thick envelope I thought, yes, it's another one of those envelopes. Yes, you've been rejected. I opened it up and there it was, he got it through for me without any further to do, which I was very thankful for.

COMMISSIONER SPENCER: Neil, thanks for that, and also we have heard from others that a real sense of not being believed and how they have felt insulted by that feeling, that perception that they're not being believed which is what you have said today. So I think there have been some efforts to really address communication. There's always more that can be done, and the notion of a veteran centric reform that should be the veteran at the centre of this and how the veteran is dealt with, how they are communicated with, with respect and dignity continues to be an important issue. So it wasn't your experience initially, but it's good that subsequently obviously that the claim did go through and was accepted.

MR CLANCY: Yes. Thanks to one good advocate I might say. Yes.

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

MR CLANCY: Thank you.

COMMISSIONER FITZGERALD: Any other person who would like to make a short presentation. If not that concludes today's hearing and we will resume tomorrow here for the second day of public hearings in Brisbane. Thank you very much.

MATTER ADJOURNED AT 5.10 pm
UNTIL THURSDAY 28 FEBRUARY 2019

Australian Government
Productivity Commission

PRODUCTIVITY COMMISSION

COMPENSATION AND REHABILITATION FOR VETERANS

MR R FITZGERALD Commissioner
MR R SPENCER, Commissioner

TRANSCRIPT OF PROCEEDINGS

AT MERCURE BRISBANE, 85-87 NORTH QUAY, BRISBANE
ON THURSDAY 28 FEBRUARY 2019 AT 9 AM

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COMMISSIONER FITZGERALD: Good morning, everybody. We might start. Our first participant is here, I think. I'll just read a formal statement, because many people in the audience are new today. So welcome to the second day of public hearings in Brisbane in relation to the Productivity Commission's inquiry into veterans' compensation and rehabilitation. And obviously, this follows the release of our report in December. I'm Robert Fitzgerald, I'm the presiding Commissioner, and my colleague is Commissioner Richard Spencer.

So the purpose of these public hearings is to facilitate public scrutiny of the Commission's work, and obviously to get comment and feedback on our draft report. We're immensely grateful to all of those that have participated in these hearings and provided submissions. We know it's an exceptionally large and complex report, and you had very limited time to respond to it, and so we're especially grateful that so many have contributed.

Following these hearings in Brisbane, we'll be in Townsville tomorrow, and potentially Rockhampton later in the month. So far, we've held hearings in Sydney, Melbourne, Wagga Wagga, Hobart, Adelaide, Perth, Darwin, and they've been very well attended in all of those particular venues.

We will be working towards completing the final report, which will go to Government in the last week of June of this year, and that will consider the evidence presented at these hearings and in submissions, as well as other informal discussions that we will be holding. Participants and those who have registered their interest in the inquiry will automatically be advised of the final report's release by Government, and the governments are required to release our report in full within 25 parliamentary sitting days after the completion of our report.

We would like to conduct these hearings in a reasonably informal manner, but I remind participants that a full transcript is being taken. For this reason, comments from the floor can't be taken, but at the end of today's proceedings, I'll provide an opportunity for any person who would like to make a brief statement or a brief presentation. And if you would like to do so, please see either Jared or Aaron, our staff, sometime during the morning.

Participants are not required to take an oath, but the Productivity Commission Act does require that participants must be truthful in their remarks. Participants are welcome to comment on issues raised in other people's submissions. The transcript will be made available to all participants, and will be available from the Commission's website

following the hearings. Submissions which are currently being sought are also available on the website, and if you haven't yet put in a written submission and you would like to do so, I would encourage you to do so within the next couple of weeks. The deadline officially is today, but we are aware that some people will just need a couple more weeks to do that.

I would also like to note that a counsellor for Open Arms is in attendance, and if you require their services, please see our staff, and they'll refer you to that individual. Just in relation to workplace health and safety, the exit is in the door that you came through in the front of the room, and you'll need to follow the instructions of the hotel staff should you be required to evacuate.

The way the hearings are conducted is we'll ask each of the participants to make a brief opening presentation, around ten minutes or so, and then Richard and I will have a bit of a chat, questions and answers, and that's the format we'll hold for all the participants going through the day. And we'll finish sometime early to mid-afternoon, so it will go for most of the day, but we'll conclude around 2.30. So I would just like to call our first participant, Georgia Plunkett-Scott, please. Good. So, Georgia, if you could give your full name and the organisation that you represent.

MS PLUNKETT-SCOTT: Georgia Plunkett-Scott, representing Maurice Blackburn Lawyers.

COMMISSIONER FITZGERALD: Good, thank you very much. And if you could just give us the key points in about ten minutes or so, that would be terrific.

MS PLUNKETT-SCOTT: Certainly. So Maurice Blackburn represents, and have in the past represented veterans to access benefits under the Military Compensation Scheme, and my perspective will be from that of a veteran advocate.

The veteran community is unlike any other group that Maurice Blackburn works for. They are men and women who have chosen a vocation which is typified by high-risk activity, subject to frequent locations, and requires a level of mental and physical fitness far above that of the average Australian worker. We ask veterans to risk their lives and put themselves in significantly greater risk of injury and illness to serve for our country.

Today, we will highlight why that risk is just not worth it for veterans, due to the existing compensation scheme, despite many, or some of the recommendations put forward by the Productivity Commission. The unique nature of the work requires a unique compensation and

rehabilitation scheme, one founded on profound respect, a clear understanding of the impacts of physical and psychological damage, and, at is core, the objective to put the veteran back into the financial position they would have been had they not suffered their service injury.

For up to ten years, Maurice Blackburn has assisted numerous veterans as they tried to navigate the complexities of the benefit scheme designed to help them. We facilitate access to justice for numerous veterans and their families, but we can't do that anymore. The scheme designed to benefit veterans is and has always been fundamentally flawed. It is so skewed in favour of the Government entities that for many decades, true access to justice for veterans has been impossible or extremely difficult to achieve.

We know, at Maurice Blackburn, from 100 years of experience supporting people with illnesses and injuries, that many compensation schemes can provide a fair go for victims, and these schemes do exist. Those fair go elements include a scheme that acknowledges the holistic impacts of the medical conditions, and applies a beneficial, simplified approach to causation; a dispute resolution process with meaningful access to independent courts whose judges take their independence seriously; and lump sum benefits, to enable people to get on with their lives, as distinct from demeaning and paternalistic drip-feed long tail schemes.

These long tail schemes render veterans restricted and dictated by the threat that, when is the next payment coming through? Finally, the ability to have most of the properly incurred legal fees paid to support the veteran in disputing any decisions made in relation to entitlements. Regrettably, the veterans' compensation scheme lacks, either totally or predominantly, all of these features.

We are very pleased to hear that the Productivity Commission was to conduct a review of the system, because years of smaller, less influential reviews had led to a patchwork of adjustments to the scheme; the application of innumerable, what we say, band aids to stop the scheme from falling apart. But none addressed the core deficiencies in the scheme that we say must be addressed.

In our submission to the Productivity Commission, we outlined that the status quo of three discrete underpinning pieces of legislation was confusing, unduly complex, and no longer fit for purpose. And we called on the Productivity Commission to make the decision which needed to be made, that the wholesale reconstruction of the legislative framework that determines the support offered to injured service personnel.

We made suggestions as to how the administration of the scheme could be more user-friendly, including the use of case managers, and moving away from hard-copy files, which are siloed into offices right across the country. We were very pleased that the Productivity Commission's draft report made some very positive moves in the right direction, and to name a few piloting injury prevention programs, increasing the transparency of data, harmonisation of the heads of liability across the three pieces of legislation, and the merging of the MRCA and the SRCA into one compensation scheme, known in your recommendations as scheme 2.

However, Maurice Blackburn's core criticisms of the draft report are that the recommendations fail to address what is really needed to achieve simplicity and consistency, which is that the entire legislative framework underpinning services to veterans and their dependants requires fundamental redrafting, which, if that redrafting was to occur, is the only way to address the deficiencies within the broader scheme.

Particularly, the recommendations fail to describe a scheme which acknowledges the impacts of the medical conditions, with a beneficial and simplified approach to causation, including a dispute resolution process with meaningful access to experienced legal advocates in independent courts and tribunals, and offers lump sum benefits to enable people to get on with their lives; that is, the option of turning a long tail benefit scheme into a short tail scheme, with commuted benefits, on receipt of independent and appropriate sound legal advice that the commuted benefits are appropriate for that veteran.

So we would like to take the opportunity to discuss with the Commissioners the recommendations from three important sections of the report. Firstly, recommendations 10.1 to 10.4; whilst we agree with the formation of a single review pathway for claims, the recommendations fail to address the need for advocacy and support for veterans trying to navigate the system. Also, some specific benefits and decisions are still not capable of being appealed through the current proposed review mechanism, including, but not limited to, decisions made regarding repatriation healthcare cards. Those decisions are, for want of a better word, uneconomical to pursue, because they're usually direct to the Federal Court, by way of judicial review, as opposed to an internal reconsideration.

We also refer to report recommendations 12.1 and 12.2, which is in relation to the harmonisation of compensation packages. We think that is a positive step, but it doesn't go far enough, in our opinion. We think that, at a minimum, the compensation scheme needs to include income support for past and future income lost by a veteran as a result of their service-

related injury; compensation for permanent impairment on a combined whole-person impairment basis, either as a lump sum or a weekly tax-free amount; compensation for aids and appliances, household services, gardening assistance, rehabilitation, including vocational rehabilitation; obviously, funeral expenses for dependants; importantly, a choice between long tail statutory benefits and commuting statutory benefits into a lump sum; and access to unrestricted common law damages for economic and non-economic loss, by an election in negligent circumstances.

We appreciate that many of these details will be refined throughout the ongoing process. However, the devil is in the detail, and these compensation elements need to be considered.

COMMISSIONER FITZGERALD: I'm just conscious of the time, so if you could just give a brief comment in relation to your 3 and 4 points, just very briefly, and then we'll have some questions.

MS PLUNKETT-SCOTT: Sure. In relation to recommendations 13, we don't perceive these to add up to be an ideal outcome. We say – and I'll repeat – compensation for combined whole-person impairment payable as either a lump sum, no thresholds for impairment, and also the inclusion of indexation of compensation amounts. Commissioners, my final point is to refer you to the submissions previously put forward by and on behalf of the Bird family, in relation to the tragic death of Jesse Stephen Bird. We acted for the Bird family, and work with them on an ongoing basis to achieve our mutual objectives of reform.

We know that the submissions put forward previously have been calling upon the Commission to look to changing the circumstances to prevent, in the future, Jesse's tragic fate, and we wholeheartedly agree with that. We also ask the Commission to, for a brief moment, imagine that Jesse was still with us, and had gained access to the scheme as it stands today, or under the recommendations put forward by the Commission. And we still think there would have been significant challenges ahead of him.

Importantly, we need consider that if he was continuing to get benefits under the scheme, he would need to have been paid on a drip-feed basis indefinitely. He would need to have fought with ongoing medical examinations, up to once per month. He would be at fear of those medical examinations providing an outlying opinion which might change the circumstances for which his claim is accepted. And if he wanted to appeal those decisions, he would not be able to have meaningful access to legal advice.

And finally, his normal weekly earnings, or his incapacity payments would have been paid at the age that he was at his death into the future, with no consideration for what his earning potential or capacity could have been or would have been, with no superannuation contribution, obviously placing him at a very significant disadvantage, not only on the open labour market, but as a financial member of society, providing for his family into the future.

COMMISSIONER FITZGERALD: Thank you very much. Thank you for your submission and previous submissions and discussions with the Commission. Can I just go to the fundamental issue in relation to the scheme. We looked at whether or not we could do what you've suggested, and that is to bring all of the acts into a cohesive piece of legislation, a one-scheme approach. Our view was, in the end, that the disruptive effect of that, particularly in relation to the VEA, could not be justified, and would be wholly unacceptable to that veteran community.

So we made a decision to retain the VEA. And I presume that what you're saying in your recommendation is that, effectively, you would have seen the VEA DRCA and MRCA all combined into a new legislative framework. But notwithstanding that we've decided, at this stage, our draft recommendation, to keep the VEA, if we just look at the MRCA and DRCA side, which is the scheme 2, and ultimately would be the one scheme available to veterans, I would have thought that that combination is capable of meeting many of your points.

So if I look down your list, under point 2, I just look at those and I think, well, many of those will in fact be part of that combined scheme. Not all, but many of those. So, am I reading your recommendation rightly, that the major problem in our report, from your point of view, is fundamentally keeping VEA?

MS PLUNKETT-SCOTT: In fact, no, Commissioner. Upon review and considering the complexities of merging VEA, MRCA and SRCA, we, in principle, support the recommendation put forward to keep VEA as standalone, and merging the MRCA and the SRCA together. My principal recommendation is that upon combining the SRCA and the MRCA, the devil is in the detail in relation to the compensation provided. And the mechanism with which we ensure that those heads of compensation are provided we say should be considered in consultation and reliance on legal advocates who appear for the veteran and understand that (indistinct) practical circumstances.

COMMISSIONER FITZGERALD: And we hear that, but can I just deal with a couple of issues. So, for example, your position in relation to

statement of principles, we believe the statement of principles should be applied across the three acts. I know lawyers disagree with that, in some sense. The issue for us there is, if there can be one single burden of proof, or test, what should that be? Have you got a particular view about that?

MS PLUNKETT-SCOTT: We do. We say that it's a balance of probabilities test, as to whether the injury was significantly contributed to by the military service. So not dissimilar to the test already found in SRCA, but needs to be a balance of probabilities test or higher. Where we encounter difficulties advocating for the veteran is the prescriptive nature, or what we perceive to be the prescriptive nature of the statement of principles, providing an extra set of criteria that they need to navigate and meet, where if we just applied a common-sense approach to causation, to say, on the balance of probabilities, would they have been suffering that injury, but for their service?

COMMISSIONER FITZGERALD: Many of the ESOs have put to us that if there is to be a single test, it should of course be the reasonable hypothesis test. Do you have any particular views as to why that would not be the appropriate test?

MS PLUNKETT-SCOTT: The reasonable hypothesis test is obviously of greater advantage to the veteran, and certainly we would support that. But I understand that there are some complexities in allocating a reasonable hypothesis test in different circumstances of service-related injuries. Now, I also appreciate that we've submitted that the distinct difference between the types of service makes it complex. Certainly, we would support reasonable hypothesis, but at the very bare minimum, balance of probabilities.

COMMISSIONER FITZGERALD: All right. The second one, if I can just draw this out – and you've mentioned it in two of your points – a choice between long tail statutory benefits and community statutory benefits into a lump sum. In relation to the DRCA and MRCA combination, we believe that lump sums should be available under the combined act, and the option for the person to elect to take a periodic payment. So we believe that that option should be made available.

MS PLUNKETT-SCOTT: Is that specifically in relation to compensation for permanent impairment, or commuted benefits for incapacity into the future, effectively rendering a long tail to a short tail?

COMMISSIONER FITZGERALD: At the moment, it's specifically in relation to impairment payments.

MS PLUNKETT-SCOTT: Our submission extends to including that to incapacity payments, so giving the veteran the opportunity to commute from the scheme upon appropriate medical evidence and legal advice.

COMMISSIONER FITZGERALD: Sure, but if we just take the impairment just for one moment, you would be supportive of a scheme that allows the choice between lump sum or periodic payment?

MS PLUNKETT-SCOTT: That's correct.

COMMISSIONER FITZGERALD: Yes. And of course, as you know, some veterans' groups, I have difficulty with that particular proposition. Can I go to the third one, and then Richard may have some questions. This whole-person impairment basis: as I understand it – and correct me if I'm wrong, because you're the expert, not me – one act, MRCA, basically – sorry, one act allows for that, and one act actually just deals with condition by condition. And if I'm correct, MRCA allows for the whole-person impairment, and DRCA, at its current constitution, looks at individual conditions. Your recommendation is very clear, that you believe the whole-person impairment approach is the preferred approach, is that right?

MS PLUNKETT-SCOTT: We might be talking about the same thing, but differently. We believe that the approach currently in MRCA for impairments to be combined is appropriate.

COMMISSIONER FITZGERALD: Yes.

MS PLUNKETT-SCOTT: Where the SRC Act encounters difficulties is where an individual has three different types of injuries or conditions. They each meet 9 per cent. Together, they amount to just under 30, but they get nothing, because they don't meet the 10 per cent threshold. So that is why MRCA is the most appropriate scheme in that regard.

COMMISSIONER FITZGERALD: Yes, we are talking about the same thing. So basically, we end up – your preference is for the way that MRCA deals with that issue.

MS PLUNKETT-SCOTT: Yes.

COMMISSIONER FITZGERALD: All right, thank you very much for that.

COMMISSIONER SPENCER: As you know, Robert Cornell's report has been finalised and handed to Government, but it hasn't been released

yet. And we're urging Government to do that as soon as possible, because that will respond to, and we will examine that from the point of view of advocacy. Because, as you rightly say, the future of advocacy and how best to support people through this process, even if it is a simplified process, will still be complex, and there will be a need for support there.

MS PLUNKETT-SCOTT: That's correct.

COMMISSIONER SPENCER: So we'll certainly have more to say about it. I just want to come back to the issue you've raised, obviously, in terms of legal representation and being able to challenge decisions. As you know, we've put forward the proposal around VRB, trying to bring more of that – what is – so far seems to be a reasonably successful ADR process in the VRB, to bring that forward earlier into the determination, the reconsideration process. And as you know, we've said that this area is quite unique, in terms of two determinations, whereas in most other areas, it's only the one, obviously, the AAT. So we're sort of pushing in that direction.

I think you may be pushing back in another direction, but how do you see that? So it seems to me there are two issues: 1) what is the right way for, in a sense, justice to be done when things go wrong? 2) which is a very – and we hear this often, a very legitimate issue, and that is one of, well, what are the cost issues here? Who pays for this? So could you just expand a bit on your thoughts about how that should be handled?

MS PLUNKETT-SCOTT: May I ask a question firstly, Commissioner. With respect to the recommendation put forward, it is to continue with – as I understand it, a reconsideration would be requested. The matter then progresses through to the Veterans' Review Board. If it's unable to be – or if the veteran continues to undertake steps to appeal it, they would then proceed to the Administrative Appeals Tribunal.

Our concern is not the steps. Our concern is the access to appropriate legal representation and support throughout those steps. At this stage, the Veterans' Review Board provides an avenue for appeal, of which legal advocates are unable to be present. But there's also a restriction on the veteran to ensure that they have every piece of medical evidence they intend to rely before the Veterans' Review Board, and if they do get subsequent evidence at a later stage, because the VRB has not made the correct decision, there are consequences to legal costs in the tribunal, which, we're already looking at a tribunal with legal costs are significantly lower than what they would be in any other court.

Our concern is that you are restricting – you are asking the veteran, at that Veterans' Review Board stage, to have an understanding of what their legal case is and what their evidence needs to be, but no ability to go out and brief a medical doctor on the right legal test or questions of causation, but without advocacy and support. So if it is the case that the recommendation is to keep the process reconsideration, Veterans' Review Board, AAT, our strong submission is that independent legal advocates should be brought in at those earlier stages of reconsideration, to support the veteran through that process, and reasonable legal expenses of that advocacy are repaid by the MRCC to the veteran in the event of a successful outcome.

COMMISSIONER SPENCER: And as you know – and we're continuing to look at this issue, but as you know, we hear a strong view that people welcome the fact that the VRB, and the ADR process in particular is not adversarial, or is perceived to be non-adversarial. So there are both arguments for and against in this issue, so it's a difficult area. But in terms of going to the AAT, we understand there's an uneven landscape around Australia in terms of Legal Aid, that in some states – I believe in New South Wales, there is – Legal Aid has more capacity to support veterans in that state than other states. Do you have a view on that, on how Legal Aid should play a role in this?

MS PLUNKETT-SCOTT: Not only do I not have a view, but I'm unfamiliar with the fact that Legal Aid can play any role at all. I was unaware that Legal Aid can play any role at all in the support of a veteran through this process. If that is the case, certainly we should be telling all the veterans that call us, who are unable to get assistance.

COMMISSIONER SPENCER: Our understanding is – and this may not be right – is that it's pretty uneven. Some states have dedicated sections within their Legal Aid to support that, and in others it's virtually non-existent. So it's an issue that's part of the landscape. It's important to think about how – a very real issue, that is, the financial capacity of individuals to take their cases forward should be handled –

MS PLUNKETT-SCOTT: In the event that a Legal Aid framework is considered, our submission would be the need to have expert veteran advocates in that space. I don't think it would be possible for – just to expand the scope of any Legal Aid practitioner to be just assisting a veteran in the process, because, as we know, it requires that deep dive into the scheme and the veteran's circumstances, because it's a very niche expert area of law.

COMMISSIONER SPENCER: Yes, I understand. Robert.

COMMISSIONER FITZGERALD: Just your last – point 4, which is the general one. You've stressed again there the consistent thing, which is (indistinct) of the framework rewrite, in relation to MRCA and DRCA at least, if you're agreeing to keep VEA. But I don't know – it says the recommendations fail to describe a scheme which acknowledges the impacts of medical conditions. I know that you have some concerns about the SOPs, but I don't quite understand your statement there. I would have thought even the current scheme does that. Certainly a future one should, but I'm not understanding where the deficiency is in relation to that.

MS PLUNKETT-SCOTT: The deficiency is in relation to the failure of the scheme to acknowledge the ongoing financial impact, beyond the compensation that is currently awarded. Principally, the incapacity payments are paid without any contribution to superannuation payments, and also any consideration of future earning capacity. So the veteran is paid as at the rate that they were when they were injured, which – I explained how significantly disruptive that is, if you're injured at 22 versus 52.

COMMISSIONER FITZGERALD: So, again, just to be very clear, your point there is largely around – in fact, exclusively around the incapacity payments issue.

MS PLUNKETT-SCOTT: The incapacity payments, yes, and to the extent that, if I might make another submission, a practical example, the provisions of repatriation healthcare cards is to provide treatment under a gold card a white card system. If the veteran decides to reach out to new treatment, a different type of medication, something novel, things haven't been working, they normally have to apply for the repatriation healthcare card to cover that. There are restrictions on what can be covered, and there is no appropriate economic legal avenue to dispute that currently. So we say it's the broader holistic financial impacts of the medical condition and access to treatment outside of what is –

COMMISSIONER FITZGERALD: Can I just clarify that. If I go back – my medical condition has changed, and I need to add to the white card, for example, an additional condition, I put in a claim. That claim is subject to the normal reviews processes which we've outlined, isn't it?

MS PLUNKETT-SCOTT: That's correct.

COMMISSIONER FITZGERALD: So when you say that there's no legal capacity to dispute that claim, are you simply say there is, but it's difficult, or are you saying there isn't, and I've got it wrong?

MS PLUNKETT-SCOTT: Two different things. First of all, if I have post-traumatic stress disorder, and a certain treatment is recommend for me with post-traumatic stress disorder, the steps are PTSD is accepted, a repatriation healthcare card or a white card is provided, and I can access treatment for the PTSD. I'm unresponsive to treatment, my condition changes and significantly deteriorates. It's now a major depressive disorder. I have to know, upon receiving that diagnosis, to go and lodge a new claim form, to then get a decision whether MDD is going to be accepted as a different condition, and then talk with my treating practitioner about what treatment I need for MDD.

If a new treatment might be available, something that is experimental, or something that's not yet used in Australia, and I'm recommended to give it a go by my treating practitioner, I apply for that to be paid under the repatriation healthcare card, and it is rejected as a form of treatment, for various reasons – some may be good, some may be bad – I have no avenue to appeal that.

COMMISSIONER FITZGERALD: Right, so we've got the two things. As I said, you've got the change in condition, which is one stream, and that is appealable, in a sense, or reviewable, as we've indicated. The other one is where you simply – the condition is not changing, but the treatment that you seek or need is changing, and you've got to get approval for that. And you're saying, in relation to that second one, there's really no avenue to have that reviewed, is that correct?

MS PLUNKETT-SCOTT: There is an avenue, but it's uneconomic and onerous.

COMMISSIONER FITZGERALD: What do you mean it's uneconomic?

MS PLUNKETT-SCOTT: Currently, it would be a decision – the decision to reject that particular treatment under the repatriation healthcare card is just a letter. It doesn't have any notice of rights attached to it, but the veteran needs to know that that is subject to a 28-day appeal time limit to the – judicial review to the Federal Court. Upon taking steps to appeal to the Federal Court, they would need to – there's an adverse costs order risk, but solely for –

COMMISSIONER FITZGERALD: So why do you think that – and again, this is my ignorance – why wouldn't that decision in relation to the treatment not follow the same sort of review process as a claim? So it

ends up at the VRB or AAT. Why has it got to go through the Federal Court? Why do you think that is the case?

MS PLUNKETT-SCOTT: Well, we don't know why. We think it's the wrong approach. So we don't know why it was put in place to be that way, but the reason, legally, is because it is not considered to be a determination pursuant – or a reviewable decision, a decision capable of being reviewed in the SRCA and MRCA, probably principally because it's covered under the VEA. So I think it's because it's – the authority is in the VEA, and it's not identified as being a reviewable decision. So it would be simply a matter of the legislative framework. And this would be the case for, in the rest of our submissions, any other benefit that we say is not currently capable of being appealed. We just think it's a matter of the legislation confirming it's a reviewable decision.

COMMISSIONER FITZGERALD: Now, at first instance, that sounds logical, what you're putting. What's the perverse effect of that, if any? Are there unforeseen or unintended consequences of doing that?

MS PLUNKETT-SCOTT: Not coming to mind, Commissioner. I think this could just be the – I think it could have come about because, practically, no one is agitating these issues, to say, "Well, hang on, this is a problem."

COMMISSIONER FITZGERALD: All right, well, that's very helpful. Thank you very much for that. We're out of time, but is there any final comment that you would like to make, or any particular point you would like to press upon us?

MS PLUNKETT-SCOTT: Can I just have one moment?

COMMISSIONER FITZGERALD: Sure .

MS PLUNKETT-SCOTT: Commissioners, just one final comment, for the record, and is that if we, as a country, cannot afford to compensate an injured veteran, to put them back into the financial position they should have been in if they hadn't suffered the injury, we cannot afford to prepare them and send them to war. This is a cost that our Government can and must expend.

COMMISSIONER FITZGERALD: Thank you very much.

MS PLUNKETT-SCOTT: Thank you.

COMMISSIONER FITZGERALD: Could I please have Angela Rainbow and Lisa Smith, please. Angela and Lisa, could you please give your full names and the organisation you represent, if any, or if you're appearing as individuals.

MS RAINBOW: Yes. I'm Angela Rainbow, and I'm here as an individual.

MS SMITH: Lisa Smith, appearing as an individual.

COMMISSIONER FITZGERALD: Good, thank you very much. So you know the routine, it's ten minutes to give us the key points, and then we'll have a bit of a conversation.

MS RAINBOW: Yes. So, thank you for the opportunity to speak with you again. I actually did speak at the Perth forum. I was actually unwell leading up to that, for ten days, so I did – the purpose for coming today was to highlight some additional points – only two – that I feel are worthy of communicating first-hand.

I'm here because I want to ensure the wellbeing of veterans. I'm an operator of a business providing occupational therapy services to the veteran community for 21 years. I'm acutely aware of the wellness benefits achieved by veterans accessing allied health services, and I believe there is a lack of strong advocacy within the allied health industry. We are a group of health professionals who typically just like to help people, and as a result, can be vulnerable to unacceptable working conditions, which in turn does impact on the service quality and delivery. And that's why it's important for me to be here again today, representing my industry.

I would like to raise two points with you. Firstly, the allied health statistics and research within the draft report and subsequent conclusions drawn by the Commission, and I would like to speak about the current referral system framework. In regards to the allied health statistics and research within the report, I believe some information, research and data provided to the Commission has not been suitably analysed or verified, nor fairly or deeply considered.

In particular, I wish to refer you to the AMA submission, February 2016, which was the review of dental and allied health arrangements; DVA statistics, page 602; and Medicare expenditure on allied health versus DVA allied health expenditure. I believe it is of great importance to discuss this information, as I am concerned the AMA and the Commission have concluded there are great inefficiencies in the provision of allied

health services, and a level of service provision that persists beyond what is clinically indicated.

Regarding the AMA submission to DVA – and we've provided you a copy here – on page 602 of your report, the Commission directly references the AMA submission. The Commission make references to the AMA suggestion that DVA's allied health arrangements do not sufficiently guard against high levels of service usage. The Commission in their report continues by directly quoting from the AMA submission:

> *Current referral arrangements do not encourage allied health practitioners to report back to the GP, and may, in some circumstances, encourage treatment by an allied health professional to persist beyond what is clinically indicated.*

Furthermore, the AMA, in a 2016 submission, on paragraph 5, offer the following comment:

> *We note with some concern, for example, that according to the background paper that shows from July 2014 to June 2015, that of the average 25 services provided to DVA clients, the dental and allied health services, almost 23 of these are for musculoskeletal services.*

We have obtained a copy of the background paper, which we've also provided you today. And this was provided to the AMA, which – the AMA drew their conclusions, and it appears the AMA have made an error in their interpretation of the facts within table 2, service utilisation, 2014 to 2015, page 6. The data demonstrates that it is incorrect for the AMA to say that the proportion of musculoskeletal services equates to 23 out of the 25 average number of service, or 92 per cent.

To determine the average number of dental and allied health services per client, the total number of services, which is 3.9m, is divided by the total number of clients, which was 155,000. This results in the average of 25. To determine what proportion of total allied health services is attributed to musculoskeletal services, the number of services for the musculoskeletal group, which was 2.8m, must be divided by the total number of services – 3.9 – which results in a proportion of 72 per net, not 92 per cent.

We wish to also highlight that the musculoskeletal group includes six allied health disciplines: chiropractic, physiotherapy, occupational therapy, podiatry, exercise physiology, and osteopathy. This is a large group of the most commonly accessed allied health providers. It is our opinion that the proportion of total services therefore is very reasonable.

This proportion has remained stable, with a 71 per cent proportion of total allied health services in 2011 to 2012, and 75 per cent in 2016 to 17.

COMMISSIONER FITZGERALD: So you 'll just have to come to a couple of conclusions in relation to this one.'

MS RAINBOW: Sure.

COMMISSIONER FITZGERALD: And then move to your second point.

MS RAINBOW: Yes, sure. So I guess just finally, the current DVA stats 2016/17 reveal the average number of dental and allied health services is 28.5 per veteran. This equates to roughly one service per fortnight from a group of 19 disciplines. My professional experience tells me this is a very reasonable and acceptable utilisation rate and also you've got to remember that the veteran population typically have comorbid and complex conditions. In fact, I believe the service utilisation rate is on the low side and at a cost of $2200 per veteran is a bargain. I'm not too sure if you're aware that the average cost for medical treatment is $25,000 per veteran.

COMMISSIONER FITZGERALD: Yes.

MS RAINBOW: So I'll just move on briefly, the second comment was the Commission makes reference to a DVA stat and commentary on page 602 of the report. It says, "There are other signs that suggest health service usage is not fully explained by ageing. Since 2010 the age profile has not changed much yet from 2011 to 12 the average number of dental and allied health services per patient has increased by nearly 50 per cent." Whilst this commentary seems relatively innocuous, it does precede the AMA suggestion that DVA's allied health arrangements do not guard against high levels of service usage.

The Commission also offer no explanation for the rising number of health services. A reader may draw the conclusion that the Commission is eluding to the fact that the rising levels of service usage is in fact attributed to over-servicing. Our health care system is much advanced than it was nine years ago as I'm sure the legal system is too. There is earlier detection of medical conditions and injuries, hence treatments and therapies are commenced earlier. Emerging health disciplines such as psychology is generally more utilised now in the community as well as exercise physiology. So these things can help to account for the rise.

There's no evidence around best practice and also veterans, just like the general public, are better informed about health care, wellness and the role of allied health.

COMMISSIONER FITZGERALD: Sorry.

MS RAINBOW: Yes.

COMMISSIONER FITZGERALD: We'll just read the rest of that. Can you go to the second last point - the current referral system framework and then we'll have a discussion.

MS RAINBOW: Sure. Okay, can I just briefly just say I wanted to talk about the Commission also does commentary comparing Medicare expenditure for Allied Health versus Veterans' Affairs.

COMMISSIONER FITZGERALD: Yes.

MS RAINBOW: But I just wanted to say that the Medicare and rebates for Allied Health is very undeveloped and limited and it's not correct to be using it as a comparator and it's misleading to do so. Even in 2011, the Australian Health Review published a journal article about Medicare allied health programs and it affirmed the low uptake of the Medicare allied health program. We as occupational therapists, we don't participate in the Medicare (indistinct), such as a chronic disease management, because the actual remuneration rate equals $25 per hour so that's just one example so, I mean, you're better off comparing perhaps private health insurance but once again, typically people with private health insurance don't have comorbid and complex conditions like the veterans. Perhaps you might want to compare it to the motor vehicle insurance compensation. So just moving on to the current referral system and framework - - -

COMMISSIONER FITZGERALD: Just briefly.

MS RAINBOW: Yes, briefly. Okay, so once the current system of annual or continuing care referral supports a collaborative approach between GP and the allied health provider, it can still interfere with veterans accessing timely allied health. An example of a recent referral, the veteran told us that he spent a year talking to his doctor about whether an occupational therapy review would be beneficial. He has PTSD and a number of orthopaedic conditions. After a year, a referral was made to an OT. He's got difficulty mobilising around his home, getting in and out of the shower and on and off his toilet. He had a general clinical need for the service and it was actually turns out that, you know, we were able to, you

know, positive impact on his wellbeing and we just want to point out as a part of the DVA Veteran Centric Reform, July 2019, a 12 session treatment cycle initiative is being introduced whereby the veteran must go back to the GP on a regular basis purely to request or gain consent for continuing or completing clinically required allied health.

This Reform does not support the Commission's focus on wellness and instead adopts an archaic and non-contemporary model of health care. It's a very disempowering form of health service delivery and does not align with contemporary Australian models of health care such as NDIS and My Age Care which are based on choice and control.

COMMISSIONER FITZGERALD: All right, well we'd like to stop it at that point.

MS RAINBOW: Sure, thank you.

COMMISSIONER FITZGERALD: Because we can read the rest and we've had the opportunity to hear from you before, but I just want to go back to a couple of points.

MS RAINBOW: Yes.

COMMISSIONER FITZGERALD: We've used the AMA submission and we're grateful for your analysis and your information and we will look at that information that you've given to us. But I do want to raise this question: it's not simply AMA but there have been indications that the system itself doesn't seem to capable of in fact monitoring and dealing with over-servicing so either yourselves or others from the allied health services have said, "Well, there are the ethical standards that surround those industries" and I should just clear - my sons a physiotherapist so I understand allied health. But when we looked at the system, notwithstanding the AMA's submission, there didn't seem to be many checks and balances in it.

MS RAINBOW: Yes.

COMMISSIONER FITZGERALD: So I was wondering how you approach that? So whether or not there's over-servicing, put that aside, but the potential for over-servicing seems to us existing because the system doesn't monitor the whole of the health service, frankly, very well so what's the right approach for dealing with that issue?

MS RAINBOW: I think it's about developing an internal quality assessment team so the NDIS have actually got an assessment team as

well where they actually go out to work places. Even in our practise, we monitor, you know, the client conditions and the visits that our therapists are doing as well so I just sort of think a systematic regular review, a bit like the ATO doing audits and things like that, would work along with the fact that we've got (indistinct) two bodies and, you know, we've got to work with a level of - a high level of integrity.

COMMISSIONER FITZGERALD: Just if I can be a bit specific. You think that an auditing regime of some description would be a good step?

MS RAINBOW: I think so.

COMMISSIONER FITZGERALD: Run by DVA or whomever is going to be the commissioning of these health services.

MS RAINBOW: Yes.

COMMISSIONER FITZGERALD: You say that you question the AMA's conclusions and we'll look at that. You've also indicated that you think, for your information, that in fact the level of servicing by the allied health industry is appropriate, reasonable or adequate.

MS RAINBOW: Yes, yes.

COMMISSIONER FITZGERALD: And you rightfully point out that it's much cheaper than medical treatment which is self-evident.

MS RAINBOW: Yes.

COMMISSIONER FITZGERALD: Can I just deal with that last point first. We've heard a number of submissions over the course of the public hearings and prior to that, about the pricing policy of DVA in relation to a whole range of health services. So I was just wondering whether you have a comment about that? Are allied health works, in your experience, being paid at an appropriate rate in order to be able to provide access to services?

MS RAINBOW: Well, as I mentioned in the Perth hearing, I said that the current rate that we're paid by DVA is 20 per cent of other State and Commonwealth health services so our rate is $40 an hour whereas if you work for the NDIS it's $180 an hour, yes.

COMMISSIONER FITZGERALD: So we just want to make that point. And again, do you believe that it should be equivalent to the NDIS rate or do you believe, as somebody said yesterday, the government

should sort of - could come to the position of saying, "It's X less 20 per cent" or what have you, so you get a clarity or you believe that it should be equal to, for example, the NDIS rate?

MS RAINBOW: Well, I think it should be the same. I mean, we're providing a very similar service and it's - you know, their equal client populations, their people that are entitled - Australian members of our community, entitled to good health care services.

MS SMITH: And it's not also equal to occupational therapists providing rehab services to active members so they can receive the remuneration levels as per Comcare.

COMMISSIONER FITZGERALD: So just to explain that for those that are not aware of it; if you were servicing as occupational therapists providing services to a serving ADF member and you were providing the same service to a veteran who has left the service, what would the differential be, not in precise terms, but roughly?

MS RAINBOW: Twenty per cent of what someone assisting, someone within the ADF.

COMMISSIONER FITZGERALD: So even between just Defence and DVA there's a big differential let alone between that and other systems?

MS RAINBOW: Yes.

COMMISSIONER FITZGERALD: And when your industry, your professional bodies, have put that to DVA, what's been the response?

MS RAINBOW: They just - what do they say? I mean, they just like listen and they just say - I mean, they've put us off for - they moved us around. We, you know, we were talking to the clinical advisors about it and they were saying "No, you've got to go to your association". Our Association starts writing DVA letters, then they'd answer and say, "Bring it up at this allied health forum", and the other health members say the same thing and then the chairs of the DVA, allied health groups, change and it just - it gets delayed and delayed and then they say, "Oh...", and then lastly they said, "Look, we're going to address it in this allied health review" which was commissioned in 2015/16 and it came out in July last year, or May, and they're still not addressing anything in a meaningful way either, so.

COMMISSIONER SPENCER: Just to that very point, because I was struck by this sentence in your submission on page 9 where you say,

"There appears to be an attitude within DVA that proactive engagement between veterans and providers is not support".

MS RAINBOW: Yes.

COMMISSIONER SPENCER: So I suppose it's trying to understand what's happening here and there can be different explanations; one is not valuing allied health; another one is perhaps in the areas of control which comes back to this issue of trust about is there over-servicing going on or what's happening there, so I think there can be several issues that are about this but I come back to, with reference to NDIS and Aged Care and the notion of choice and control which you refer to, those have been significant advances in other forms of human services and, you know, it's often said giving agency, giving - empowering the individual to make choices about what is in their best interest; what do you see as the potential for a consumer directed care model around both allied health and other needs that individuals have, it's - as you know, and NDIS said, it comes up in other areas as well, the sort of home support that people.

Once again, the big movement there has been to say that the trade-off between government controlling and being precise about everything you get and the accountability for that versus trying to have a system which does some sort of assessment up front and then gives the, you know, once again back to that choice and control, within parameters as the NDIS does, are to fashion the services they need. So when you reflect on all of that, and you see this in other areas of your work, how can this be more fully utilised in the veteran space, do you think?

MS RAINBOW: Well, I mean, personal for me, I mean, I know even RSLs support just the veteran being able to approach the allied health member just as anyone usually can approach them and then just looking at - so that's empowering them and given them that choice and then with an internal quality assessment team, they're just - you know, they're just safeguarding to make sure that all the services are appropriate. I mean, it's the same as, I mean, dental specialists, GPs and optical, I mean, there's no gates or loopholes that they need to jump through and there's that level of trust so I think - you know, think it's time that they need to, you know, set up measures to develop that trust.

And I just wanted to say also, back in 2002 the AMA had a big (indistinct) with Veterans' Affairs because they weren't enabling them to service veterans and there was a big hoo-ha yeah just around, you know, paying for their services and things like that so I feel like, you know, ten years on allied health is facing the same challenge and just trying to break down the

barriers and just the cultural sort of attitude towards allied health and what we provide.

COMMISSIONER SPENCER: Look, just a question around the Gold Card because you've come back very strongly and said you disagree with our view that the Gold Card about (indistinct). So one view of the Gold Card is, "Well, it enables you to go to providers and get what you need" and as we know, and we've heard, that often that is not the case. You can't get what you need. So in some ways it can be a bit of a blunt instrument, it does have advantages but there are some limitations to it. So would it be helpful to explore this area of package assessment, consumer director care, around the things you're talking about which would mean that the individual gets what they need, the right time, right place, right service, rather than sometimes this having to play out through a card system which may or may not give you what you need when you go out to access the service that you want and need?

MS RAINBOW: I think one of the fundamental considerations, whether it's a package or a Gold Card, is the access - well, the providers providing or being available to provide that service so if that provider is not funded appropriately, they're going to choose to engage in a different scheme so, for example, the Medicare chronic disease scheme package, we don't participate in it because it's not a viable service so people can't access it, so whether it's a package, it's got to be funded appropriately so the quality of service is available for the veterans to access. As more and more service providers withdraw from providing service, the quality of the service will decline.

COMMISSIONER SPENCER: Right. So it is interesting, we often come back to this question of the fee schedule and I understand what you're saying, it is a bit of a mystery to us when we hear the huge disparities between different schemes and certainly understand the impact that can have on the availability of a service.

COMMISSIONER FITZGERALD: Sorry, can I just go to that point, the previous one that Richard was just canvassing with you. You've made a strong representation against the changes to the July of this year reforms.

MS RAINBOW: Yes.

COMMISSIONER FITZGERALD: As I understand it, that is that the Department if now requiring veterans to return to the GP after 12 sessions; is that correct?

MS RAINBOW: Yes.

COMMISSIONER FITZGERALD: So where do you see the gatekeeper in this? Is it the case manager, the rehabilitation consultant or rehabilitation case manager, if that's the scheme or is it the GP or how do we get the right balance there? So, obviously you believe what's being proposed to take effect this year is adverse to the veteran but what is the right approach?

MS RAINBOW: I guess it just goes back to my idea of, you know, that all allied health professionals who engage in servicing the veterans that they, as apart of their condition of servicing the veteran, is that, you know, that they will be audited and you need to justify, you know, look at the number of treatment sessions and conditions and, you know, there's just some auditing process that goes on.

COMMISSIONER FITZGERALD: We have discussed - sorry, yes.

MS SMITH: No, I was just going to say we're not adverse to continual communication with GPs as the (indistinct) have suggested that perhaps that's lacking. However, there's no mechanism in their proposal to facilitate that communication with GPs. It continues to stand that they don't fund reports, they don't fund any kind of case conferencing or anything like that, so there's no way for us - I mean, we do it anyway because it's the appropriate practice and, you know, we have to meet our code of conduct and all of that and of course we report back but it doesn't support allied health professionals to communicate with GPs or whoever that person is to coordinate that care, so.

COMMISSIONER FITZGERALD: That's fine. And then what's the role of the rehabilitation case manager, if I can use that term, I know it has various terms, what's their fundamental role?

MS SMITH: In general or?

COMMISSIONER FITZGERALD: It should be, in this case.

MS SMITH: In this case, well there is none really. There's isn't a case manager. What would it be anyway? I mean, I don't really know exactly what - I mean, they've just got I guess an understanding of all the allied health roles and the benefits and they make a judgement about - - -

COMMISSIONER FITZGERALD: So who do you relate to in DVA in terms of feedback on the client's outcomes or don't you?

MS SMITH: No, well we don't. Yeah, we don't.

COMMISSIONER FITZGERALD: And that's part of the missing system. Again, we made a comment yesterday, whilst people support DVA and the policies, this is completely lacking in any outcomes focus which is it's completely unusual in the human services space that we're in at the moment. And in your space, any other provider of a compensation scheme would at least want to know the outcomes of the clients.

MS SMITIH: Yes, I mean when we write back to the doctor one of our headings is, "The interventions and our outcomes" so we're reporting back to the GP about the outcomes. But the DVA are unaware of that unless they call for the notes or something like that but I think in the submission we recommended like, just standard - use of some standardise assessments that will measure - yes, the interventions of allied health.

COMMISSIONER FITZGERALD: Good. Is there any final comment that you'd like to make before we finish?

MS SMITH: Just thank you for your time and - yes, and just that I trust the independent nature of this inquiry and (indistinct).

COMMISSIONER FITZGERALD: Now, you've raised a number of issues in a number of forms and we're very grateful for that so we again thank you for that and thank you for your number of submissions, that's terrific.

MS SMITH: Okay, yes thank you.

COMMISSIONER FITZGERALD: Good. Could we have Deborah Morris please. Good morning, how are you?

MS MORRIS: Good morning.

COMMISSIONER FITZGERALD: Deborah, if you could give your full name and any organisation that you represent.

MS MORRIS: Yes, Deborah Morris. Independent, so independent research capability in development and particularly I focus on (indistinct) militaries.

COMMISSIONER FITZGERALD: And you're engaged with which institution at the moment?

MS MORRIS: Griffith University. I'm also a contemporary veteran.

COMMISSIONER FITZGERALD: Good, thank you very much. Deborah, if you can give us the key points in ten to 15 minutes, that would be terrific.

MS MORRIS: Certainly. So I do welcome the draft report produced by the Productivity Commission, A Better Way to Support Veterans. The draft report is comprehensive, particularly for lay people that aren't aware of the whole military system and it offers insights and avenues of much required reform. Whilst many may view the reforms as going too far, I would argue that many of the reforms do not actually go far enough. What we're looking at here is we need to make the system fit for purpose now and into the future. Any reforms must be total systems approach including strong reforms and incentives within the ADF not just DVA.

I'm sure that you've heard numerous times that DVA inherits many of the complexities from the ADF and that's what I'm kind of going to outline for you today. Without the reform within the ADF, there is a real risk of future and increase harm to veterans and their families which will inevitably create future burdens and costs on the system. So honestly it will create a system that is perpetually not fit for purpose for anyone.

Currently there are numerous systemic limitations with the ADF including the tension between capability and the (indistinct) imperatives which is pretty much in military and civilian divide. Tension between the ADF being both an institution and an organisation. How military personnel are socialised and institutionalised and the authoritarian rank and command structure which creates continual and systematic possibilities of abuse of power. The institutional denial and lack of transparency from the ADF, (indistinct) management of ADF protocols including processes, systems and policies, and the abuse of the military justice system including inquiries, investigations and reviews.

These systemic limitations within the institution create an environment where individuals have no capacity but to submit. Within the contemporary setting, systemic limitations are a significant contributor to poor veteran outcomes yet this knowledge is continuously hidden under the traditional narratives about post-traumatic stress disorder. Recent investigations and enquiries have studied the effects of diminished agency and institutionalism within military institution. The findings of this research suggests that it is the regimented system's governance which contributes to and exasperates poor outcomes for veterans. In other words, it is the day to day effects in military socialisation and the systems of power coupled with no foreseeable end in sight that breaks the person more than the actual trauma or the injury that has occurred.

So in making the system fit for purpose, it is actually important to understand what contemporary service entails. Everyone speaks about contemporary service but nobody has really defined what it is. So I propose that contemporary service is about a professional occupation within an institutional environment, an institution that serves the Australian people through individual sacrifice. This is what makes it unique today. The abolishment of conscription in the 1970s saw the ADF organisational structure centralise and builds upon the premise of a career orientated volunteer force. This shift from institution to occupation significantly changes the military experience. An institution is usually legitimised in terms of shared values and norms and are looking at something higher then themselves whilst an occupation is legitimised in terms of the market place.

This is a core consideration and it's going to be the balance act that the Commission is going to really need to look at. The principle interest being that there has been a significant change in the relations between civil society and the military. In today's military, young people take up a well-compensated occupation but it's in a highly institutionalised workplace, one that sees them separated from the wider world. The dual structure of the ADF as both organisation and institution means that its members are not simply employees but are considered appendices of the State.

Within the institutional setting personnel become institutionalised and lose a lot of their individual agency. The way in which the ADF institutionalise members means that there is a quantifiable need for the Australian Government to provide care and support for them and their family because it is actually the regimented structure of the ADF which creates a climate in which systemic limitations readily lead to individual human rights, workers' rights and civil right violations.

Arguably, when you have been looking at a lot of the submissions coming through, this is what many veterans understand but struggle to articulate. It is actually why there is a real fear of the demolishment of the DVA because currently at the moment DVA is the only check on ADF power available to the veteran. So I urge the Commission to seriously consider this information and conduct further enquiry and analysis before reaching its final conclusions. In that sense I would like to take the time to propose a very brief alternative model to the one suggested in the draft report.

COMMISSIONER FITZGERALD: Yes.

MS MORRIS: Whilst I agree theoretically, in a single unified portfolio department I do not agree with the proposed arrangements. As the ADF is

both in part an institution and organisation, any reforms require strong incentives to ensure transparency, accountability and welfare as personnel at all stages of a military engagement and beyond. Creating change within institutions and organisations steep in history and tradition is an onerous and difficult task. For the ADF it is about striking the right balance between capabilities whilst ensuring the welfare of individuals within the institution. I believe that this balance can be struck by counterbalancing the vertical and hierarchal structures of the ADF, which is the institutionalisation, with a horizontal wrap around care structure which could be administered by either the proposed VSC or alternatively where DVA is at the moment.

As a model that uses wrap around care, it could run horizontal to the different stages of service beginning at the beginning of in-service, transition and post service. It would afford the opportunity to create a similar system that is focused on the wellbeing from the beginning of the member's military career. In this sense it's a preventative measure and we're all aware that prevention usually costs less at the end of the day than actually looking at the back end. It has the capability to balance wellbeing and agency against the limited agency. It has the potential to keep individuals actively engaged within wider society and means that transition would be a process that begins from the first day in service.

With this scheme it could look at coordinated care so it could look at a case management. I would argue that that needs to be completely outsourced. A big problem within Defence is that because of that limited agency, there's no back door so you do become institutionalised. So giving members the capacity to have more say, more control, whilst they're in and also be advocated for by an outside source back into ADF, is very, very, important. I believe that this would assist in the reduction of high mental health rates and assist in the prevention of suicide, particularly for junior ranks and medical dischargees. It targets the vulnerable populations which we know are necessary whilst ensuring a level of assistance for all and it creates resilience through greater autonomy and less co-dependency on the ADF which potentially could elect to better action outcomes and reduce overall costs. In terms of that I'd like to speak to some of the draft recommendations.

COMMISSIONER FITZGERALD: Well, you probably won't have time. But if you want to pick one or two and then we'll come to a discussion. So we've got your paper and it's extensive so thank you for that. So if there's one or two issues you want to put in the next couple of minutes and then we'll have a discussion.

MS MORRIS: Yes. The most important thing for me is transitions because I don't think a lot of people looked at it and it goes really coupled with what I'm talking about. So the draft Recommendations 7.1, 7.2 on transitions; I do agree Defence should take responsibility for transitions and transition services need to be consolidated in one area. I agree with the functions outlined for transitions within the draft report. I strongly oppose a Joint Transition Command. A command structure within the ADF is counter-intuitive to assisting personnel transitioning smoothly just as joint health command, as a command structure, is actually counter-intuitive to assisting personnel with their help within Defence.

What is being asked for is institutionalised people to tell other institutionalised people how not to be institutionalised when they leave the institution. This would be particularly harmful for those undertaking a medical discharge. Transition is about re-orientating to a new environment and not continuing in the same. Transitions have been likened to a reverse culture shock. A good transition model should assist and orientate members gradually and supportively to ensure positive outcomes, keep members connected with wider society and create options and choice. A command structure does not liken itself to this model. A transition model should be focused on de-institutionalisation and not reinforcing the institution particularly so close to discharge. Further, many ordinary ranks don't trust command to put their welfare first as there are too many systemic limitations inherent in the system.

COMMISSIONER FITZGERALD: All right, thank you very much for that and thanks for your participation prior to the draft. Can I just explore a couple of issues: The most fundamental of the ADF; you say that if we leave ADF the way it is it will perpetuate a system that is not fit for purpose.

MS MORRIS: Yes.

COMMISSIONER FITZGERALD: And there are elements in our report that clearly that is the case. But what's happened in this public hearing is quite interesting, is that people acknowledge the weaknesses in the ADF at all levels and have opposed our view of putting policy and we never put the administration of the scheme into the Defence department. Only policy, they have resisted that on a number of bases; that they don't believe that they can do the job; it's a conflict of interest with the core responsibility of national security, they've had previous experience that ADF in their view is not a good policy maker generally, the issues would be swamped and so on. So what struct us is that people say, "ADF should be responsible but we don't think they can be and therefore you shouldn't ask them to be".

MS MORRIS: Yes.

COMMISSIONER FITZGERALD: And that's very perverse. It doesn't happen in any other inquiry we've ever done.

MS MORRIS: No.

COMMISSIONER FITZGERALD: People would be now standing up saying, "You must get Defence to change". The veterans' community by and large says, "We don't' believe in it but leave it alone". So your position of trying to change the culture and in fact the systems and practices within Defence, is a big ask.

MS MORRIS: Of course.

COMMISSIONER FITZGERALD: But what is the core thing that you think needs to happen in ADF to, in your terms, make it a fit for purpose service in relation to at least serving and recently discharged members?

MS MORRIS: It is an onerous task.

COMMISSIONER FITZGERALD: What's the starting point?

MS MORRIS: You know, I guess when we're looking, it is always that balancing act between capability so it's between what Defence is there to do, which is pretty much, you know, our national service, against the wellbeing of people within it. I think where people fall down and there is a big fear of that if we flick it into the Department of Defence that, you know, policy et cetera, that people's wellbeing will not be looked after. That's because within the system itself there has been these particular limitations and it is the core and the stem of where majority of the problems come from, it's the mismanagement.

Now, there's a difference between when we look at what the ADF is as a command structure and the whole Department of Defence. My argument would be is actually balancing that so it can be in Department of Defence. I know that that will create a lot of, you know, tension within the community and I understand that because at the moment DVA is the only power that separates to ensure that they're being looked after, however Department of Defence is not the ADF so it would be about ensuring checks and balances within the Department of Defence and ensuring that there is a separation of those powers between the ADF and Department of Defence to ensure that it happens.

Within the ADF itself, I really do think that it comes down to there's no back door for anybody to actually come out of that command structure. It's actually the command structure and the hierarchal kind of power within there that doesn't give any veteran, particularly the junior ranks, a say in what is going on or have any support or human contact around them.

COMMISSIONER FITZGERALD: So it seems to me an indictment on the ADF if it so that in fact you don't have, and others don't have, faith that that agency can in fact deal adequately with the wellbeing of its own personnel.

MS MORRIS: As I said, how do you - how can people that are institutionalised actually have a critical reflection on their actual institution? Should we allow an institution, particularly a public institution, to continuously investigate itself without transparency and without accountability. These things are paramount. ADF is not a stand alone organisation and institution. It is adherent to the actual public and our government however at the moment it doesn't seem to toe the line and adhere to that.

COMMISSIONER FITZGERALD: In relation to your wrap around model, and Richard may have some questions in a second, I'm not understanding how that works given that culture. So let's assume for a moment it doesn't matter whether it's DVA or Veterans' Services Commission, ultimately that takes responsibility for veterans but whilst people are serving or transitioning, how does your wrap around model of care actually work within that sort of ADF context because it seems to me you don't have much confidence that it can work in that space, this is fundamental change within ADF?

MS MORRIS: Look, I actually believe that, as the Commission has rightly pointed out on a number of things within the report which I thought was fantastic, is the historical changes that we've seen and so how pretty much society has changed, ADF hasn't. One of the arguments is that do we need Joint Health Command actually caring for the all of the health veterans? I would argue we do not and I would argue that Joint Health Command in itself, it's like when you actually have rehabilitation in there, then you have rehabilitation there, sometimes people can go through three different rehabilitation processes which has been highlighted.

Now, it would be changing a system. I don't know if you would ever to be able to take the power away from Joint Health Command, which is an argument, "Why would you give them the power of a Joint Transition to

command if then you can forward a way?" but as far as changing it and pulling back Joint Health Command, I would argue that they could still be looked after with the operational services. I'm very aware that, and as the Commission highlight, that ADF is looking at a flexible workforce. So if they're looking at a more flexible workforce, would it make sense to actually see, "Well, how can we make the whole system more flexible?"

COMMISSIONER FITZGERALD: Sorry, Richard is going to ask a question but can I make the last point. I mean, one thing that's become very clear to us in talking to the Defence Department, ADF and everybody else, is the workforce of today is not the workforce of the future and the workforce arrangements are going to be entirely different between permanent, casual, part-time, and so whilst we're looking at the model as it is today, everyone is saying to us, "Ten, 20, 30 years from now, that workforce, the way it's configured, is going to be entirely different" and we're trying to create a veteran support system that is robust enough and flexible enough to accommodate a world that we haven't yet envisaged and that is a real challenge because it's not going to be the same as it is today.

MS MORRIS: Okay.

COMMISSIONER SPENCER: Deborah, thank you very much for your description of the cultural issues because I think it's something that - it's often not commented on but it actually underpins a lot of the fundamental issues we're talking about. I suppose it comes back to what we're being asked to do and that is to look in the longer term what is a fit for purpose system. So some things that we put on the table now, people will say "Well, that can't happen, it can't happen tomorrow but over a 20/30 year period how would you move towards a system like that?"

So one of the fundamental things we're grappling with, which Robert has commented on and you have as well, is when you have an institution within a very tight culture and one that really doesn't welcome outside influence or oversight, how over time do you change that, and as you've acknowledged that's difficult, but I suppose as a fundamental point there, do we just accept that for the future and therefore we build things around that culture to kind of minimise and lessen the impact or do we fundamentally have a view that the institution's culture can change over time? So, look just a thought on that. We've looked at other military systems as you know and I think we may have talked about his before, but in other military systems, looking at it from a distance, that do have that joint responsibility, what is often described as the "duty of care" and the "duty to prepare" and nobody underestimates the complexity and the

challenge of that that the ADF has and Defence has around that. It's very complex.

But in some of our discussions, with other military systems they grapple with that issue right at the heart of their militaries so one could say that, and I don't know the history, but if they had come from a place that we are at the moment, over time they have managed to change the culture within those institutions which, to your point, your very powerful point, minimises a lot of the long term consequences of what you described as mis-management.

MS MORRIS: Yes.

COMMISSIONER SPENCER: So I think that's what we're grappling with. So when it came to the Joint Transition Command, just to give it a background on that, and this might be are naivety but we thought the - it's been put to us that often if you say , "You should do this, you should do that", nobody really responds unless there is a command structure in place do to that. So the notion of a Joint Transition Command was to give authority and ultimately responsibility to this very challenging issue of transition, which as you have said and many have said to us, is a key moment. So your concern is that, "Well, that just gets absorbed into those people that are institutionalised?" but would it not be possible to construct that in a way with some external oversight, there can be a beginning of a change process in order to incorporate the sort of considerations you're talking about into the culture?

MS MORRIS: When you're looking at the culture, as I said, one of the biggest things is the command structure and, you know, there have been 60 investigations over 40 years into the military justice system, cultures of the ADF, where (indistinct) position time and time again from outside reviews, that Defence needs to stop administrating and investigating itself and it needs to be pulled outside where there is an independent authority because systematic abuse has continued to occur. The pathway to change which is a cultural review of 2012, was supposed to actually hit it at the core.

I argued the ADF itself does not even understand itself as an institution and organisation. So if the institution and organisation does not understand itself, how can you be sure, putting it into any type of conveyance structure which is known as actually one of the systemic problems, that you're going to get good outcomes, I would argue that you could not. Can you have an outside influence within a command? No. A command structure is hierarchal, it's authoritarian.

When you want to look at it in the context of Defence being a family, you're actually looking at the structure in the terms of nearly being the authoritarian figure in an abusive relationship. They have all the power. They have the power to give and take and it's the people within the system, and usually it's the higher rank people, officers, that have the position to either say yay or nay of how it goes on. If these people are administering the command decision, it actually means that they have the capacity to continue on with the abuse of the system.

COMMISSIONER SPENCER: So in your alternative model, if that in a sense is outside how does that break through that command structure because - and look, I guess just what we've observed on bases, and we've been on many bases around Australia, what we've observed is that the good things we see often depend on people who take the initiative.

MS MORRIS: Yes.

COMMISSIONER SPENCER: And the command structure on that base, (indistinct) in fact leads on it. In other places it doesn't happen. To put in the vernacular, it's the tick and flick exercise. So there will always be some element of that but we're looking at the structural response. So what gives the power and authority of the outside intervener into this process that can, if you like, chip away at what you're describing, as a very rigid command structure?

MS MORRIS: Look, I think, you know, if you're looking at an outside influence coming in, you need to check the balance of that command structure. So where the Commission has rightly said that the ADF needs incentives, these incentives need to be enforceable so there actually need to be outcomes when the command structure is broken, there actually needs to be a consequence for actions that suit what has actually occurred and this is one of the problems, and systemic, within the actual institution is that when problems are highlighted, they are usually hidden, denied, so again we come back to transparency and accountability to the system.

What I've seen with rehabilitation providers actually going back into Defence and standing with actual Defence personnel for rehabilitation, is quite often even - within the command structure there, command will turn around and say, "No, there's nothing wrong with you", "No, we don't agree to this, you need to start walking again". However, the power of the people that are the outsourced rehabilitation providers coming in and advocating for those personnel, is actually what pushes it through because I've known instances where the rehabilitation providers have said, "If you do not adhere to this and this and this, within civil society, within civil court, you are in breach of this law and you can't hide behind Defence, it's

a personal thing because you've done that" and it's been enough to pull them back in and say, "Oh, this is where we need to be".

COMMISSIONER FITZGERALD: So can I just deal with that, just to follow Richard's point; Defence has been outsourcing a huge percentage of its activities for a decade and when you go on a base, a lot of the people you need are in fact outsourced. Now, we have no problem with outsourcing generally but there is a point at which an outsourcing operation simply becomes about shifting risk and shifting the need to change culture so there have been some people that say, "Oh, well let's just outsource transition of the whole, we'll give it to somebody, either a non-government organisation or somebody else, and they'll deal with it" but taking Richard's point is most people would think the PC would like that but we actually don't and the reason is because we actually are fundamentally trained to deal with this, that there needs to be a cultural change within Defence.

MS MORRIS: Yes.

COMMISSIONER FITZGERALD: So going back to Richard's point, whereas right at the moment there would be people in government elsewhere, you know, prepared to outsource just about everything to deal with DVA and Defence, we are actually saying, "This is not necessarily the right way to go". Now, that will surprise lots of people. It may surprise some people in Government as well. And so I just want to test this thing, outsourcing it, "I can understand we can get a credible operator and it'd be terrific. As you know health has been outsourced to Medicare Private and now BUPA" but again, we're not quite prepared to give up on the fact that both ADF does have a duty of care, and it does, and that some of the culture and practices can change.

MS MORRIS: Yes.

COMMISSIONER FITZGERALD: But are we completely naïve about that, that's really the point I'm asking, and outsourcing, it seems to me to outsource risk, responsibility and frankly avoids the issues that we're trying to address.

MS MORRIS: Yes. Look, I really appreciated the draft report of trying to have incentives and accountability in the Department of Defence, I think that that's very important. The idea of putting up a VSC I think could actually work. You could run a horizontal care package because it still will be within the Department of Defence. Where DVA stands at the moment - - -

COMMISSIONER FITZGERALD: Well, the Defence portfolio, yes.

MS MORRIS: Yes, the Defence portfolio, sorry. Where DVA stands at the moment you could argue that DVA could still do a similar thing so you wouldn't have three different rehabilitations, there would be horizontal wellbeing care, whilst you would have ADF coming down in the vertical care. So I do appreciate the problems and concerns. I am very good at highlighting the core issues. I believe that finding the right balance and finding a way forward will be about bringing particular stakeholders into round-tables or more appropriate things to actually talk about it. The more discussion, I believe will actually be able to - you'll be able to find a better balance of the military and civil divide that continuously come up.

COMMISSIONER FITZGERALD: Right. Just a quick one, Deborah. I'm just interested in your comments on - you've talked about "reverse culture shock" deinstitutionalisation and as we know many people join the ADF at 17 or 18 and they can be leaving at, you know, 25 through to their late twenties, so they've in a sense never been a civilian, never lived as an adult and that raises a number of issues. So when one looks across cultural work in other context, to your point I think, the biggest shock is actually not when you "go" to a different culture, it's often when you go back to what you "think" is your own culture.

MS MORRIS: Yes.

COMMISSIONER FITZGERALD: And you suddenly discover you're different, it's different.

MS MORRIS: Yes.

COMMISSIONER FITZGERALD: Do you think that's underestimated in terms of transition?

MS MORRIS: A hundred per cent, 100 per cent underestimated. You know, there's actually a lot of research coming out from the Netherlands at the moment as well which actually looks, particularly with post-traumatic stress disorder and looks at institutional narratives around that and what's predominantly coming out is that the lived experience of what people have gone through is usually different to the institutional narrative for the people that are giving them care so there's clash of what's actually going on. You could argue that's what happens with veterans too.

A lot of it is shifting your worldview, it's a shifting your worldview and it's the institutionalisation but it's also the things that you're expected to

do, it can be the things you're expected to see. Can you clinicalise all of that? Can you say that it's a medical condition when sometimes maybe people will step forward, they maybe understand or perceive society completely differently, so it's like how do you keep them connected in society so they can see those changes happening in society but still be able to maintain the capability that it's required within the ADF. It's a challenge.

COMMISSIONER FITZGERALD: But just in relation to that issue. We had a presentation the other day which is along the same presentation, that is, we continuously hear that, you know, the system breaks you down and rebuilds you into a military character.

MS MORRIS: Yes.

COMMISSIONER FITZGERALD: But at the other end there's no attempt to reconvert you back into a civilian character.

MS MORRIS: No.

COMMISSIONER FITZGERALD: So there is transition but whilst all this effort is to turn you from a civilian character.

MS MORRIS: No.

COMMISSIONER FITZGERALD: So there is transition, but whilst all this effort is to turn you from a civilian to a military person, there's no effort to turn you from a military person to a civilian, other than the current transition arrangements. That's really the point I think Richard is raising. We've discovered that – is that really a contentious issue? I mean, it doesn't happen, we understand that, but is it in the military circle understood that if you change the character of an individual at the beginning, maybe there's an obligation to change the character at the end. Is that a contentious sort of view, do you think?

MS MORRIS: From an outsider point of view, from a bird's eye view of looking at the whole system, I think I said it before, I don't actually believe that ADF, as an organisation or institution actually understand who it is, what it stands for and what is actually going on. So if they're not actually understanding how they actually socialise people and break them down and build them up as something else, how would they even understand or comprehend that maybe we need to put them back together before we put them out.

However, what also needs to be understood is that whilst we do have institutes, we also have individual needs. And so different individuals will have different experiences and understand different things. So it's always that contention between the institution and the individual as well.

COMMISSIONER FITZGERALD: Yes, and I want to acknowledge that according to the figures and according to many hundreds of veterans we've now spoken to, many leave the Defence Force and live perfectly good, adequate, you know, meaningful and productive lives. So always it's about the individual. And we've heard from many that are very successful in post-military careers. So, again, I suppose our attention is always to those that have struggled and are struggling.

MS MORRIS: I agree.

COMMISSIONER FITZGERALD: Whether it's through medical or other conditions. So our lens is always a bit distorted in that way. Look, again, thank you very much for that. Is there any final comments you wish to make before we conclude?

MS MORRIS: No, it's fine. I just hope that there's some more investigation and more analysis before the final report comes out. I'm sure it has been called in, in many different places, but a good way to actually get to assessing what is happening in the ADF would be to call a Royal Commission. Thank you.

COMMISSIONER FITZGERALD: All right. Thank you very much. We will now break for just 10 minutes. So there is tea and coffee, I hope, and we will be back in 10 minutes, and you can bring your tea and coffee into the room, if you wish. Thank you.

SHORT ADJOURNMENT **[10.32 am]**

RESUMED **[10.48 am]**

COMMISSIONER FITZGERALD: We will resume. Thanks very much, and you can sit closer to the front, if you like. As I've often said, it's not the Catholic Church, so you can sit closer to the front. So, Gerry, if you could just, take your time, grab a seat, and then give us your full name and the organisation you represent, please.

MR GARARD: Okay. My full name is Gerry Garard and I represent an organisation, a fairly young one called 4 Aussie Heroes Foundation.

COMMISSIONER FITZGERALD: If you could then just give us about 10 minutes of your key points, and then we'll have a conversation.

MR GARARD: Well, okay, I hope you're not going to be too disappointed after the last speaker was quite eloquent and learned.

COMMISSIONER FITZGERALD: We're never disappointed. That's fine.

MR GARARD: Very briefly, national serviceman, conscripted into the Army, went to Vietnam, got out and went into the commercial world, and when I retired a few years ago decided I wanted to put back. I had researched the PTSD situation, mainly in the military, and so my wife and I founded the foundation in 2016 and since then we've been working towards developing programs and getting a retreat organised where they would be delivered. And in those two or three years, the experience I've had with DVA and ADF has been a very, very steep learning curve.

I guess I wanted to come along to share a little bit of that last two years. I've struggled going right through the Commission's report, draft report, and so I really just wanted to hone in on my experience with DVA and the ADF, and Joint Health Command, as a volunteer, which I am, and the organisation is basically volunteers, and that experience, and it hasn't been a good one. My view, as I said in the short submission, is that DVA is hopelessly out of date. They are inflexible. Some of their guidelines are more relevant to second world war or first world war veterans, and they don't seem to want to listen.

There's no sour grapes in this at all. It did, however, or was sparked by an application to help fund a program. We got together some learned psychologists, psychiatrists, exercise physiologists, psychotherapists, to write live-in programs from scratch. And our research was that those programs should be conducted in a rural or natural environment, was the best place. This committee came up with a format for these programs, and to help us with the very first inaugural program, we asked DVA to support it financially, and they said no.

I give them a tick because they at least were then willing to listen when we asked, "Well, could you explain why?" And they did. That then grew into us questioning a number of things, and seeking a meeting with the head of DVA, which was at November last year. We gave a brief for that meeting, which was conducted with the Deputy of DVA, because the head

of DVA was called away to an estimates hearing, I think it was. We tabled a written brief as to what our issues were, and when we left Canberra we asked could those issues be addressed.

In the three months since then, we have been totally ignored. They haven't had the courtesy to even acknowledge our letters, emails and phone calls. So I'm not sure whether it's arrogance or there's something wrong with the system, or it's just too hard for them, because some of the issues we raised, and their initial response, was absolutely scandalous. And if I could give an example, our program has clinical sessions which are sessions which are delivered by clinical psychologists. And we have a lot of adjunct sessions in the 12 days, equine assisted therapy, exercise physiology, canine support, those sort of things.

They said, "Sorry, you don't come in under any of our grant schemes." You've either got to be a medical or clinical focus, or you've got to be the adjunct focus, but we don't do anything that's a combination of the two, which was appalling from our point of view. Absolutely appalling. In some of the discussions they told us that some of the medical sessions, if we didn't have a clinical psychologist delivering them, they would fund it, which is scandalous. So I could get someone off the street to go in and deliver that program and it could be fundable, but because we had the medical focus and it was delivered by a clinical psychologist, it wasn't fundable.

We sought an issue in relation to where the funding went, because we felt it was unreasonable, but most of the funding from the grant scheme that we asked for, went on bus trips for veterans to wine regions, and to carpet floors in club houses and that sort of thing. Our request was specifically for a rehabilitation live-in 12-day program in the bush. So there's two elements to what I wanted to say today. One was a course that in everything we've had to do with DVA in Canberra, you know, outdated, old-fashioned, inflexible, unprofessional.

Then, on the second hand we're just blown away that a foundation predominantly of volunteers in a charitable area, won't answer our questions. We were – some of them are relevant to, well, other grant schemes or we look at the type of grant schemes that you have. We believe the money, in many respects, is just going the wrong way. It's not there for what it should be. I guess that's the two aspects. One is it has not been given the opportunity to have our questions answered, and the other one is that we believe what is happening is just, you know, it's ridiculous. I would just like to put that, if that's okay.

COMMISSIONER FITZGERALD: Good. Thank you very much, Gerry.

MR GARARD: I hope you're not too disappointed.

COMMISSIONER FITZGERALD: I'm not disappointed at all. Can I ask a couple of things? The foundation, as you say, was established by yourself and your wife. And the particular target group of veterans you've described, as I understand it, were those that had been conscripted and went to the Vietnam - - -

MR GARARD: No. No. Definitely not. No.

COMMISSIONER FITZGERALD: Who is your - - -

MR GARARD: It's veterans with PTSD or related mental health issues.

COMMISSIONER FITZGERALD: From any part of the service?

MR GARARD: It's predominantly – the people we're talking about are predominantly out of Afghanistan and Iraq, East Timor, Somalia.

COMMISSIONER FITZGERALD: Right. So it's open to that group?

MR GARARD: Yes.

COMMISSIONER FITZGERALD: The second thing is, the model that you've just mentioned, as I understand it is a – what – a 12-day residential bush-based program. Is that correct?

MR GARARD: That's the program that's operating at the moment. The committee are developing transitioning programs, so we're having a lot of discussions with the ADF about transitioning, and also peer support, which we see as a really big aspect of the rehabilitation process.

COMMISSIONER FITZGERALD: Just to clarify, how long has the foundation been going, Gerry?

MR GARARD: Well, it started in 2016 and – but it has been a steep learning curve and it's very much in its early days.

COMMISSIONER FITZGERALD: When you've dealt with DVA in relation to funding, they've basically said you don't fit within any of their categories.

MR GARARD: Yes, that's basically it.

COMMISSIONER FITZGERALD: So when you've presented your proposal, have they been willing to acknowledge the fact that it is a well-designed or a good program? Do you get to that point? I mean, they may not say that but do they get to the point of saying it's worthwhile but you just don't fit within our categories?

MR GARARD: No. DVA - - -

COMMISSIONER FITZGERALD: Or you don't get to that?

MR GARARD: DVA haven't said that. They've been very guarded. But everyone else that we've spoken to has, from Seven Brigade Commanders, from Joint Health Command, from people within the ADF, the Deputy Chief of Army at the moment, everyone thinks it's innovative, it's brilliant and it's going to be good.

COMMISSIONER FITZGERALD: As a foundation, do you regard yourself as an ESO or do you regard yourself simply as a foundation?

MR GARARD: That is a difficult one, to be quite honest. So I don't put us in a category but we go to ESO forums that are run by the RSL or by Seven Brigade out at Enoggera, so we're very much considered within the military context as an ESO, but we see ourselves as a foundation that can work outside that. In fact, at the moment we have broadened our focus of late, and we do now include first responders in some of the work we're doing.

COMMISSIONER FITZGERALD: And the basic principle or principles that underly your approach, how would you describe that to us? What's the basic principles that guide your foundation and the services that it provides?

MR GARARD: The underlying principle.

COMMISSIONER FITZGERALD: Or guiding philosophy or whatever you might think? Do you have a particular philosophy or approach to rehabilitation of veterans?

MR GARARD: It's very basic, and in the research I did before we started it, I didn't want to reinvent the wheel, so we looked at where there might have been a gap. And to me there has been a gross underestimation of the value of a rural environment. Lots of the things we wanted to do were being done in CBDs and things like that. That was one aspect. And

the other aspect, there didn't seem to be a holistic program where someone who's suffering and has either been medically discharged or is now out of the Army or in the military or still in the military, there was really nowhere I felt that they could go and get a taste for all the different things.

That's why the adjunct thing, which I was, you know, studying equine assisted therapy from the States. DVA wouldn't accept that it's a genuine therapy. The rest of the world does, and slowly but surely it's becoming well-known. Gallipoli Medical Research Foundation are doing, you know, studies into it and, you know, gone are the days of just giving an ex-digger tablets and, you know, saying, "Goodbye and I hope you get better," band-aid, crazy.

You know, you've got to – PTSD is an interesting thing. I am not a medical person, I'm not a health professional. I left school at 15 and have not – and everything I've learnt since then has been from people and just using some common sense and intelligence, I believe. So people were doing, you know, treks to Kokoda and others were concentrating on equine therapy, and others were doing meditation and yoga. We wanted to bring it together and have the whole ambit in a live-in program where they could choose.

Because if someone comes to us from Mount Isa and they really are positively affected by their experience with horses or dogs, and they go home, well, you know, we've got to help them develop that aspect of their recovery. So we're all about actual recovery and giving those people a better quality of life. One fellow I was talking to this very week, he's an Afghanistan veteran in a terrible state at the moment, and his exact comments to me was, "I'd love to come on your program. I'm not medically well enough to come on it." And the programs are free, by the way, the foundation raises funds. And he said, "DVA gave me a quarter of a million dollars and I was discharged." And he said, "That was great in some respects but all I really wanted to be was healed."

COMMISSIONER SPENCER: Gerry, first of all, terrific initiative to actually look at an issue and to think about what could be different and how might that be responded to. So if you think more broadly about human services, there are other examples of that, of people like yourself and your wife taking that initiative. Your experience is not uncommon, though, when government systems run into innovation and new thinking. And government struggles generally with how best to respond to that. And typically what happens is the response is but it doesn't fit our funding models.

So what can be done about that? So I'm just thinking, when you think back on your experience, what could have helped earlier on to know whether you're on a pathway that's of interest to them, and, secondly, what sort of information, innovation funds within the Department or some indication that the Department could be open to a productive discussion around what you're doing and whether they would be interested in, in a sense, partnering with you. When you look back on your experience and what you're learnt now, what would have been different that would have helped you to formulate your thinking and ideas with the possibility the Department would come on board or could come on board with that?

MR GARARD: If they had have shown any interest in what we were doing, and the people that were involved and who were developing the programs. It basically was, look, you know, you don't fit into one or the other and so we can't help. In one of the discussions with a very senior person at DVA, for example, I spoke about where the funding was going under the one grant scheme that we had applied for and got knocked back. And I said, "I can't understand that running a program with, as we were, gets no funding and yet bus trips to the wine regions are funded."

The answer was, "There's only a certain size pie and what do you expect us to do? Take off from those people that we have been giving that money to for years?" I'm a pretty down to earth person but I was just – I was gobsmacked that that was the attitude of the hierarchy of DVA. So all they had to come and do, and show some interest, but to say it's either got to be medical and clinical, the whole program, or it has got to be adjunct and be fun and enjoyable. To me, the common sense approach was this innovative program that combined the two things.

You know, where they could do equine assisted therapy, they will go on boat trips, they have comedians come and they do laughter and humour therapy, the whole thing. It was suggested that, well, we should pull the program apart and have two different programs, and then we could possibly get funding for the two. But they would have to be separate applications and be clearly separate. How ludicrous.

COMMISSIONER SPENCER: Yes. So what you're describing is an appetite for – or no appetite for innovation or fresh thinking around this - - -

MR GARARD: That's right, yes.

COMMISSIONER SPENCER: - - - in the current model. This may not entirely respond to the experience and the issues you have, Gerry, but we're certainly saying in our report that more input, more expertise

informing the choices that DVA makes, would be a good thing. And that can come from professional expertise, it can come from new thinking, new models, new ideas, and like the model you've put together. Typically in other departments that deal with human services, it is to quarantine some funding to sort of work out where do we go next, what might be different, what might challenge some of our current thinking.

So I think in our report we will be exploring that space and saying more about it. So and if that's responded to, it unfortunately may not be there for what you're trying to do, and it's not there at the moment, but it might open up an avenue for an earlier and productive discussion about what are the possibilities here and what might be possible. So where to from here, Gerry? I mean, was your model built on relying on DVA coming to it or - - -

MR GARARD: No, not at all.

COMMISSIONER SPENCER: - - - you're going straight ahead?

MR GARARD: We're continuing.

COMMISSIONER SPENCER: Yes.

MR GARARD: We just raise more funds through our various fundraising measures. We have philanthropic trusts who think it's a great program, who are putting in tens of thousands. We have sponsors in the commercial world who are doing it, so the programs will continue without it.

COMMISSIONER SPENCER: Right.

MR GARARD: That's a sad indictment when you - - -

COMMISSIONER SPENCER: So your ask to DVA was more of a co-funding model rather than - - -

MR GARARD: Yes. It was for an inaugural or a program which starts in less than 10 days. The program was – because it was a specific program, it was going to cost about $130,000 to conduct it. And we asked them for 29,000 from the 130, and they said no, so we just went out and raised another 29,000.

COMMISSIONER SPENCER: Right.

MR GARARD: But it's that they won't engage with us about anything. We said, "Well, you know, are there any other grant schemes that this might fit under?" And basically there wasn't, other than there's a younger veterans scheme, and to me it was almost discrimination. Yes, you might be able to do what you're doing but it's for one class of veteran, and it's not the older veterans.

COMMISSIONER SPENCER: So, Gerry, just a quick comment as well on the – we did a review of Human Services last year, which is largely government funded, but a range of terrific organisations through civil society doing all kinds of interesting work, right on the frontlines of services. So what we had proposed there, and we would like to see that more evident in this space as well, is that government, in this case DVA, gets more engaged with both ESOs, the kinds of services we've heard a lot about that in these hearings and the other hearings.

There are terrific services being provided across multiple locations, and how does government leverage the value of those, and government can do that mostly through some financial contribution. So to our mind when we look at what's happening at the moment under some programs, there doesn't seem to be that level of strategic thinking about what is new and different, informed by evidence and results on the ground. How does government get really smart about what it invests in, and helps – and that's across – usually across new models that have potential.

There's risk associated with that but you don't change anything unless you invest in new possibilities. But how do you do that thoughtfully and strategically? We think that's missing – largely missing in what we see in the way, you know, what is funded. And also the level of funding that's devoted to supporting not only what's happening at the moment but new initiatives and ideas by ESOs and foundations like yours. It doesn't mean to say every idea gets up, of course, but at least there's a strategic and thoughtful way to go about investing in that to help the wider system, and it's not just a government system, it's a much larger system, which involves obviously all the ESOs and the kind of work you're doing.

So I think your experience is very helpful to understand although disappointing obviously from your point of view, to inform how could that – how could there be a different engagement and response in the future to really think about what often is described as co-designing. In other words, seriously sitting down and saying, "Well, no, no, we have our model and you don't fit our model, therefore, it doesn't work," rather than, "Let's talk about what you are seeing, what you're experiencing, what you have researched, what your evidence is, and what can we do about that." And this is this element of co-design around human services.

It's a struggle for government to do that because most governments will default to say, "No, no, we worked that out, and you either fit our model or you don't" but we'll be encouraging perhaps even more that DVA should be, we think adopting what we see in other human services, more open as to new ideas and initiatives and how to leverage the value of that.

COMMISSIONER FITZGERALD: Could I just ask one question in relation to transition: how are you being engaged in the transition process by Defence?

MR GARARD: How are being engaged in - - -

COMMISSIONER FITZGERALD: So you've talked about three things, you've got this residential program, you talked about, peer on peer or peer to peer, which is terrific, and then you talked about being involved in transition?

MR GARARD: Our committee is currently developing a five day program relevant to transition which will include everything from employment, housing and those sorts of things. It's changing dramatically I must say. There are some of the ESOs that are now - you know, have identified this plus the ADF, out at Enoggera 7 Brigade, they're big on this sort of thing but, you know, it is a different life. You know, as you said previously before morning tea, about some of these people have gone into the Army or military when they're 17 or 18 and for whatever reason they walk out the door, you know, six or eight years later, they've never applied for job, they've never written a CV, all those sorts of things. So we're looking at a program but the Board, we have an incredible board of directors, and there is some interest in - well, not interest but we are looking at what's being done currently from within the military and by some of their organisations, RSL Mates for Mates, that are now really looking at that seriously and they're also in the process of doing really good work in relation to that.

COMMISSIONER FITZGERALD: Sure.

MR GARARD: So, you know, it's an important issue because it's a different way of life as you would be well aware. You, they've discharged, they lose their military family, and often if they've got issues, mental health issues, very quickly they lose their traditional family and they're out there, you know, with no support whatsoever.

COMMISSIONER FITZGERALD: Yes. All right, thank you very much for that, Gerry. We very much appreciate that. Good, thank you.

MR GARARD: I appreciate that opportunity and thank you and all the very best.

COMMISSIONER SPENCER: Thank you very much to you too, yes.

MR GARARD: Thank you.

COMMISSIONER FITZGERALD: Good. If we could have Graeme and Teresa. Thank you. Good, thank you very much. If you could both give your full names and organisation that you represent.

MR MICKELBERG: Graeme Mickelberg. I'm the chair of the Liberal National Party of Queensland's Defence and Veterans' Affairs Policy Committee.

COMMISSIONER FITZGERALD: Good.

MS HARDING: Teresa Harding. I'm the secretary of the LNP's Defence and Veterans' Affairs Policy Committee.

COMMISSIONER FITZGERALD: And just like you've seen, if you could give us ten minutes of your key points, that would be terrific.

MR MICKELBERG: Certainly, thank you. Good morning, Commissioners, and we welcome the opportunity to present to you and the people who have come today to listen to the proceedings. With regards to veterans specifically, the constitution of the LNP seeks an Australian nation in which men and women who have been members of the fighting services and their dependents, shall enjoy honour and security and where preference and generous repatriation benefits are recognised and I think it's important that I preface my comments by that statement from the constitution of the LNP.

I'm a former career infantry officer in the Army with 47 years of service in both the regular Army and the Army Reserve. I'm accompanied today by Teresa Harding who is the secretary of the Committee. She has also served in the Army and for many years was also a senior Defence public servant. Teresa's husband and son are both currently serving in the permanent ADF.

The role of our committee is to consider and debate Defence and veterans' affairs policy issues affecting serving and ex-serving veterans, their families and widows and to communicate those views and the views of ordinary members of the LNP to State and Federal LNP MPs and senators

and where necessary to represent those views to relevant Federal and State ministers which we do fairly regularly. I think it's important to note that Queensland has approximately 265,000 serving and ex-serving members and families residing in the State which represents seven per cent of the population, a fairly significant number.

Our committee communicates regularly with ex-service organisations including RSL Queensland, the Defence Force Welfare Association, the Alliance of Defence Service Organisations and Legacy. We consider that these and other ESOs do an immense amount of valuable work throughout Queensland helping veterans, veterans' families and widows and in doing so they act as a bridge between their fellow veterans and DVA. Unfortunately it's also a reality that many veterans, including younger veterans and widows, are unable to cope with the demands of preparing claims and dealing with DVA and there is reasons for that which some of which you've heard today.

We consider that the work undertaken by ESOs add real value to the national approach to supporting veterans and even more so because of the real empathy they bring to what they do. Any changes to supporting the system of supporting veterans, their families and widows, must ensure that the work undertaken by ex-service organisations is facilitated and able to be integrated with any new arrangements that come into play as a result of your recommendations.

Our committee has provided comments to many of the recommendations in your draft report, that was in a separate document that we've provided, but only to those recommendations that we felt qualified to do so. We would however like to give emphasis to the following points: and the first is we consider that the draft report doesn't give sufficient acknowledgement to the need to ensure a system to support arrangements for veterans' families and widows and indeed your own terms of reference, I don't think mention widows at all and hardly give any emphasis to families both of whom of course are as affected by the service of serving members as anyone else.

Moving to the work undertaken by DVA: we consider that the criticisms in the report of DVA are at odds in many cases with feedback that we have had from ex-service organisations of positive outcomes of the work done by DVA which in our view reflects a general level of satisfaction with DVA and the arrangements that they administer. That doesn't mean that we think the system is perfect.

I want to now move to a key recommendation of your draft report which of course is the recommendation to, or draft recommendation, to transfer

responsibility for veterans to the Defence portfolio. We are strongly opposed to transferring this responsibility to the Defence portfolio. As you mentioned earlier, Defence is charged with defending Australia and it's national interests. To do this requires a focus on training and equipping the ADF for the conduct of operations. In undertaking this responsibility, Defence is often, in fact more often than not, having to look outwards and the tempo and nature of training and operations is such that, in our view, it can ill afford to be distracted with other additional responsibilities. Indeed, if you take the British example where Defence is responsible for veterans, if you were to talk to veterans in the UK they would tell you that it's failed dismally.

I think the other comment we'd make on this particular recommendation is although this is a key recommendation of your draft report, the report doesn't address the strategic risks to taking an established system of support and transferring it to an organisation that lacks the structures, policies, resources and culture, need to ensure that the needs of veterans, their families and widows, are well supported. And I don't believe that necessarily we should entrust any government with thinking about those risks after the event because that generally is where we end up with a system that doesn't actually serve the needs.

The report at certain places tends to focus on comparing the benefits of a contemporary worker's compensation and social insurance schemes to whatever the system might end up looking like for supporting veterans. We consider that despite that a draft report acknowledging the unique nature of military service, the report overlooks the reality that veterans' entitlements had been earned as a result of sacrifices by veterans and their families; sacrifices that I would emphasise are not shared in any other form of employment in Australia. We consider that cover provided by a market based workers compensation insurance scheme is unlikely to be compatible with the military workplace in comparison with a civilian workplace and the unique tasks that are undertaken by the ADF and the consequent risks to the safety and health of ADF personnel who are compelled to follow orders and undertake those tasks in peace and war.

We are of the view that the statements of principles and the guide to the assessment of veterans' pensions which underpin the broader arrangements and entitlements provided by the nation, to support our veterans, widows and their families, are likely to be viewed as unnecessarily onerous by commercial insurers. A system similar to industry based compensation is also likely to be unwilling to fund the significant cost associated with the treatment of conditions for veterans which increase they get older. That is a reality, gentlemen. I've lived through it myself. It's not until you start to get in the latter years of life

that things start to break down, a bit like a car when you run it too long; and this is a significant challenge for DVA and of course for government.

I want to move now to rationalising veterans' affairs legislation. We support the rationalising of existing legislation. The three Acts have made the preparation of claims by veterans, their families, widows and the advocates of ex-service organisations, and, I might add, the consideration of those claims by DVA, unnecessarily complex. That complexity can often result in lengthy delays for some veterans in having their claims resolved and sadly it can also result in tragic circumstances.

In rationalising the legislation it's critical to ensure that legislation is written in plain unambiguous language a lay person can understand which can be interpreted and applied easily by DVA staff and the bodies charged with considering appeals to decisions taken by DVA. I include, for example, the AAT, the Federal Court, and dare I say it, the High Court on the odd rare occasion. Your draft report describes veterans' entitlements as generous however it would be manifestly unjust for any rationalisation of legislation be seen as an opportunity by Government to reduce benefits currently provided to veterans, their families and widows. We are particularly emphatic on that point.

Moving to the question of transition. We strongly support the draft report's recommendation with regard to putting in place more effective arrangements for the transition of veterans from the ADF. Indeed I believe, or we believe, that the ADF has a moral responsibility and indeed a command responsibility to embrace these arrangements, whatever they shall be, at some future point.

The last area I wanted to address isn't addressed at all in your report from what I can see, although I haven't read the report in full, is the provision of knowledge for financial advisors. The complexity of existing legislation also presents them with significant challenges in providing advice to veterans about just which option they should take up. I would give you the example, I guess, if a veteran, say like me, who is covered by the three Acts, potentially there are a range of different entitlements that may be present there which an advocate will give me advice to understand but arguably at some point there will be taxation implications, for example.

I'm of the view, and I've spoken to several accountants who have said to me that they find the legislation very complex and they don't understand how to give proper advice to their clients and I think it became particularly evident following the Black Hawk disaster in 1997 where a number of the young widows were confronted with a government that was pleased to try and help them financially recover from the disaster and they

were at odds at which direction to go. We're of the view that the committee should consider the need for DVA to work with peak bodies that represent the financial advisory sector to develop training to provide financial advisors with the knowledge needed to effectively advise veterans and widows of their entitlements.

This already happens in relation to changes to the Taxation Act. The financial industry mandates that financial advisors must do certain online training every 12 months. I would see some sort of module, potentially, that can be bulk developed and bolted on there, which I think would help the current situation. That concludes my comments, gentleman.

COMMISSIONER FITZGERALD: Good. Teresa, do you have any comments you want to make?

MS HARDING: No, Graeme's - - -

COMMISSIONER FITZGERALD: That's fine. Well, thank you very much for that comprehensive coverage and if I can just now deal with a few issues. I suppose going back to the central one that you have the strongest objection to, is moving policy for veterans and I just need to clarify, we were never putting the administration of veterans into the Defence department, it was only policy.

MR MICKELBERG: Sure.

COMMISSIONER FITZGERALD: The second thing I just need to say, and it's not your mistake but everyone's done it, is that DVA is currently in the Defence portfolio today.

MR MICKELBERG: Yes.

COMMISSIONER FITZGERALD: It's not the Department, and there's been much confusion so we will absolutely clarify that, but we've heard from many people who would support your position that moving policy into Defence is not a good idea, and I suppose you may or may not have heard in the last few presentations, just this question and I won't go over it all; we think, and you acknowledge through supporting our transition, that ADF does have a duty of care thus has a responsibility. But you've identified I think, correct me if I'm wrong, three reasons why putting policy in there might be a bad idea. One was culture, one was structures, and frankly, if I'm reinterpreting what you're saying, you don't actually have the policy capacity to deal in this area, as the question for us is: should we simply accept that that is the case or should we be saying to ADF, "Actually you do need to involve a capacity in this space later on",

admitting that, at the moment nobody is supporting our proposition to move it across immediately along the terms, as ADF have a role in the policy space. Or do you think, really it should just be completely separate?

MR MICKELBERG: I think it should be completely separate. If I look at the worst case scenario, and we haven't seen total war since World War II, but Defence exists. It's core business is war fighting, that's why it exists, and anything that might distract them from that core business, in a worst case scenario for example, I don't think we can afford to take that risk with national security. I mean, fundamentally everything we're talking about here today and in all the proceedings that you've had, come about as a result of history and I'll - in my concluding comments I want to talk a little bit about that. But no, I would be - we're of the view, and we discussed this at length when we prepared our submission, that we consider that it should stay where it currently is.

COMMISSIONER FITZGERALD: In relation therefore to your transition and you're supportive of most of our approaches, if not the detail, and we'll look at that in your submission. You do acknowledge that ADF has the fundamental responsibility of transitioning its own people. You've heard, and I'm sure your party has heard, but we've certainly heard, the transition is the key issue for contemporary veterans and the present time. What is that you think fundamentally needs to change in the transition space? Now, we've given that a thorough go but there might be a couple of things that you think are particularly important?

MR MICKELBERG: I think one of the strategic issues is it's lacking - and look, there's a hell of a lot of programs out there, the Prime Minister has an employment taskforce, for example, if you look at it as a triangle.

COMMISSIONER FITZGERALD: Correct.

MR MICKELBERG: To me there's a distinct lack of integration between programs at the strategic level, at the operation level, and dare I say at the tactical level, as a military person would break it up. My own son recently left the ADF after seven or eight years of service including Afghanistan and elsewhere. His view is that arguably Defence, the ADF, are failing in that area of, I guess, bridging that transition. My view as a long term practitioner is we talk a good talk about the Defence family from when they enter basic training to right through their career and yet where we're failing is, they're dropping off the edge when they're discharged from the services, that young lady eluded to earlier in her presentation, and some of them are disappearing into an abyss and sadly there are consequences of that.

But there are all sorts of other groups, humans services as your colleague mentioned earlier, who are trying to help but I think where things are failing is there's a lack of integration. Defence's involvement is to ensure, because they spend a hell of a lot of time fostering this Defence family ethos, I did it myself, and it's got to extend beyond that. The ex-service organisations, they do a hell of a lot of good work in trying to maintain that but again there's a lack of integration between themselves as entities, but between them and the AVF, RSL Queensland have done a power of good work with recovery centres at some of the bases in Queensland and I know it's happening elsewhere. But I just think a lack of integration is where the big problem is.

COMMISSIONER FITZGERALD: I would - - -

MS HARDING: May I make two comments on it?

COMMISSIONER FITZGERALD: Yes sorry, go right ahead.

MS HARDING: I've got two comments, probably on two different groups. One on people who have been medically discharged and secondly for veterans who don't intend to make a clear, they're just transitioning out. Firstly, we deal with medical discharge. If someone's being medically discharged there's not a "smooth" transition when handed over from DVA. Where the ADF say, "Look, thank you for your service. We acknowledge that you're broken in bits and pieces in certain places so we're now going to medically discharge you." There's not a smooth transition for DVA to say, "Thank you, we 'acknowledge' that you had these issues and therefore here is the rehab and the compensation", that needs to be smoother. It's a very stressful time for those members of the ADF and their families.

Primarily too, a lot of the members of the ADF may be the primary breadwinner for their family. They are usually quite nationalistic and patriotic so to be in this No Man's Land and not know what's happening financially or with them as a person, is incredibly stressful for those people. And secondly, for those veterans who don't intend to make a claim and will never make a claim on DVA, but having some of those - they've got outstanding skill sets. It's in our best interests as a nation to make sure that they are supported to transition to civilian jobs so we can maximise the benefits of the training that they have received.

MR MICKELBERG: Interestingly, I sat in a forum after I'd left the regular Army and there was the state manager for DVA there and he said, "Why is it that a lot of these veterans don't put claims in until years after

they leave?" and I said, "Well, the reality is what they're wanting to do is embark on their next life, their new career, and that is your secondary importance particularly when you're in your late twenties and there's nothing really you want, but mostly wrong with them healthwise, and it's not until later in their life that claims become important" and I think that's an area that sometimes overlooks but I agree with what Teresa has said. It's a very turbulent time for a lot of people when they're leaving because they are starting a new path in life.

COMMISSIONER FITZGERALD: And so one of the thrusts of our report is in fact to take a life long approach, or a whole of life approach, to the veteran and their families and we agree with your point that people often don't - the conditions or the impacts of their conditions don't become apparent until later in life and so want a much more seamless system that travels with them through that life and I think at the moment it's lots of disjointed bits and pieces.

MR MICKELBERG: But I'm not sure that social insurance or a workers' compensation-type scheme is going to cater for that because generally speaking they're about lump sum settlement and then we're onto the next customer.

COMMISSIONER FITZGERALD: If I just may just do that and then Richard's got some questions. I want to be clear, we are not trying to impose a workers' compensation scheme into a military compensation system and we're not talking about outsourcing this to any private operator at all.

MR MICKELBERG: No, No, I understand that.

COMMISSIONER FITZGERALD: So what we try to do, however, is to say that over the last 10 or 20 years there's been lots of learnings in the workers' compensation/accident compensation fields and the nine governments themselves have had to deal with this; how do they deal with workers' compensation of their own employees, as has the Commonwealth. What there are very clear to us, a whole lot of practice in those areas which are absent in the current veterans' things, including a whole lot stuff around employment, engagement of people to help them to return to work if they're able to do that, outcome based models, much tighter funding controls so that you actually get better and more targeted outcomes for individuals.

So we've never indicated, and it's out fault because everyone is saying this is what we say, we're not trying to turn it into a workers' compensation scheme. What we are trying to do is say, "Are there best practices, are

there learnings from those schemes that then can be imported into a military compensation scheme?" So I just want to make that point. So we agree with your view and the social insurance model is exactly the same. There are some issues around the funding of those premiums and so on that we are exploring but I want to make the point clearly that we have no intentions of turning the military compensation scheme into a workers' compensation scheme but we are keen to learn from some of those schemes.

MR MICKELBERG: If I can suggest that often the people who will interpret this point won't be the Minster, they'll be bureaucrats who work for the Minister, therefore there needs to be some fairly emphatic statements made to that effect so that they don't rush off in a tangent and say, "Hey, let's create a social insurance scheme for the ADF".

COMMISSIONER FITZGERALD: No, no. Well, that's not our intention.

MR MICKELBERG: No, I know.

COMMISSIONER FITZGERALD: But we are ambiguous about this, we do want to bring some of the learnings and some of the financial issues, the ways of managing these schemes, into a compensation scheme for veterans.

MR MICKELBERG: Makes sense.

COMMISSIONER FITZGERALD: But we understand where this confusion has come from but we are not trying to turn into a pure workers' compensation scheme because frankly, we actually believe that the scheme "should" be different and just in relation to the word "generous"; it is a generous scheme by world standards but necessarily we think that that's not a bad thing. Where we're concerned about is that all the money should be targeted in the way that it delivers better outcomes but that's a different issue, an entirely different issues.

COMMISSIONER SPENCER: Yes and just to add to that, I mean, we do make the statement which we think entirely appropriate that these Australian community expects this to be generous. The question is how does that get worked out through the detail but that is appropriate so that's an important principle. Just going back, I hear your comments on families and widows and we've heard that from a number of different organisations and the public hearings, so we will have more to say on that because it is a vital part and I think there's been a sense in the past that it's sort of kind of an "add-on" sometimes to other inquiries but it's not front and centre of

the impact on families but also how families are integral to the good health and wellbeing of veterans so we will be paying attention to that.

The third area, it comes back a little bit to the previous discussion we had with Gerry, but this is - as you know Robert Cornall has been doing his report which goes largely to the role of advocacy and what that will look like in the future and of course that's extremely important to many ESOs that are deeply involved in that program. But it goes well beyond that and we've suggested this already in the draft but we'll have more to say about the role of ESOs and the responsibility of Government and the Department to be clear about what are the services out there that can really assist veterans that frankly often can't be delivered by Government. I made the statement a couple of times yesterday that sometimes the people most in need and most isolated are unknown to Government and would remain unknown to Government and it's the ESOs and other organisations through their networks, through their Peer to Peer relationships, that can find these people and put them on a pathway to the services they need.

So we think that's important and, you know, you reference human service thinking and in other areas of human services we see that much more proactive approach to sort of bring in the organisations that are more on the frontlines of service and say, "What do you think?" and really have conversations and dialogue about that, inform the design of programs and strategies with that input, and then be very clear about how to fund that. And I've made this comment a couple of times, we've been surprised frankly at the modest amount of money that goes into this effort at the moment. We think there's probably a pretty significant investment opportunity there for Government to leverage a much more strategic approach to the wide range of organisations that are out there, both ESOs and NGOs about how they can better support.

So look, the final part I come to is a question. We've been struck by the, and it first happened here in Queensland, and that is the State-based Governments, or State Governments, starting to be more involved and interested and trying to work out what's the service provision that can support, a more integrated approach to the welfare of veterans' families in the fuller sense of the word. And in many ways I think we've seen more evidence of that in Queensland than elsewhere but from your point of view, what is the potential for State Governments to be both doing more, working more collaboratively around these efforts, because sometimes we hear from veterans, "When I was living here I had these benefits but then I moved interstate" and they don't have those benefits, so we'd all agree that that's not a very good situation. So what's your thinking behind that

and what efforts to see underway to try and get a more integrated State Government response to this as well?

MR MICKELBERG: So I'm aware of an initiatives in Townsville, for example, and you're going there shortly I gather and no doubt you'll hear from the people up there, particularly - hopefully John Caligari and others.

COMMISSIONER SPENCER: Sure.

MR MICKELBERG: And I think they're very positive steps and the local Government indeed has been involved there. Again, I think the issue that is a stumbling block for all of this is a lack of integration, you know, like anything in this country, three levels of Government. I would draw a parallel with the British approach to the covenant which they bought in there largely because their system of supporting veterans and their families failed there as a result of their experiences in Afghanistan in particular. And so what's happened there with the covenant is that you have - because they don't have State Governments there, they have County Governments and they have the Commonwealth Government, is they've entered into covenants.

So the County Government would enter into a covenant with the base commander that might say, for example, "When you have people posted into your base, instead of them going to the end of the line for public housing here, we will acknowledge and unique nature of their military service by giving them greater priority", for example. And I think my view, and we're about to enact - well, there's a Bill before our Parliament, the Veterans' Recognition Bill, which includes a covenant. In my view that's the precursor - my vision is that it's a precursor to us taking a similar approach in this nation where States get involved. Now, South Australia has a covenant. I think New South Wales has one. Victoria may have one, I'm not sure.

Ultimately my vision is there are covenants in each of the States but that covenant should mean more than just, it's Government. It should include business which gets (indistinct) it starts to look at this, how do you facilitate transition? It starts to breach into the area that the previous presenter was talking about, about trying to enhance programs that might be sponsored by a business as part of whatever the covenant might be in this State if there is to be one. But again, I keep coming back to the issue; integration, integration, integration. And of course the other issue is resourcing. I mean, every State Government is confronted with deficits and at the end of the day there's a cost.

MS HARDING: Thank you, Commissioners. I've got four things I think the State Government could do immediately that would certainly support veterans and their families and serving members. One is, and Graeme touched on it, public health waiting lists. So just say I'm posted to RAAF base Williamtown in New South Wales and my kid or myself was on a public health waiting list to have some surgery or some treatment and we get posted, we'd like that priority so we don't lose our space. I'm not asking for us to be at the top of the list but for us not to lose any seniority in that.

The same with childcare centres where there was waiting lists for that, so we often - we do get post around at short notice, you know, with two weeks' notice when you got three kids, lots of fun. So to have that in place. The third jobs for the ADF, as they transition out I see the New South Wales Government, that they have some numbers and I think some targets there for how many former members of the ADF that they would employee, that would certainly I think work really well here in Queensland.

And thirdly, support of spouses. In the Federal Department of Defence, certainly with Defence spouses as your spouse gets posted around, there is some priority in you getting a job if you work in the Department. I currently work in the Queensland State Government, nothing to do with veterans, I work in IT. My husband this year is at RAAF Base Edinburgh in Adelaide, was last year as well. Our youngest one's in the Army, our two eldest ones are at university so they're more then capably left behind. I would love it if I had the opportunity, and so would others, that I could work here to stay in the South Australian public service for a year or two with my husband and know that my job is secure here. So if the State Governments had some type of arrangement where they would keep jobs open for up to three years, they do that in the Department of Defence, that would certainly aid a lot of families.

COMMISSIONER FITZGERALD: Good. There's a number of other issues but we won't go through those. You've gone those in our submission. I just want to come back with one issue and then, I think, you wanted to make closing comments. This issue of the "Defence family" and you've indicated that Defence promotes this notion. Before starting this inquiry I was sort of under the impression that family members of serving personnel, serving veterans, that may have improved over time but having done this inquiry I'm not so sure anymore. So can I just explore your view. We've got the rhetoric, Defence family. What's the missing ingredient that actually turns that into a reality?

MR MICKELBERG: I think it's many of the measures that Teresa has just captured. In other words, some practical measures that are apparent to the families that the nation, which Defence is part of, is actually operationalising that rhetoric. I mean I as a commander can operationalise that with the, in my case, soldiers in terms of who I'm responsible to lead but it is totally different making it real for the families and, you know, to be frank they suffer significant disadvantage because of the service of their husbands or wives or sons as the case may be.

COMMISSIONER FITZGERALD: So is there a barrier to that happening within Defence? So I suppose you've heard our comments about the culture within Defence and the contested space around that but do you think there are identifiable barriers that stop that operation or is it simply, like so much things, willingness and resources?

MR MICKELBERG: I mean at the root of Defence in terms of inculpating values, right from the get-go it's you've joined Defence, this is about war fighting, and it will involve you being taken away for protracted periods of time for training, undertaking high risk activities, and on occasions going into a war area where you're going to be shot at. That's the priority. Everything else is of secondary importance ultimately. Now, there'd be a lot of people who might say, "That's not the case" but that's the truth of it. But somewhere in the middle there I think there is some middle ground that can be exploited to achieve what we're talking about, to facilitate a lot of these other issues that are being raised by all the speakers.

COMMISSIONER FITZGERALD: Good. Well, we agree.

MR MICKELBERG: Yes.

COMMISSIONER FITZGERALD: We at least think that should be the case I should say.

MR MICKELBERG: Yes.

COMMISSIONER FITZGERALD: Do you have any final comments before we finish?

MR MICKELBERG: I want to make two points I guess. One that I've mentioned in our submission and that is DVA's business practises. I met with the previous minister for Veteran Affairs a while back and I said to him, "You know, I think there's pretty much a general level of satisfaction with the Department but one of the problems is some of the business practises are actually hamstringing them from doing their job" and he said

"Such as?" and I said, well, in years gone by if I was a veteran in Townville, for example, the local advocate at the RSL would help me do my claim and it would be submitted to the DVA office in Townsville and then if the DVA officer there had some issues that they wanted to talk to me or the advocate about, they would ring up the advocate and say, "Teresa, can we meet for a coffee? I want to talk about Graeme's claim" and we'd meet and talk about it - well, they'd meet and talk about it and sort it out. That's not possible now because for various reasons, I think for economies, the DVA has decentralised its approach and I, in Townsville, might find my claim being dealt by someone working in Hobart, or worse in Perth which is two hours' time difference.

That makes it difficult for me if I'm doing the claim on my own as a veteran or the advocate. It also makes it difficult for the DVA staff member most of whom genuinely want to try and do the right thing by the veterans who they're administering. I actually think DVA need to seriously look at changing that back to the way it was and I think the only reason it's happened is because probably the Treasurer in Cabinet has said, "Hey, there's some savings that need to be achieved. Here's your savings, Minister for Veterans' Affairs" and then flick passed it to the Secretary and therefore, "And how the hell are we going to achieve these savings?" and this is one of the ways but I do think it's a shortcoming.

I want to close by talking about history. The impact of history has served to frame the approach for the way in which we as a nation care for our veterans and it shouldn't be overlooked in War World I and War World II we lacked standing Defence forces. They were largely volunteers and they were raised for both the wars and there were large numbers of casualties so there were lots of widows and there were lots of disabled people and that set the scene for how we care for veterans. Subsequent to World War II things have changed. Wars are no longer global conflicts, well haven't been to date, and as consequence standing Defence forces were raised in Australia; standing Army, standing Airforce, standing Navy.

That resulted in those Defence forces undergoing lots of training. At the same time as training of course, they're training for war which involves significant risks and sadly a lot of people get injured in training. In fact, now more people are injured training and, dare I say it, potentially more are killed than in war and I agree with what you've recommended by doing away with the two burdens of proof in relation to peace time service and operational service. I think it's a nonsense, it's created two classes of people. But we ought not overlook the fact that the system that we have in place which your report is potentially going to reform, has come about for various reasons and I believe that the expectation this trained

community has is that whatever system we put in place needs to acknowledge the unique demands of military service that are placed on serving members, ex-serving members, families, and widows, and those unique demands are about to be recognised in the Veterans' Recognition Bill. Whatever comes out of your review needs to put in place a system that caters for those unique demands in the future for the future generation of veterans and their families and widows. Thank you.

COMMISSIONER FITZGERALD: Thank you very much for that. I should just make the comment as Richard's made earlier, this report is about the "future" system. It's not about tomorrow. So your aspiration is ours as well. We have to build and construct a system that is going to be sustainable for the next 20 or 30 years; that isn't by tinkering with what we've got, it's actually by making some changes and that's going to be difficult but that's the ultimate aim to have a very robust system which recognises the contribution of veterans and their families and I agree with you. Our experience has been the community expects that.

The challenge is how do you actually do it? You can have improvement but you've also got to have changes, that's always challenging. All right, thank you very much.

MR MICKELBERG: Thank you very much.

COMMISSIONER FITZGERALD: Thanks for your time, much appreciated.

MS HARDING: Thank you very much.

COMMISSIONER FITZGERALD: Could I have Trever and Helen. Good. Can we just get some fresh glasses? Trever and Helen, if you could give us your full name and the organisation that you represent please?

MR KLAEHN: Okay, my name is Trevor Klaehn and I'm vice president of the Naval Association of Australia, Queensland section.

COMMISSIONER FITZGERALD: Good.

MR KLAEHN: I'm also the welfare coordinator as well.

COMMISSIONER FITZGERALD: Good, thank you. And Helen?

MS YENCH: My name is Helen Yench. I'm also a vice president of the Naval Association of Australia, the Queensland branch, and president of the Navy Women Association.

COMMISSIONER FITZGERALD: Thank you very much. And as you know, if you can give us ten minutes of key points that would be terrific and thank you for your submission which we've received.

MS YENCH: Okay, first of all we'd like to thank you for the opportunity to be able to attend this meeting. The first point that I want to make is regarding the disbanding of DVA. Currently the Naval Association has a very good relationship between DVA and the ESOs. They conduct round table forums that allow the ESOs from many different areas to inform others about the focus. So, for example, Mates for Mate, Open Arms, Red Six, Veterans Care, et cetera. There are literally thousands of ESOs.

These ESOs assist in the overarching association being able to advise veterans in need of different types of support. We depend on DVA to expand our knowledge of these organisations. We oppose the disbanding of DVA most vehemently. It requires a single department with a Minister for Veterans Affairs. Do you want to do the second point?

MR KLAEHN: Okay. The second point regards claims. There have been some mention of the use of Centrelink to process these claims. The training of staff to be able to understand ADF careers, movements and health would be very expensive. Already Centrelink is understaffed and difficult to deal with. The frustration of having veterans who have served their country, having to line up with others with no ambitions for a career is degrading for the veteran.

MS YENCH: Regarding claims, when we undertook our discharge from the Navy – we are both ex-serving members, as you probably have been made aware – we were required to have a medical examination. It was a very simple one. It was more of a tick and flick on about 30 different topics. At no time during that discharge medical were we ever told that there was a 25 year limit to lodge a claim for any compensation. So many of the illnesses and injuries and exposures were not necessarily recorded in our medical files. Putting in claims is a very, very lengthy process and very stressful, some taking five years and more just to get a result. I think Trevor you're in a five-year one already, aren't you?

MR KLAEHN: Still going.

MS YENCH: For that a veteran experiences pain and suffering. It becomes very anxious for that veteran and also causes depression or worse. The 25 year limit on claims needs to be removed, and the claims system simplified. A combination of the Acts would be of benefit, and all claims needs to be considered as benefitting the veteran, not disproving

what the veteran has claimed. Regarding the information requested, 8.2, 9.4 and 10.1, the specialist medical review council would be better managed by specialists in the field after first being assessed by GPs.

Specialists currently working for DVA are often older doctors, sometimes retired, and are out to disprove the claim for the benefit of DVA, not necessarily the member. For 9.2, the DVA staff on the whole are considerate with dealing with veterans and their families, however, it would be much better if veterans transitioning from the ADF be employed within this department because they have a better understanding of service life and the effects it has on the member and their family. We agree with 13.3, a period of two years maximum before a member is offered permanent impairment compensation.

MR KLAEHN: Okay. Next one. All reforms must reflect the unique nature of military service where every veteran is subject to a lengthy application of force with the likelihood of injury or death. Support one injury, one compensation or entitlement. No detrimental to current or future veterans from any legislation or administration form. And change to the basic on objective evidence and rational arguments underpinned by the unique nature of military service.

Now, Mr Commissioner, we are dealing with Navy people, naval personnel. We have over 1,000 members in Queensland, and there are probably another 500 ex-servicemen who are not involved with this. We find that members of the Naval Association who joined the service in the 60s and 70s have been forgotten. We are just a forgotten race. When we left the services way back then, like Helen said, we weren't told anything. When we put claims in about the weights we used to carry or the job we used to do, nobody understood it, because they said, "Well, that shouldn't have happened," or, "That doesn't happen."

Well, it did happen. You know, you couldn't go to sea if you couldn't carry your mate up three flights of stairs. You couldn't – and you had to do a survival at sea course. And when you load ship with your vittles, you're carrying 40, 50, 60 kilo pound bags of tomatoes, or potatoes and things like that. So the Navy is unique in what we do. You know, everyone in this Commission, everyone talks about the ADF, and that's going to be the future, the three services merge in one. But they keep forgetting about the older generation.

You know, we have a lot of respect for DVA and they do help us out, but we go to advocates and the advocate is usually ex-Army or ex-RAAF. He does not understand our language or doesn't understand our work. So we would like the Commission to look at that. Thank you.

COMMISSIONER FITZGERALD: Okay. So you have given us a number of comments on our recommendations.

MR KLAEHN: Yes.

COMMISSIONER FITZGERALD: You've proposed a number of recommendations. So we might, if we can just raise some questions. Can I just deal with that last point first, Trevor?

MR KLAEHN: Yes.

COMMISSIONER FITZGERALD: Where do you think the current system fails Navy veterans? So if I just ask this question, you can clarify it. One issue you've identified is this 25 year limit.

MR KLAEHN: Yes.

COMMISSIONER FITZGERALD: I presume that's under the VEA.

MR KLAEHN: Yes.

COMMISSIONER FITZGERALD: The second one is you say that it doesn't adequately recognise the distinct nature of naval service.

MR KLAEHN: Yes.

COMMISSIONER FITZGERALD: The statements of principle that apply to the VEA, do you think that they're not contemporary or they're not understanding of your service, or have they been improved? So what's your general view about the putting in of claims now with the statement of principles under the VEA, for example?

MR KLAEHN: Well, I've got – I'm going through two compensation Acts at the moment, but I find that the older veterans are finding it difficult to deal with being in one Act for a few years, and one Act in the next years.

COMMISSIONER FITZGERALD: Sure. Sure.

MR KLAEHN: Right. So the merge of SRCA, MRCA and all of them, would be a good idea as long as everybody understands the old and the new in the future. I mean, today's sailors we think have got it pretty easy compared to what we had it. They're more high tech people, and when they leave the service there's not many jobs out there available for them

for their skill. The old sailors, when we got out, we had to do other jobs. We had to learn other jobs because what we did in the Navy did not reflect the service outside in civvy street.

The point is that if there is transition with Navy at the moment, the way we understand it, is pretty secretive. Navy – we've been trying to get into Navy at HMAS (indistinct) and have one day a week with them, and down south the Admiral says, "No, we can't do it."

COMMISSIONER FITZGERALD: So, Trevor, I'll come back to that in a moment.

MR KLAEHN: Yes.

COMMISSIONER FITZGERALD: I just want to come back to this claim area. Your experience with the statements of principles, just to go back to my question, and again you may not have a view, is do you think it adequately recognises naval service today? It may not have in the past. Or do you hear from your members and people putting in claims at the moment, that there are still obstacles?

MR KLAEHN: There are still obstacles, Commissioner. There are still obstacles. It's not clear. Not, you know, like, everyone has spoken about plain language in all that there. So if it was plain language it would probably be a lot better, understandable. And advocates that we've spoken to too are saying the same thing. One person will put a claim in and the next person will put another claim in similar to that one. This person will get it, the other person won't get it.

COMMISSIONER FITZGERALD: Is that – they're obviously – the Department delegates are acting in accordance with those statements of principle and they're fairly prescriptive, aren't they?

MR KLAEHN: Yes, they are, yes.

COMMISSIONER FITZGERALD: So what do you think – why do you think a veteran, a naval veteran is being – why are they being differentiated? Why are they being treated differently?

MR KLAEHN: Well, they don't understand the jobs that they're doing. I believe it's - - -

COMMISSIONER FITZGERALD: Yes, that's - - -

MR KLAEHN: Yes, I believe that - - -

MS YENCH: Or the advocates.

MR KLAEHN: Or the advocates. I do believe that DVA up here have gone to visit Army bases and all that there, to learn what they do. To go on a naval ship and learn what they do, is virtually impossible. You know, they've got so many hoops to jump over and all that there, and workplace health and safety, well, today they just couldn't do it.

MS YENCH: I think a lot of the issue also is that advocates are trained online, and as we all know sometimes you can gloss over things as you're reading through. I think if we had face-to-face advocacy training and possibly even some paid advocates, it would be of benefit to members.

COMMISSIONER FITZGERALD: And as you would have heard Richard mention before, we will be looking at the Robert Cornall report, which we hope the government makes public soon, and he obviously has recommendations around advocacy and some of those issues. Can I just deal with the second one, and then Richard might have some questions. It's this issue of Centrelink. Now, that's not our proposal, as you know. That's currently what DVA is doing. So DVA is closing some of its own offices and I understand the entry point for some is now Centrelink. As you would have heard from the Secretary in the public hearing in Sydney – sorry, in Canberra, there is a fair bit of outsourcing going to take place to the Department of Human Services. Now, they're not our proposals but we recognise that some back office functions can be done by other agencies. We have a slightly different model, as you know. But what's your concern about the use of Centrelink in any way, shape or form?

MR KLAEHN: We will oppose it.

COMMISSIONER FITZGERALD: Yes, but why?

MR KLAEHN: Our members – why? Because the members feel that you've just got to go in there and line up in the queue, and, you know, fair dinkum, you've got – if you've been to Centrelink offices you've got a few bogans in there and all that there. So it's degrading for them to be all clumped together in that system. And we feel that they're sort of just saying, okay, you're veterans, just join the queue and we'll get to you when we're good and ready.

MS YENCH: And I think they're already overloaded anyway.

MR KLAEHN: Yes.

MS YENCH: Centrelink are overloaded.

COMMISSIONER FITZGERALD: So are your members required to access Centrelink service at the front entry here in Brisbane or Queensland at the moment, or is that something that you think might be forced on you?

MR KLAEHN: I think it probably will be forced on us.

COMMISSIONER FITZGERALD: But not currently?

MR KLAEHN: Not currently, no.

MS YENCH: No.

COMMISSIONER FITZGERALD: No. And just in relation to that, the notion of veterans' hubs and what-have-you, they're not an entry point for DVA but as you know from Townsville and others, there are some – people are saying there should be some soft entry points for people to get advice from DVA and so on and so forth. Do you have a particular view about those sorts of initiatives?

MS YENCH: I would definitely support the hubs. When I was putting in my own claim to DVA, my point of contact was Hobart, and I was living in Townsville at the time. I went to the RSL in Townsville, my advocate was an ex-Army advocate who didn't understand a lot of the Navy issues.

COMMISSIONER FITZGERALD: Right.

MS YENCH: So definitely hubs are the thing, but also you've got to have advocates who are, for example, ex-Navy, doing ex-Navy paperwork, and the same with the Army. Army does Army. Airforce does Air Force.

COMMISSIONER SPENCER: So do you think that those skills are able to be learnt? I understand what you're saying and we've visited bases of all three services, and I appreciate they're very different in character and the nature of the work is very different. But from an advocate's point of view, do you think it's the obligation of DVA or whoever it is, to educate the advocate so that they can deal with all three services, or do you think that's just asking too much?

MR KLAEHN: No, I think it's – it would help. And not only if they did that it would help themselves as well, you know. Most of our members are quite happy with DVA up here in Queensland. It seems to be different

to what it is down south. We seem to be unique up here. We get along very well with DVA up here. We are always kept informed – we've always been informed of what's going on.

MS YENCH: I also think that if you had your advocates looking after specifically that service, it would prevent a lot of time-wasting in DVA when you put in a submission and then find, not, it's rejected because something hasn't been included, and it may be just the nature that they haven't understood what your service might have been about.

COMMISSIONER SPENCER: Trevor and Helen, you've mentioned item number 6 in your recommendations provide financial assistance to ESOs, ensuring their ability to represent veterans, family interests and, secondly, develop a comprehensive suite of wellbeing services. So just going to the suite of wellbeing services, so we've commented and you've commented on the hub proposal. What other services do you think would be valued and you would look to be supported by the Department?

MS YENCH: Well, certainly transitioning. Transitioning at the moment, I'll give you an example, the President and I went to HMAS Moreton and spoke to 130 reservists two or three weeks ago. Those people had never – some of them had never heard of this draft Productivity Commission, and most of them didn't know about White Cards. All right. So we need some sort of information on transitioning. We need to be able to provide some sort of employment for people coming out of the forces. So I think any funding around that sort of thing would be excellent.

COMMISSIONER SPENCER: Trevor, any thoughts as well on that, or to add to that?

MR KLAEHN: Yes. With the transitioning, coming out, I think what would be a good idea, Centrelink has got one where you go and work for a company for a week or two weeks to learn. I think that should be – I think Veterans Affairs should look into something similar to that. Get some of these businesses online, and say, "Okay, this bloke here was an electrician in the Navy. Can he do two or three weeks of you so he can learn the different systems that an electrician in civvy life has got, compared to Navy." And things like that.

You've got engineers, you know, that work in the engine room, let them come out and get into an organisation where they can do on-job training for a couple of weeks. So the businessman or the employer can see, "Hey, well, this bloke is keen, he has got good ethics, we'll give him a go." And things like that, you know, it would help a lot. The veteran is leaving the service saying, "Well, I'm worthy, this bloke is going to give me a go, so

I'll do my best." And people who have got some injury or disability, put them into the scheme as well, and pick out the jobs that will suit them without hurting them anymore. I think that would be a good system to work to.

COMMISSIONER SPENCER: As, you know, we're supportive of that notion of really working out who needs assistance, what kind of assistance. We had in our discussion with Gerry earlier about the enhanced role we can see for ESOs and also a more strategic view of this by the Department informed by ESOs and other organisations of their frontline experience and how that can best meet the needs.

I had a discussion at the coffee break which highlighted the point that for a number of veterans, their transitioning will be a light touch is all that's needed. They're on their way, they know what they want to do. They're – and good evidence, of course, they go on to have very successful future lives, so the trajectory is good. Although sometimes it starts well but then there are complications or concerns later. But it's often about working out and being thoughtful and strategic about who are those people who are really in tough times, and how do we make sure that they get the services they need.

ESOs and others have a terrific role to play in that space, we think, because they're often trusted and have the peer to peer relationships that it's very hard for government to have at that particular time. I just wanted to bring you back to a comment you made to – focusing on the female veterans. You've noted female veterans in particular. Do you have any comments about how the system should better respond to the particular needs of female veterans?

MS YENCH: I can only speak for my own personal situation, I guess. When I was discharged from the Navy I spent 11 years as a communicator, and then a further five years in the reservists. My particular role was as a communicator, and that meant reading of Morse code. There's no job in the civilian life that equates to that. So when I first got out, I really didn't know what I was going to do. Even though I was newly married and had a child, I just couldn't see anything that I could possibly do that was going to earn me any money.

What I eventually did, after having another child, I was volunteering in the classrooms in schools, and so then I decided, well that's what I'll do. So I went back to university and gained an education degree, and became a teacher for the next 21 years. So I was lucky that I was able to then find something that I had a passion for, but it didn't equate to anything that I had done in the Navy, other than the fact that I was a chief petty officer

who was in charge of quite a few people. So eventually my teaching career led to a deputy principal's role and again that sort of role from the Navy was transferred to what I could do in a civilian life.

COMMISSIONER SPENCER: So during transition, as we've commented several times, being assisted to think through what the possibilities and opportunities may be. As Trevor said, sometimes even the experience of seeing what that might look like, that's an important part. Because we do know that in the ADF, of course, return to duty is very, very important. But once having separated from service, the notion of work, it has been shown by evidence to be extremely important in terms of people's wellbeing. Sometimes that's not possible, as we know and, therefore, it's about meaningful life and what assists the veteran to be able to achieve that.

I just wanted to – and you may want to comment on this but I've just noticed in your last point you've said – you've mentioned 86 proposed "removals". And we've heard this figure before that we're "removing" 86 benefits, and that had us intrigued because we're not intending to do that. But, Robert, you may want to - - -

COMMISSIONER FITZGERALD: Look, I just want to clarify.

COMMISSIONER SPENCER: Yes.

COMMISSIONER FITZGERALD: It has come up in a number of ESO submissions. A particular ESO did a word check, and what they did is they found the word "remove" 86 or 87 times, including where it says, "do not remove," and including duplication where it's the same recommendation repeated in different parts. So I just want to assure you, it never was, never is that we are moving anything like 86. It's actually a very small number.

What we have said in relation to allowances, that some of those we think could be paid out, some of those should be incorporated into an increased benefit payment, and some of them we actually think are probably for the chop. But it's only a very small number of those. So I just wanted to clarify Richard's point is that is simply a figure that is being used, and it has misled many ESOs. There was simply a word check by somebody and it misrepresents what we've actually put. So I just clarify that. Not criticise but clarify.

MS YENCH: Right.

COMMISSIONER FITZGERALD: So just be careful when you do word checks. That's good. Is there any final comment that you would like to make?

MS YENCH: I think the most important thing is being able to transition people. We're having quite a bit of difficulty being able to get the member who was transitioning from the Navy to be able to find out from us, as an ESO, what is available to them, and perhaps lead them to an advocate. Again, a lot of them don't know what they might be entitled to through injuries that they've sustained during their service time.

COMMISSIONER FITZGERALD: You said – a question just arising from that – that I think, Trevor, you mentioned you thought the Navy was particularly – I'm not quite sure if you used the word "secretive" but - - -

MR KLAEHN: Yes.

COMMISSIONER FITZGERALD: - - - I will use that. What did you actually mean by that?

MR KLAEHN: Well, the last commander down at Moreton, Commander MacDonald, was very active with the Naval Association, and we were getting on really good with him, and he was helping us out and doing his thing. So we thought, well, we'll put this motion to him. We were like one room, probably once a week, down on base, to talk to the blokes who were transitioning. And not many sailors transition in Brisbane, they mainly do it out of Sydney. But the ones that do up here, we like to talk to them for an hour, give them an idea about what they're entitled to, what they can have and what they can't have.

He thought it was a great idea. He put it to Admiral Noonan down south, and he just knocked it on the head. So, you know, there's nothing there at all. We tried even – we've just got into the Naval News that goes right throughout the fleet, of advertising. That has drawn a few more into it. But over the whole, I think we've got to get over the Navy's secret thing. You know, they just seem to be very protective of what they do, and even I think DVA have made the comment too that Navy is very hard to deal with, getting information out of them. I don't know what it is.

COMMISSIONER FITZGERALD: We have heard that – and, again, I can't verify this, but we have heard that Navy is the more difficult of the three services to transition from.

MR KLAEHN: Yes.

COMMISSIONER FITZGERALD: I want to be clear that we can't verify that, but that's certainly feedback we get. And there's some structural issues that might give rise to that, so we will be trying to address that in our transition recommendations.

MR KLAEHN: Yes, and the other thing too I just wanted to bring up is we've probably lost more sailors to suicide over the last few years because of the lengthy drawbacks with their claims. And they're not young sailors too. They're in their 50s and 40s as well. Because they get to a certain stage and they just throw their arms up and say, "Well, bugger it."

COMMISSIONER FITZGERALD: Yes.

MR KLAEHN: You know, and a couple of weeks ago I was dealing with a mate who's 66, 68, going through cancer, and it eventually got into his blood and he passed away two weeks ago. But he was halfway through DVA getting everything done. And there are many more veterans like that, young and old. The girls who come out after doing 10 years, they joined the Navy at 17, come out at 27. One girl came to us and she didn't know about the Medicare card, didn't know you had to have one. Things like that. They weren't told. The lack of – information going to young men and women in the Navy is very minimal. Unless you ask, they don't tell you sort of thing there. So that's the thing we've got to try and get through. And, like you say, many other people have said Navy is very hard to deal with.

COMMISSIONER FITZGERALD: All right. Thank you very much.

MR KLAEHN: Thank you.

COMMISSIONER FITZGERALD: Much appreciate. We'll now break for 45 minutes and resume at 1 o'clock precisely. Thank you.

LUNCHEON ADJOURNMENT **[12.16 pm]**

RESUMED **[1.00 pm]**

COMMISSIONER FITZGERALD: We'll resume and thank you for being here this afternoon. The first day it's full, the second morning is a bit less full. By the afternoon, it's empty, so it's – so we're grateful that there are some people here. David Petersen, please.

UNIDENTIIFIED SPEAKER: Robert, just before you start, do you mind telling me, did the Defence Force Welfare Associate appear?

COMMISSIONER FITZGERALD: Yesterday.

UNIDENTIIFIED SPEAKER: Yesterday?

COMMISSIONER FITZGERALD: Yes. They had two people representing them yesterday, so that's good. So we're into the home stage so, David, if you can give your name and – your full name and whether you represent any organisation. Thanks.

MR PETERSEN: It's David Peterson, and I don't represent any organisation.

COMMISSIONER FITZGERALD: Good. David, just as you know the drill, if you can just give us a short presentation?

MR PETERSEN: Sure. I served 11 years in the Australian regular Army, including a deployment to Afghanistan in 2012. In 2017 I was medically discharged as a direct result of my service in Afghanistan. My discharge diagnoses were PTSD, anxiety, depression and alcohol abuse. My medical discharge was potentially avoidable. Today I appear in a private capacity and my comments and insights into this draft report should not be considered the views of any other individual, entity or organisation.

COMMISSIONER FITZGERALD: Sure.

MR PETERSEN: However, for context, I am employed fulltime as a project manager for a Veteran Suicide Prevention program here in Brisbane, and I'm also the president of an RSL subbranch, perhaps the youngest president of a subbranch in Australia. I feel that I have a robust understanding of the veteran rehabilitation and compensation system, as both a client and a service delivery provider.

Since the establishment of the Repatriation Commission through the Australian Soldiers Repatriation Act 1917, Australia has changed for the better. In 1917 Australia did not have a welfare system that our volunteer citizen soldiers could return home to be supported by. Thankfully, the government of the day acknowledged that veterans required a dedicated system to care and support for them, and their unique needs, regardless of the costs. The requirements of mass mobilisation and the subsequent repatriation of volunteer citizen soldiers is entirely different to the present

day challenges faced by a modern and professional Australian Defence Force.

The concept of repatriation simply does not exist anymore. The lines between peacetime, peacekeeping, peacemaking, combat and training are often blurred, and entangled with each other. Units are held at high readiness for combat, and the state of readiness requires challenging, frequent and often dangerous training. Today our highly professional soldiers, sailors and airmen are expected to go from their living room to combat and potentially back in just a matter of hours, not the months of sea voyages that preceded and followed our first world war soldiers' combat.

The unique nature of military service is such that individuals forego their rights to place Australia's interests first, up to and including death. It is because of this unique nature of service that Australians willingly go into combat and that that combat potentially results in their death, injury or illness. However, in 19 years of combat in Afghanistan, the number of battle casualties requiring medical evacuation is approximately 500. The vast majority of rehabilitation and compensation requirements from ex-ADF members, is not as a direct and immediate result of close combat with the enemy.

My injuries from Afghanistan did not occur overnight. It was a slow and insidious onset. I failed my psychologist screening on return to Al Minhad Air Base. I was not allowed to return to work until I was deemed psychologically suitable to return to work. So what did I do on the advice of my boss? I told them I was okay so that I could go back to work. That decision, a decision that I made under the advice of my commander at the time, was a decision that has had negative impacts on my life, on my family, on my kids, and ultimately on the Commonwealth.

My commander provided his advice with no consideration to the whole of life cost of that decision to lie in my psychological assessment. That is wrong and requires change within the ADF. The ADF, who is the Commonwealth's agent for a veteran's health and wellbeing whilst they are serving, should be incentivised and penalised for not effectively managing the investment made by the Commonwealth on financial, capability and personnel levels.

Presently the ADF has no penalty imposed on it for the poor choices that negatively impact on the health and wellbeing of service members, and will only achieve cultural change when both incentives and penalties are imposed. When leaders are held accountable. Time and time again service members who could receive early intervention or treatment for

minor, and at the time short-term injuries, do not do so due to cultural pressures within the ADF, just like I could have.

Only when leaders within the ADF encourage, support and require injuries to be managed quickly, inexpensively and at the earliest possible level, will the cost of compensation and rehabilitation for veterans be reduced whilst simultaneously improving the wellness of service members and veterans alike. When the Commonwealth can analyse the whole of life cost incurred by its decisions, can service members and veterans be provided with the best possible health and wellbeing.

Carl Von Clausewitz said, "War is a continuation of politics by other means." Well, veteran compensation and rehabilitation is the cost of war by other means. The government deserves to know the likely cost in blood and treasure when they deploy and employ the Australian Defence Force in our national interest. Part of the cost to the Commonwealth is the whole of life cost of veteran rehabilitation and compensation, 12 or 13 billion dollars per annum.

We need to stop the snowball of rehabilitation and compensation within our service members and veteran populations. Look across both population groups. We need to change the culture within the entire Defence portfolio, and we need to both incentive and penalise those who mistreat the Commonwealth's investment in its personnel. The big opportunities here are the upstream costs, not the downstream costs. I would like to highlight the fallacy within the RSL Queensland analogy of a professional sports team and the term tactical athlete.

If RSL Queensland's analogy is to be considered true, then does that organisation believe that the teams prior to worker's compensation schemes and duty of care to its employees, be it athletes, are higher performing and healthier than today's teams who do operate in that condition. Or did the introduction of worker's compensation schemes, or duty of care to its employees, see the introduction of targeted, outcome-focused and professional approaches to both team and individual talent management?

Tactical athletes are treated very differently between – within the ADF, to that within a sports team. We know this. We have tactical athletes who are also professional athletes, particularly in women's sport. Ask them if they are treated better or worse in the ADF, versus professional teams. I believe that only when leaders within Defence are held accountable, and they are incentivised and/or penalised will we achieve better outcomes.

A possible aid in the reduction of the whole of life cost to the Commonwealth whilst simultaneously increasing the wellness of veterans is through the adoption of a Silver Card. The current provisions and eligibility to a Gold Card should be retained to target service-related health needs of the most vulnerable injured and unwell veterans. I agree with the Productivity Commission's comments within the draft report regarding the Gold Card not sitting well within the key underlying principles of a future scheme.

I also note that I will become eligible for a Gold Card due to my qualifying service. I also agree that the White Card is a well-targeted and appropriate vehicle for funding future healthcare without the administrative and bureaucratic burden of proving liability. I currently hold a White Card. 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. In effect, a tiered system of healthcare cards that would provide taxpayer 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 through the reduction in severity and acuity of chronic health conditions when it is most cost-effective to treat them, early, quickly and simply. As proposed, a tiered healthcare card provides support to veterans to achieve their best possible health whilst maintaining a level of personal responsibility. This would be supported by the Commonwealth, say, contributing the premium and the veteran contributing the out of pocket expenses for items that are not covered under other healthcare card schemes, such as the White Card.

Thank you for this opportunity to make an oral submission to this important and once in a generational chance to fix what is a disjointed, fragmented and overly bureaucratic system to support Australia's veterans. I have no further comments.

COMMISSIONER FITZGERALD: Good. Thank you very much. If I could just ask a couple of questions, and then Richard will. Just if I can concentrate on the incentives in relation to the ADF. So your comments are very clear that you believe that in order to bring about change within the ADF, both incentives and penalties need to be imposed. Now, you will have heard throughout these public hearings and elsewhere, that many older veterans are not in favour of having additional incentives. And you've heard the arguments for that. So I was just wondering whether you – what your response to those other sorts of comments around the fact that imposing a premium on ADF or, in fact, holding ADF to more

account, would in fact somehow or other affect their operational aspects? You don't hold that view.

MR PETERSEN: The requirement to hold forces at readiness will incur cost, there's no doubt about that. That is the unique nature of military service. You know, people will be killed, injured or become ill as a result of their service, be it in peacetime, peacekeeping, peacemaking or combat. However, the fallacy in that argument is that by having a suitable occupational health and safety system in place, those two things are incompatible. And I cannot see how with a healthcare system that is deliberately designed to care for people who have been damaged as a result of their unique nature of service, that jumping out of planes, you know, there is inherent risks in those things.

COMMISSIONER FITZGERALD: Sure.

MR PETERSEN: Commanders must accept those risks as well. The Commonwealth does already accept those risks because we let them do that. But at the moment there is no consideration to the lifetime cost of that decision.

COMMISSIONER FITZGERALD: Sure.

MR PETERSEN: So only when the Chief of Defence Force can no longer buy another tank, because he broke too many soldiers or she broke too many soldiers, will that leader actually be incentivised to go and do something upstream. And too often they're not incompatible. You know, the tactical athlete analogy is perfect. We allow people to go onto the sporting field and become injured in the pursuit of the final or the game or the points. But it doesn't mean we don't provide for their health and wellbeing in other areas, and prepare them actually better.

So that the analogy is always, well, if we train them softer they'll break. Well, sports team today are far better than they were in the past, because they have these systems in place that prepares them for combat better, and incentivises them to do that. And when a commander doesn't do that, they become penalised in some way that's appropriate and not detrimental to Australia's national interests.

COMMISSIONER FITZGERALD: So we've been on a large number of bases, including Kapooka which is the Army training base, and the Air Force training base in Wagga. But in relation to Kapooka they would say to us that there has been significant changes to the way in which they train young military personnel. And it's a very different system that was in place even just a decade ago. The second thing people would say to us is

the very big change has been the imposition of the workplace health and safety legislation in 2011.

That is universally accepted by both those in the military and the Departments. But you were discharged in 2017 and you're relating to us a very recent set of experiences. So when the commander asked you to misrepresent the position in that assessment, roughly what year are we talking about?

MR PETERSEN: 2013.

COMMISSIONER FITZGERALD: 2013. So can you just tell us from your point of view whether or not you have seen, prior to your discharge, any significant improvement in relation to one, the prevention of unnecessary injury, some injury is unavoidable. The second part is the way in which commanders and others responded to the reporting of those injuries.

MR PETERSEN: Injuries within Defence are highly under-represented. We know that because when veterans leave they start claiming. They don't claim beforehand. And this is why the system of repatriation is somewhat broken, because individuals serve multiple deployments. They might serve on a training operation overseas, and then at – it should be a streamlined sort of handover process that if you're injured in your first year of service it shouldn't affect you negatively if you're rehabilitated correctly.

Just like a football player who gets injured, they put their hand up to say, "I need help here because it's going to impact my career. I need long-term – I need treatment because this will be a problem later." And so they're incentivised to actually do that. So by putting these mechanisms in place, we would be able to reduce the life cost, and it also would improve capability. We would have more soldiers to put on the battlefield than less. In terms of your question regarding - - -

COMMISSIONER FITZGERALD: Reporting.

MR PETERSEN: - - - reporting, deployments are hard to come by in the current setting. No one wants to be the broken person and so, therefore, people under-report and they are not incentivised to report. There is no benefit in reporting. There's only cost, both in administrative and also in an appearance that you're doing unsafe training. I served in Kapooka in 2010. I was a platoon commander there. I had 40, 50, 60 recruits at one time. We had a box checking activity, but in all reality it was – we were

just doing what we were told to do and we just did that. There was no ability to be sort of innovative in terms of health and safety of trainees.

I would not like to mischaracterise my commanders. You know, it wasn't some deceitful, let's game the system to get you back to work. It was just cultural. That's just what you did. It wasn't a big deal. Just like it was cultural to send me on three months leave with a prescription for, you know, benzo drugs to look after me for the next three months. That was just cultural, what we did.

COMMISSIONER FITZGERALD: My final question, then, Richard, just in relation to your own discharge, you were discharged medically in 2017. Could you just describe in very brief terms the nature of that transition for you at that time?

MR PETERSEN: I was a very unwell man when I was discharged. Very unwell. I needed to get out of the military as soon as possible because of the ongoing effect on me in that setting. And I did everything I could to get out of the military as quickly as possible. My discharge was a high risk activity. You know, someone who was considered so unwell that they couldn't remain in the military, was allowed to just be cast off. I received my discharge notification in an email from the Defence Force, and at the time I was living on a cattle station because I had to get as far away from Defence as possible.

It was an aggravating aspect to my mental health. In terms of career transition and the like, I don't have a single certificate for my time in the military. I don't have a single qualification for my time. I spent 11 years, I was a captain on discharge. I have allegedly qualifications but if I now email the Army to seek those qualifications, they say, you know, "It's not our problem, you're no longer a serving member, we can't get them for you." So, you know, I know it's not a widely held position, people aren't coming here and saying these things to you.

COMMISSIONER FITZGERALD: Sure.

MR PETERSEN: You're having – you know, when you speak to Defence they say, "No, we've got a great system and we've improved it." In my capacity elsewhere, I see this same story time and time and time again. Veterans who just get out and just go about their own business because that's what they've been told to do their whole life. Just get on with it.

They got on with it in the military and now they've returned to civilian life, they just get on with it and stop fighting the system. You know, don't

fight the green, is the saying in the Army. But the reality is that unless you have, you know, the ticket printed before you get out, it's not there. In fact, I got – after my discharge I got chased for overpaid wages for several months whilst living effectively homeless.

COMMISSIONER SPENCER: David, you mentioned something earlier that we're focused on in our report, and we've been almost universally – you're the exception – one of the few exceptions of people who have come back, and this is the whole of life cost. And as you know, we've said unless you're tracking the whole of life consequences and costs of that, you don't have the analysis, the insight, to be able to understand the impact of things which maybe should not have happened at the prevention end, and in terms of better management right at the beginning of this process.

It has been put to us time and time again that, well, that's not going to have any incentive for change, it is what it is. But you've highlighted it and you've said, no, no, you think it will be meaningful. So do you want to just give us a bit more of your thinking, why you have some confidence about that?

MR PETERSEN: Imagine when the National Security Committee of cabinet meets, and they say, "We want to deploy 1,000 soldiers to Afghanistan in 2001, you know, or 2006." Kevin Rudd. We want to return our forces to Afghanistan. We're going to achieve this task. We're going to have this many people, this many planes, this many ships. Well, off our previous experience on a similar style operation, the ongoing cost per annum for our veteran rehabilitation and compensation system is this. That's just a factor to be factored into all the other costs, operational costs, that are already presented to government.

I think it's okay for government to say for us to go and do this, it's going to cost us X amount of dollars for the life of these veterans, and that's a higher cost and we're willing to pay that. We know that sending soldiers into combat will cost us X amount per veteran for the rest of their life. That is something that the government should know, and it's mind-boggling that they don't currently know that cost. How do we get to a point where you spend 12 or 13 billion dollars a year on healthcare but have no causation related to that? It's scandalous.

What would be much better would be to say we've considered all the costs in front of us, the loss of life, injuries, illness, the ongoing costs, and we still think that this is a great decision. I think that's something that government should be made available, and that's where the Minister of Defence Personnel and veterans in the Defence portfolio provides that

advice to government. Just like the Minister for Defence Material currently provides advice to government that if you want to buy this submarine it's going to cost you this much money, and for the life of that system it's going to cost you this much to maintain every year. The fact the Minister of Personnel cannot do that, is outrageous.

COMMISSIONER FITZGERALD: All right. Thanks, David. Can I just go to the silver card proposal? Can you talk us through a little bit more about how you see that working? So we've currently got the Gold Card and the White Card, as you described earlier. So how would the Silver Card work?

MR PETERSEN: So my proposal – and noting that it is part of the RSL Victoria submission – the – I'm from Victoria.

COMMISSIONER FITZGERALD: Yes.

MR PETERSEN: I flew up for this. Noting the concept is if I develop a chronic health problem, which I'm likely to do – I have PTSD, that is well-proven to have chronic health condition effects on me in a physical sense, and my life expectancy is less as a result of that. When I turn 70 or receive the Gold Card through a process earlier, the government then takes full responsibility for my healthcare costs. And the government should be incentivising me to reduce my healthcare costs when I do receive that Gold Card, not because of the cost-saving measure; because it means I'm less sick. I'm less broken, I'm less ill.

That's what the Commonwealth is incentivised about really at the end of the day. So something like, I've got a sore shoulder, it's not really working quite well. Is it related to my service? Is it not? Maybe not. I carried a pack, walked lots of kilometres. You know, I've hurt my shoulder in the past. Maybe not, but when I get that Gold Card it becomes a Commonwealth problem. So surely they would be incentivised to reduce my pain and suffering now at 32, versus I wait until the day I get my Gold Card, and then go straight to the ortho, bang, you've got to pay for my healthcare costs.

So something like if they were to pay premium health insurance for me over my life, prior to receiving that – I already get free care for those conditions that are covered by the White Card, but for all those other healthcare costs, they would cover that. And that mirrors the system we have in place for the general community. The general community is if you want to have healthcare above and beyond that provided by Medicare, we provide it through self-funded private health insurance.

Well, the government could fund a system like this. And, therefore, you know, I went to a GP and said, "My shoulder's not quite right. Is it or isn't it Defence-related? Don't know but let's look after it right now, here and now, so that it doesn't become a longer-term problem." So I would have some costs associated with that. I have no problem paying for my own healthcare. I currently pay for premium healthcare for myself and my family.

COMMISSIONER SPENCER: Right. So does that touch on an issue which we raised in an information request in our paper, and that was the co-contribution idea? And some people have said, "No, no, no, you know, the – it should all be fully paid for." But then we run into the other issue that people say, 'Yes, but the fee schedule that's out there means that you've got a card but you can't get the contribution." So we were looking at a co-contribution in terms of having choice.

So it comes back to an issue you're raising, and that is giving both responsibility and opportunity to the individual to determine, well, what – my service-related conditions are met but in terms of other healthcare needs I have, I will have choice about who I will go to and whether I will pay additional fees to go and see a specialist. In fact, we've heard some veterans and they do that already anyway.

MR PETERSEN: I do it already.

COMMISSIONER SPENCER: Yes.

MR PETERSEN: So I strongly and, you know, in my report or my submission I strongly support the current arrangements for the Gold Card. But Dr Khoo, who presented yesterday, from the Psychiatry College, you know, his point is 100 per cent factual. You know, people can't get into mental health and other health providers because the fee schedule is not sufficient. So there's no point throwing the baby out with the bathwater. The Gold Card and the White Card system is a very, very useful system, but the fee schedule needs to be increased.

However, for those who fall in between the bracket – so I will become eligible for the Gold Card, so you will be paying for my healthcare costs when I get the Gold Card, whether by age or earlier precedents, I should have some agency in how my healthcare goes in that period in between. So it's really targeting those middle grounds. Those who don't have, you know, the 50 – 40, 30 points towards permanent incapacity, who could then have some agency in how they actually went about and treated that. Surely it's going to save costs downstream, surely. The government

already agrees that it does save costs downstream because it reduces the burden on the Medicare system.

COMMISSIONER FITZGERALD: Right. So, I mean, the whole direction of our report in relation to health issues and rehabilitation issues seems, in fact, to support your view, and that is that it is about health outcomes, improving the health and wellbeing of people, not simply waiting around to get a benefit. And, of course, the government recognise that in the introduction of the MRCA in 2004.

But the veteran community is deeply divided, as you know, in relation to those matters, but we take on board your view that it is actually – it's self-evidently true that if you can help people to remain well, that is good for them and it is good for the community. How we achieve that is now the great challenge. So, look, thank you very much for that, David, we appreciate that. And, as you say, that Silver Card proposal, just to be clear, is in fact the same Silver Card proposal we heard from RSL Victoria. Is that correct? Or your variation?

MR PETERSEN: I may have been involved in the consultation process at RSL Victoria. Check the dates on mine, and their submission.

COMMISSIONER FITZGERALD: No, that's all right.

MR PETERSEN: I'm in first.

COMMISSIONER FITZGERALD: Duly noted. Duly noted. Thank you very much for that. Good.

MR PETERSEN: Thank you.

COMMISSIONER FITZGERALD: If I could have John Heney. John, if you could give your full name and if you represent an organisation, the name of that?

MR HENEY: My name's John Heney. I live here in Southport on the Gold Coast, and I'm just an ex-veteran, you know.

COMMISSIONER FITZGERALD: So if you can just give us some of your key points you would like us to take into account?

MR HENEY: I joined the Navy in 1968. I suffered, like, mental and physical abuse in that period of time, in that 12 months. And back then, like, the Navy had like a code of silence where you were sort of threatened if you said anything, you know. And over the 49 years it has been since

I've served in the Navy, I've had, like – I had an operation where we had a thing called the gauntlet, you know, that happened every week, over there in Leeuwin. And basically what happened, the culture over there was, like, the longer that you were in – served, like, as a junior recruit, okay, the more power you had.

So the other intakes that were in longer, they would pull this gauntlet every week, every – maybe twice a week, in the middle of the night, you know, and you had to run through that gauntlet. And they got their pillowcases full of hard stuff, like boots and irons and, you know, irons and stuff like that, and they'd smash it into you. And I copped a blow to the chest, my left chest. And went from Leeuwin to HMAS Watson to do a radar course, and a friend of mine advised me that I had to go see a doctor because the lump in my chest grew from, like, the size of a fingernail to the size of an orange, you know.

And they immediately, after – the day I finished the course, they transported me to hospital and cut it out. Now, that – when I was discharged from the Navy they said that – I was threatened that if anything was said about that or anything else that happened while I was serving, I would be brought back to face military consequences, you know. So for 49 years I kept my mouth shut and said nothing. Okay.

In the meantime, that 49 years, I had spasmodic pain every now and then in that particular area, and just recently I applied to DVA for compensation for that, and was – had mixed phone calls from DVA at that time, like welfare people would say, "You're under age and there won't be any problem," and it was like a rollercoaster ride. You know, like, you get excited and then the next minute you're down in the dumps, right, because in the end DVA knocked it back twice. And the other thing that happened – so I'm a bit lost as where to go now, you know what I mean?

So it's – you hear all this different information all over the place. And but the other thing that happened was that my first son was born disabled, you know. And I – back – that was in 1975, and basically he had heart – cardiovascular disease, and Down syndrome and all that sort of stuff. And I – the doctors in Melbourne that diagnosed his condition said that it came from one of us, me or my wife, you know. And I totally believe because there have been no history of that happening in her family or my family, ever, that it happened through some cause of serving in the Navy.

And what used to happen was we used to chip paint on the deck, you know, in front of high powered radio masts and stuff like that. And I've done a bit of research on it and that can affect, you know, chromosomes and that sort of stuff. And I'm at the point now where I don't know where

to go. You know, like there's – like I've been knocked back twice for the first problem, and it's just like – and that leads to depression and all that sort of stuff. You know what I mean? So that's, yes, how it has happened.

COMMISSIONER FITZGERALD: Firstly, I should say that I'm very familiar with the abuse that occurred at Leeuwin, and I would imagine that the Defence Force no longer denies that such abuse occurred. It has been subject to multiple investigations, and there would have been a significant number of individuals who were injured as a consequence of sexual, physical and other abuse at that facility. So the question is not whether or not the abuse occurred at that facility but is DVA saying that related to you, you're unable to identify that your injuries or your illnesses today are related to that period of time?

MR HENEY: Yes. They said that – their final report, like, just a couple of months ago, like, when they denied the accountability was, like, that it's something to do with puberty, you know what I mean? And I don't believe that. I mean, that's like – we got smacked in the chest and that every second day, you know what I mean? So my thing is that, like the Navy can actually say whatever they want, whether it's true or not. You know what I mean?

COMMISSIONER FITZGERALD: When did you first put in your claim, John?

MR HENEY: Well, it started, like, two years ago.

COMMISSIONER FITZGERALD: So you waited a very long period of time before you put the claim in?

MR HENEY: Because of the threat of the Navy saying that, you know, you keep your mouth shut, you know. And it took me that long to find out whether my other recruit guys that I joined with, I didn't – we – you know, you just kept your mouth shut and you didn't say anything, you know.

COMMISSIONER FITZGERALD: And what changed for you two years ago?

MR HENEY: Well, Facebook, you know, like, it's talking to some guys that I – as – who I joined the Navy with 50 years ago, you know, and what – listened to their stories and all that sort of stuff, and then sort of woke up, you know, yes.

COMMISSIONER FITZGERALD: And when you started to think about putting in a claim, did you contemplate getting an advocate or contacting one of the ESOs?

MR HENEY: Yes, I went – first of all, I went to a doctor and got an assessment from him, and then I went to the local advocate, you know, at Southport RSL, and just followed it up from there, you know.

COMMISSIONER FITZGERALD: But did you use an advocate within the ESOs?

MR HENEY: Yes.

COMMISSIONER FITZGERALD: You have?

MR HENEY: Yes.

COMMISSIONER FITZGERALD: And, I'm sorry, I may have missed it but who was the advocate? Which organisation?

MR HENEY: Southport RSL.

COMMISSIONER FITZGERALD: Sorry, Southport RSL.

MR HENEY: Yes.

COMMISSIONER FITZGERALD: And has that advocate been of assistance to you, to be able to try and deal with these claims? Notwithstanding the fact that they've been denied, was that process helpful to you?

MR HENEY: Yes. But one of the things I've said before, like, you know, like, being in the Navy, these advocates are Army, Air Force and stuff like that. So they basically left a few things out, do you know what I mean? Like, do you know what I mean? Like, they didn't understand exactly what was going on.

COMMISSIONER FITZGERALD: So did anybody at the RSL or elsewhere sort of suggest you might go to, like, to the Naval Association of Australia or something like that, that had a greater understanding of naval veterans?

MR HENEY: No.

COMMISSIONER FITZGERALD: When you spoke to DVA, did you speak to DVA directly at any stage?

MR HENEY: Well, yes, I went to Broadbeach and that.

COMMISSIONER FITZGERALD: Did they give you any advice as to who might be able to support you in putting the claim in?

MR HENEY: They – yes, well, what happened was that once it got knocked back for the second time, I went to see the DVA at Broadbeach, and he suggested an advocate down at Currumbin, you know, who dealt with the – you know, the administrative tribunal, you know. And I went to see him, and he was an expert and that, and he said, "There's no point."

COMMISSIONER FITZGERALD: So he said there's no point?

MR HENEY: No point in doing it because I was just getting knocked back again, and it will cost you money.

COMMISSIONER FITZGERALD: And on what basis did he think that would happen or why did he think that would happen?

MR HENEY: Well, he said that he has had cases like that before where – see, what happened was, like, in 1970 there was legislation that came through that said any time before 1970 you only had six months to claim some complaint, you know.

COMMISSIONER FITZGERALD: So did your advocate indicate to you that you had missed some form of time limit?

MR HENEY: Yes. Yes.

COMMISSIONER FITZGERALD: We've heard about that by the Naval Association actually, just prior to lunch.

COMMISSIONER SPENCER: John, you mentioned earlier how it's impacting on your own health and wellbeing at the moment. Have you – are you aware of Open Arms? Have you had a chance to access any support or services through Open Arms, the counselling service?

MR HENEY: Yes, I went to – I went and saw them for three months, and then I'm still seeing them on and off now. But that – see, I'm under a shrink, like, a psychologist at the moment, only because with Open Arms they can't write a report. They're not allowed to write a report to submit

that to DVA. Okay. That's why I'm going to a shrink at the moment because I get him to write a report and put in another claim.

COMMISSIONER FITZGERALD: Well, just in relation to that, have you been – are you eligible for a White Card?

MR HENEY: I've got a White Card, yes. That was based on the fact that, like, I did the hearing test and then they brought in the mental bit, you know.

COMMISSIONER FITZGERALD: So in relation to the – as you say, the mental bit, are you putting in a claim in relation to your mental health?

MR HENEY: I will, yes.

COMMISSIONER FITZGERALD: But you haven't put that in at the moment?

MR HENEY: Not at the moment.

COMMISSIONER FITZGERALD: The previous two claims you put in have been in relation to your physical illness or injuries?

MR HENEY: Yes.

COMMISSIONER FITZGERALD: That's all right.

MR HENEY: Which has had, like, an impact on my whole life really, you know, like work situations and stuff like that. Do you know what I mean? Like – yes.

COMMISSIONER FITZGERALD: Sure. I'm presuming that at the time you discharged from the Navy, did you discharge under a medical discharge regime, or did you just discharge voluntarily?

MR HENEY: Just voluntarily.

COMMISSIONER FITZGERALD: Would it be correct to say that at that time there was very little support in that transition for you?

MR HENEY: Nothing.

COMMISSIONER FITZGERALD: Can I just ask this, you lived in this sort of fear of whatever the Commander said to you about the ramifications of reporting this abuse.

MR HENEY: Yes.

COMMISSIONER FITZGERALD: And I've heard that from many people in another role that I've had. When you look back on that fear, why do you think it lived with you for so long? Why do you think you had that fear of some sort of retribution for over 40 years?

MR HENEY: Well, I mean, I joined when I was, like, 16 so I was still a kid, you know.

COMMISSIONER FITZGERALD: Yes.

MR HENEY: Basically whatever the Navy said was true, you know. So that threat at the end, like, okay, I get brought back and charged and stuff like that, it meant something. You know what I mean? So it stuck with me for that long, you know. It wasn't until I met, like, the other guys that I joined with, online, that I woke up. It's like, you know what I mean, like, so what they were saying and what they've done and all that sort of stuff. And that's still happening today. You know, like, one guy will get X amount of money, and the next guy will get nothing. You know what I mean? So there's no – I think the trouble with DVA, there's no really standard practice. You know what I mean? Like, they – I don't know. It's just all over the place, you know.

COMMISSIONER FITZGERALD: Any other final points you would like to make, John?

MR HENEY: Well, yes, that's basically it, you know. But, like, the working conditions that we were on the ship, I definitely – like, from my heart, think that that what's caused my son's, like, problems. And he died back in 2003 because it was totally terminal. And the doctors said then that any other kid would have – would be exactly the same. So, you know, you think about what happened with the way, you know, the – you're ordered to do work on the ship and stuff like that, anything could happen, you know. You know, and because my son was going to, like, a special school, you'd run into kids that were – who were agent orange kids and all that sort of stuff, every day of the week, you know what I mean? So, yes, you know, so the whole experience had basically a big impact on my life, you know, like – you know, yes.

COMMISSIONER FITZGERALD: Sure.

MR HENEY: So I'm just hoping that some day it will change. I don't know.

COMMISSIONER FITZGERALD: Well, the whole report that we've put together, warts and all, are intended to bring about an improvement in the system for veterans.

MR HENEY: Yes.

COMMISSIONER FITZGERALD: That's the whole focus. But, as you would be aware, that everyone so far, whilst they disagree with many of our recommendations, agree with the ultimate direction and the goals and objectives. And that's really about the wellness of veterans and their family members, in a way that perhaps was missing and certainly missing when you were at Lewin and subsequently were discharged. So thank you very much for sharing that story with us.

MR HENEY: Okay. Thank you.

COMMISSIONER FITZGERALD: Good. Do we have the representatives for the Australian Rehabilitation Providers Association? A galaxy of stars. So you will just need to share those microphones. So can I just get your full names for the record, and the organisation that you represent.

MS KEYS: Sure. So I'm Jacqui Keys. I'm the Director of Work Rehab. I'm also a council member for Queensland for the Australian Rehab Providers Association.

COMMISSIONER FITZGERALD: Good.

MS BUNN: I'm Julia Bunn. I'm representing Easec Proprietary Limited, an accredited rehab provider to DVA, and I'm also the Queensland Secretary for the Australian Rehab Providers Association.

COMMISSIONER FITZGERALD: Good.

MS ELLIS: Thank you. I'm Sue Ellis. I'm the National DVA Account Manager for Work Rehab. I also did three years as the ADF Account Manager for a previous company. And for what it's worth I'm also an ex-wife of someone who served 24 years in the military and was administratively discharged but then subsequently went on and had several medical conditions, PTSD being one of them.

COMMISSIONER FITZGERALD: Good. Thank you.

MR NELSON: Michael Nelson. I'm the Executive Manager at Work Rehab.

COMMISSIONER FITZGERALD: Good. So I'm not quite sure how you're going to do this, but you've got about 15 minutes to give us some opening comments, and then we will have a conversation.

MS KEYS: We've prepared – the Australian Rehab Providers Association have prepared a summation of their submission, that I'm happy to share with you now.

COMMISSIONER FITZGERALD: Sure.

MS KEYS: And then also on behalf of Work Rehab and EZEC, we've prepared a short submission each. Are you happy if we provide those three, and then we can do questions? Would that make sense?

COMMISSIONER FITZGERALD: Yes, I've got those three. We've got those. But if you – whichever way you wish to do it, but you've got about 15 minutes in that opening phase.

MS KEYS: Okay. So thank you for the opportunity to speak. We've introduced ourselves, so I won't go through that. The position of the Australian Rehabilitation Providers Association or ARPA – I will call it the Association for today – is the industry voice for the Australian workplace rehabilitation industry, representing thousands of independent workplace rehab providers and allied health professionals. The Association believes that giving Defence members and veterans with injuries earlier and more targeted access to independent workplace rehab services, is the best way to secure their safe, timely and sustainable recovery and return to meaningful life and work.

There are currently around 35 rehab providers working with DVA across the country, and this information was provided yesterday by the newly appointed national stakeholder liaison within DVA. The Association is committed to improving the standard and quality of service within the rehab industry, and it's for this very reason that we believe we play a pivotal role to this inquiry and can provide coalface experience and recommendations for the future planning of veteran rehabilitation. We're committed to the wellbeing and rehab of injured workers, and in this instance specifically to that of veterans.

We acknowledge that there are many positives about the current system, however, there are many areas for improvement. The draft report suggests the workplace rehabilitation model as a potential model for veteran rehab

in the future. And whilst there are many benefits to this model, there are also inherent risks. I won't go into those right now, but if you would like to ask questions I do have some points around that.

The Association agrees that Joint Transition Command has merit, however, this should not necessarily sit with Defence, and we recommend further exploration of the timely engagement model used by ADFRPs and DVA RPs in the transition period in Queensland. The ADFRP does not represent the full potential value that is possible given the resources and costs associated with the program. Further, it has been inappropriately grouped under the medical services delivery model for Garrison Health, which is overwhelmingly a medical model.

Workplace and vocational rehabilitation are best delivered by a psychosocial model. The ADFRP will be better placed outside of Garrison Health, to stand in its own right. Additionally, the decision to subcontract this to only one provider or two to four providers, has considerably eroded choice, quality and performance. The greater the variety of health service providers available, the greater the critical diversity available to ADF members. This should not detract from the government's views to maintain quality and performance.

Procurement models tend to be designed for the benefit of those managing the procurement, rather than the benefit of the client of the service. If we're serious about a veteran-centric model, then this should be underpinned in the procurement stage. The Association prefers a lifetime care, insurance or vocational rehabilitation model of claims management for veterans, rather than a worker's compensation model. What this looks like would require work, and it's highly recommended that rehab providers are included in that.

We support improved data collection and focus on measuring individual outcomes. Importantly, the system needs to have a greater reliance on rehabilitation providers to ensure that veterans are provided with the right support at the time right. In order to do this, the joint transition command and DVA or Veteran Services Commission need to have well-developed relationships with providers underpinned by performance data. With regard to the draft recommendations that relate to the rehabilitation industry, I will briefly mention those.

COMMISSIONER FITZGERALD: Sure.

MS KEYS: 6.1, the Association supports this. A person-centred model must have robust metrics and report on outcomes of rehabilitation. Recommendation 6.2, the Association supports this. While we support

this, we do this with the following caution. The report infers that better outcomes are achieved by providers supporting serving members compared to the services received by veterans. And that other jurisdictions are streets ahead of DVA in terms of providing holistic and tailored rehabilitation services. It is the position of ARPA that this claim is difficult to determine in the absence of comparable data. We encourage caution with respect to claims around the direct correlation of scheme performance.

It should also be noted that all rehabilitation providers currently working on DVA rehab cases, must be Comcare accredited. That's not an easy feat, in itself, but it provides basic corporate governance. In addition to this, workplace rehabilitation providers who provide service to DVA – and this is a newly introduced scheme – must have all individual staff who are all qualified health professionals in their own right. Must undergo training provided by DVA by way of 11 online modules, which include topics such as understanding military life.

They are then approved by DVA to provide service. So the suggestion that little governance currently exists around rehabilitation with DVA service provision – yes, so currently a rehab provider working in the DVA space actually needs to meet more criteria than in other workplace rehabilitation jurisdictions. This has not always been the case. This is a new thing. Recommendation 6.3, the Association supports greater engagement with DVA and Defence, and the provision of evidence on treatment and client outcomes.

ARPA does not support the recommendation regarding the coordination of rehab services prior to and post discharge in its current form. The current interaction between ADFRP and DVA is underreported in the draft report, and requires further investigation. And, again, I refer to the timely engagement model, that has worked successfully in Queensland. The Association proposes that effective engagement of rehab services is outside the expertise of the functions proposed within the joint transition command, and should remain within the ADFRP and DVA, or VSC.

COMMISSIONER FITZGERALD: Okay.

MS KEYS: Draft recommendation 7.1, the recommended creation of a Joint Transition Command taskforce is supported, and the Association would like to have a presence on this, given our working knowledge. So, in summary, from ARPA our three key points are the relevance of rehab providers in improving outcomes for veterans, and recognising the good aspects of rehabilitation services that currently exist. The importance of having measurable and comparable outcomes as well as maintain

standards to improve quality service. And the importance of DVA or VSC in coordinating the transition of veterans, as well as managing the post-discharge rehab services.

COMMISSIONER FITZGERALD: Good.

MS KEYS: So that's the voice of ARPA. Julia, would you like to - - -

MS BUNN: Thank you for this opportunity. I would like to commend you on the research and work you've done so far. This is a very complex system that we work in. I hope my comments will be of some assistance to you in my field of expertise, which is rehab. I'm an occupational therapist, and I'm also the general manager of Easec. We're an accredited rehab provider and I've personally been involved in delivering rehab and return to work services since 1997.

Easec is one of the accredited rehab providers to the DVA rehab program, and previously to the ADF rehab program. We are accredited with the heads of worker's comp authorities under the nationally consistent approval framework for workplace rehab providers. We have experience delivering rehab services at the coalface to many different personal injury insurance systems. Today I intend to briefly summarise the key points from my submission.

We are in agreement that the current veterans' compensation and rehab system requires improvement, but whilst embracing the need for review and change, we caution against undoing the success and benefits of the current model. To achieve the goal of wellbeing for veterans over their lifetime, the Commission has recommended that the system needs to be redesigned based on the best practice features of worker's comp, and contemporary social insurance schemes.

It's our belief that a worker's comp model, whilst delivering some of the intended benefits, is too narrow for a veterans' model, and fails to incorporate other contemporary social insurance schemes, such as those found in the community and the disability services sector. We believe that a system that incorporates both an efficiency goal and a social welfare goal is more suited to the unique needs of the veteran population. And my submission provides further recommendation to you regarding the features of a suitable veteran lifetime model.

My submission also provided detail on how rehab services are procured by DVA. The governance around who can provide rehab case management through DVA is strict and clear. The foundation for rehab provider organisations is the Comcare model, which is a mature and well-

developed accreditation system, with extensive governance and quality assurance requirements upon the organisation. In addition to this are extra measures set by DVA to ensure that the individuals working in our organisations are highly skilled and carry levels of expertise in working with veterans.

In our experience, the requirements of DVA rehab providers are more rigorous than many comparative worker's comp and life insurance rehabilitation systems. ADF rehab is a different model. In 2012 the ADFRP moved away from a workplace rehab model, to a medical management model delivered through the Garrison Health Services contract. This led to the program becoming process-based to meet efficiency goals.

The procurement process resulted in two rehab providers being awarded the ADFRP contracts through Medibank Health Solutions, without any open or competitive process. It's our belief that the current ADFRP service delivery model requires a qualitative review to move towards tailored and evidence-based interventions. We believe that the ADFRP needs to fall outside of the tendered Garrison Health Services, so that the service is managed under a best practice model for workplace rehabilitation.

Under this more suitable model a more diverse choice of rehab services would be available to the ADF as the employer, as is consistent with other contemporary worker's comp schemes. As rehab providers currently working in the DVA and ADF space are required to keep outcomes consistent with our Comcare accreditation, this includes keeping measures of return to work outcomes, cost, durations and durability, whether it be return to work with the pre-injury employer or new employer.

Customer and client measures are also kept. So that's under our Comcare accreditation, it's a requirement. As DVA takes a more holistic approach to rehab than worker's comp insurers, additional measures are currently kept to measure psychosocial outcomes, namely the goal attainment scale and life satisfaction indicators. In our experience DVA is one of the only personal injury compensation jurisdictions to utilise any form of psychosocial outcome measure.

This is innovative and it's to be commended. However, more work is needed to improve the validity and value derived from these outcomes. The DVA rehab providers, like ourselves, have collected this raw data regarding our rehab outcomes. With improved collection and analysis of this information within DVA, we could result in some relative quick wins

in outcome measurement, and demonstration of the rehab success, which yourselves have noted is currently missing.

COMMISSIONER FITZGERALD: Sorry, we just have to be mindful of the time.

MS BUNN: Okay.

COMMISSIONER FITZGERALD: I know there's another presentation.

MS BUNN: I will speak finally just about transition and then conclude. Management of a member's transition out of the ADF is currently firmly in the hands of the ADF, specifically handled by the DCO, careers transition team. We recognise the potential disconnect between the ADFRP and the DVA rehab program. We recommend that the Commission further explores the timely engagement program which has been successfully providing an effective bridge between the ADF and the DVA for medically discharged members since 2014.

This program is essentially a simple handover of rehab responsibility from the ADF to DVA prior to discharge. This enables a seamless transition between the two rehab programs, and analysis showed improved outcomes and cost savings with this model. The ongoing development and support of this program on a national basis is urgently encouraged. So that program covers those individuals who are medically discharged from the ADF. However, there is a large unquantified group of members who discharged from the ADF through administrative or voluntary channels, who may also require legitimate access to rehab services at some point post discharge.

This group could be considered to have successfully transitioned out of the ADF and may have pre-existing compensable conditions which subsequently aggravate or deteriorate, or latent onset conditions which are not – which do not become apparent or important to the member until well after they have separated from the ADF. It is this group, some of who have spoken just before us today, who we believe require more assistance to access a pathway back into the DVA medical and rehab benefits they are entitled to, and which it is currently set up to cater for.

So, in conclusion, I believe the rehab and transition services currently provided by the ADF and DVA haven't been well-explained or adequately acknowledged in the submissions to the Commission to date. We are returning veterans back to productive lives and work every day. Through sufficient understanding throughout DVA, the ADF and the broader

government of the rehab models currently used, and a lack of coordinated outcome reporting, the good work currently being provided to veterans has gone unnoticed.

Rehabilitating veterans through their lifetime is complex and unlike any other personal injury insurance system I know of. There is noticeable rapid reform taking place within the DVA rehab space, with clear goals and timeframes in line with your recommendations and those that have gone before you. We believe the goals of the Commission regarding rehabilitation can be achieved by allowing the planned reform to the DVA rehab program to be continued and completed.

COMMISSIONER FITZGERALD: Okay.

MS BUNN: Thank you.

COMMISSIONER FITZGERALD: Have you another person presenting?

MS KEYS: I will be brief.

COMMISSIONER FITZGERALD: You will need to be brief because we do need to just raise some questions, so if you can just be quite brief.

MS KEYS: Yes, that's fine. Mine echoes basically the ARPA stance, and Julia's.

COMMISSIONER FITZGERALD: Just if you can move the microphone.

MS KEYS: So I'm an occupational therapist as well. My background is a degree in occupational therapy and psychology. I've worked with DVA for the last 10 years, and Work Rehab has worked with DVA for the last eight years. We have supported over 1,000 veterans into meaningful employment and civilian life, and we're currently working with over 400 veterans. We're passionate about this and that's why we're here today. We would like to recognise the good work undertaken by DVA staff in recent years in reforming the system.

It does require change and we're happy to be part of that journey. And on that point it's also important to appreciate that since Liz Cosson has become Secretary of DVA there has been a real thrust towards improvement. I just want to acknowledge that. Most of the other points that I have, have been echoed through the ARPA submission and Julia, herself. Yes.

COMMISSIONER FITZGERALD: So, look, thank you very much for that. Can I just make a couple of comments. We've tried to look at the rehabilitation program both within ADF and DVA, and as you've indicated there, they're different both in terms of procurement and oversight. And so we have two very different models. You've indicated that you have a preference for the DVA model, vis-à-vis the one through the ADF. Can I just deal with ADF for one moment.

You mentioned the Medicare – sorry, Medibank Health Solutions contract. Is that – has the new Bupa contract replicated in broad terms what was in place with Medibank Health Solutions? That is that rehabilitation is part of this one single national contract. Is that correct?

MS BUNN: As far as we're aware. It's still very tightly held under commercial privilege.

COMMISSIONER FITZGERALD: Sure. Well, as far as any of us are aware, so, yes, that's right. Your view – could I just understand the central concern about that model, and I might say we are not in favour of that model, so I hope that became clear in the report. Nevertheless, the government has decided to pursue that agreement, and that agreement is now a contract. But can you just tell me the fundamental concerns you have in relation to the ADF's approach?

MS BUNN: I think the main difficulty with the ADFRP model is that in provision of workplace rehab in Defence, a member's rehabilitation is inextricably linked to their net classification. So it's linked to whether they're fit to deploy or not. So the ability for a workplace rehab provider to effectively implement change in the workplace or to modify work duties, is restricted because a member at the end of a rehab process is either medically fit to deploy or not. So I think that's the key issue related with the ADF model.

COMMISSIONER FITZGERALD: So is it the provision through one single provider who I presume then contracts a whole range of rehabilitation providers, or is it actually what is – is it the actual nature of rehabilitation and the way that is being - - -

MS BUNN: I think it's both.

MS KEYS: Yes, I think it's both as well. I think that there's – you're limiting the choice of the veteran. When one provider is providing all the service, I think it's very difficult, and it has already been proven that they don't have capacity. And from an industry perspective I think we see

some new graduates that get thrown in the mix to try and provide service to veterans, and that's not good for anybody. And on the flip side, I think Julia is probably better placed to discussed the internal workings of Defence, but the model, itself, from an internal perspective I don't believe works.

I think we're talking about different outcomes really for the veteran. In the worker's compensation model you have the same employer and a new employer situation. So if you're trying to replicate that within Defence, I don't think it's going to work. You're also talking about the psychosocial aspects of the veteran which doesn't exist in a worker's compensation model either. And it also with the medical model, if that's what you're talking about, if it's the model that you're mentioning, they're two different aspects of rehabilitation as well.

COMMISSIONER FITZGERALD: So and if Michael or others wants to comment, just grab the microphone. I can't understand why it's not possible to have a psychosocial model as part of a worker's compensation scheme. Now, let me go back. Our approach is a lifetime model, a model of care and support that travels with the veteran and their families throughout their life. So we are not proposing a worker's compensation model. What we're trying to do is take the best elements of that and social insurance models, and say, how do you fit that within a military compensation scheme or a veteran support scheme, which is what we're calling it, which is in fact lifetime.

So we agree with you on that. We are not suggesting that you take the worker's compensation model which we understand is not the appropriate model. But – and I'm sure Richard will raise this – there are particular practices in that model which do apply and have some attraction to us. But can I come back to this issue. Why would the ADF not embrace a psychosocial approach within their rehabilitation, if that is now regarded as best practice for the wellbeing of a serving or, frankly, a non-serving veteran but in this case a serving veteran?

MS ELLIS: I can answer. So when I was working on the rehab for the ADF, the primary focus is to get the member back up to MEC 1, so they are deployable again. Their psychosocial needs and those needs of the family are not considered. It's only when they've already been deemed medically discharged by the review board. I know that that side of it just does not play out in reality.

COMMISSIONER FITZGERALD: But why is that? Because, again, I'm an outsider, I know nothing about this stuff, although we have had presentations in relation to bio psychosocial approaches in a previous

hearing, so you're not the first group to raise that. But I just want to understand, from a layman's point of view, would it not be beneficial and would aid the serving personnel to return to duty if those sorts of issues were dealt with? Or am I – is there something that I'm missing in this?

MS ELLIS: No, I think that's absolutely spot on. The caveat there is that if they're not deployable, they are then deemed inappropriate to continue to serve. They don't have the scheme of suitable duties, or they do for a short time but if the member is unable to go from the three or two, and bounce back up to one, it's – you know, they're on a conveyor belt out. So – yes.

COMMISSIONER FITZGERALD: What's the nature of the rehabilitation services that are provided to a person that's on the way out? Does that then allow the rehabilitation provider to take a more holistic approach, including this bio psychosocial approach?

MS ELLIS: In my experience, the ultimate goal is returning to MEC 1.

COMMISSIONER FITZGERALD: Yes.

MS ELLIS: If that does not happen, it is deemed unsuccessful and that conveyor belt is just going, and there – my experience, it was a few years ago, was that all those other aspects were not embraced.

COMMISSIONER FITZGERALD: Even on the pathway to discharge?

MS ELLIS: Absolutely not. Absolutely not, no.

MS BUNN: Can I intervene there? I think that - - -

COMMISSIONER FITZGERALD: Just pull the microphone a little bit in front of you. Yes.

MS BUNN: When a member – it becomes clear that medical discharge is their pathway, the role of the ADFRP is to focus on assisted transition, and that primary is linking the member into the existing support services. Most of those are linking in with civilian medical services, linking in with the community services officered by Defence, through DCO, for example, and through ex-service organisations, and linking in with DVA and Comsuper. So that is the focus of the program, it is psychosocial. But the procurement model is so streamlined that it limits the amount of the psychosocial that's provided in that process.

COMMISSIONER FITZGERALD: So in relation to the ADF, just for a moment, you're saying to us – and we will look at the submissions in much greater detail – that, in fact, it's – the two elements is the very nature of rehabilitation that is being provided, and the way in which it's being procured.

MS BUNN: Yes. Yes.

COMMISSIONER FITZGERALD: They're the two issues. The third thing, can I just ask, in relation to the ADF rehab, is it more – in one sense it's obviously more focused on a particular outcome, that is return to duty. We understand that. But is the data that's available to actually assess the outcomes, apart from whether a person does return to duty or not, is it adequate? Is it more comprehensive than DVA? And that's a question out of ignorance really.

MS BUNN: I don't believe it's more comprehensive than DVA, but at least what data they have is being captured and measured in some way. DVA's is yet to be captured and reported upon.

COMMISSIONER FITZGERALD: Sure.

MS BUNN: I think, though, that it's useless data. A return to work outcome measure is useless under the ADF, when that outcome is actually determined by a MEC review, not by the effectiveness of the rehab program.

COMMISSIONER FITZGERALD: And how would you do that differently?

MS BUNN: I think it needs to be brought back into the workplace rehabilitation model where the unit decides which rehab providers they use because they get to know the workplace. And they work directly with the rehab provider who is the conduit then back into the medical system and the treatment provision to get their worker back to work.

COMMISSIONER FITZGERALD: And just to be - just push this a little bit, why would it not be the case that the contractor to Garrison Health in the currently Medibank solutions or in the future Bupa, why would they not be able to do that?

MS BUNN: Potentially they could but I think it would be a different contracting model because it's not through the joint health services. It's not a health service, it's an employer workplace based service.

COMMISSIONER FITZGERALD: Okay. Can I just move to transition and then Richard will obviously have some comments. I should say we had a round table in relation to rehabilitation prior to the draft. And I must say your interpretation of DVA's rehabilitation model is at odds with what we've heard from other providers. Not all other providers and I know you're the big body. But I just want to say that your presentation is very helpful because it sheds a different approach and a different light on it. But I just want to come to transition.

The timely engagement model to which you refer is it the model whereby responsibility or at least in relation to rehabilitation services is provided to DVA 30 days prior to discharge? Is that the model roughly?

MS BUNN: I haven't heard of it described like that.

COMMISSIONER FITZGERALD: So what's the - we had another proposal yesterday that I'll ask you to explain. When you refer to timely engagement model what are you referring to because I may have them confused.

MS ELLIS: Yes. So the timely engagement we've been working with DVA for probably the last six, seven years on the timely engagement and it works brilliantly. The 30 day, I haven't actually heard it called the 30 day, however it is about then that we get notified that someone is due to discharge. And at that point our consultants from the DVA side would actually liaise directly with the ADF rehab providers with the client in the middle and the three of us have - and it works really well.

COMMISSIONER FITZGERALD: So can I then clarify we believe that the transition authority would actually do exactly that. So the transition authority is not a rehabilitation provider. What its sole role is to make sure that a person that's in rehabilitation in the ADF or is in need of rehabilitation is found a provider under the DVA scheme.

MS ELLIS: Yes.

COMMISSIONER FITZGERALD: So it's a means by which you get a coordination across that period of time prior to and post-discharge. So from what you've just said I would have thought, and we'll think about this more fully, that a timely engagement model could well sit within that sort of transition arrangement. And the other thing I should say the transition command that we're looking at would, in fact, have and be manned by not only Defence but DVA, Comsuper and other types of personnel. So I think we've got to explain our model a little bit further.

MS ELLIS: Could I just add - I probably gave the impression that I sort of didn't see much of the transition sell and experiences. That is because a lot of the members are incredibly ill with complex health issues and they're not able to participate in all these amazing workshops that are available. Certainly our companies are sort of known in the industry for dealing with complex case management. Between our two companies we've got nearly 1,000 cases across Australia.

COMMISSIONER FITZGERALD: Sure.

MS ELLIS: So the timely engagement works. The transition within ADF is a fantastic, fantastic thing if the member is well enough to access it. And we know through experience the vast majority aren't or they don't retain that information because they have significant illnesses and injuries.

COMMISSIONER FITZGERALD: So just before Richard asks a question one of the things we're looking at in the Joint Transition Command, and people have different views about what it should be called and that, is how long that service should be available. So that somebody might well discharge but at the moment once they've gone they can't come back into the Defence area. And our transition approach is to say you can access that for six to 12 months. But again I want to go back to it, there's no reason why a timely engagement model couldn't well sit within that.

MS BUNN: Yes.

MS ELLIS: And there's a fabulous story, I'm hogging the stuff here but I feel quite passionate about it, so the Australian Defence College also have for the 12 months from discharge the veteran is able to go back and actually access their RPL, so the recognition of prior learning. Because, as some of your previous speakers have indicated, that this has been quite difficult, if they have left the service for quite a while. So this is a free service for up to 12 months.

And then as providers we also have our contacts with the organisations who offer this privately. There's some fabulous organisations, I don't know if I'm allowed to mention the one that's linked particularly to the military and aligned services, that's CLET, the College of Law, Education, Training I believe that's called. And they offer a fabulous service, a very fast turnaround as well. So there are some services and even CTAS as well for training. So there are some wonderful opportunities and if the client's very unwell they can defer that 12 months for a further 12 months to be able to access. So there's some real good stuff out there, it's just about communicating that, and it's all being joined up.

COMMISSIONER SPENCER: Now, look, thanks for that. And, look, Robert's covered I think most of the issues that we were curious about. So, look, I go back to that earlier comment that you made, that you felt we hadn't really appropriately recognised the good work that's underway and so - but, look, I'm struck by the fact that there's - I do have a sense of something special in Queensland. Because you're describing thinking and practice and exploring how this best works based on your experience of the systems that frankly we weren't hearing in other places. So not surprisingly I think it's probably a bit of a mixed report card at this stage but we do take the point that we haven't adequately reflected what's happening at the moment and potentially that we should definitely look at it.

So around the - so just to give a bit context to why we explore this notion of where should this sit, across the transition space, and we've been on many bases as you know and spoken to many people and you do find what I would describe in all aspects of transition bright spots, good things happening, which hold the potential. Quite often when we sort of look at that it's based on an individual or group of people who are providing leadership and champions of change. They're working across boundaries, divisions, whatever, and finding ways to make good things happen. So that's all terrific and I think we'd all applaud that. So obviously we're coming from is to look at but how do we make sure the system doesn't rely on good will and cooperation, so that when people change, you know, what remains and what continues. So that's why we focus on the structural issues about the joint transition command.

So a little bit to what Robert was saying. Just a very firm starting point in that and that is Defence is responsible. Because at the moment there's a lot of cooperation between DVA and Defence and that's terrific but we see that as a structural issue in the future as it has been in the past potentially. So, look, I think what's helpful to us, and it comes back to a point Robert was making is, how do we make sure about all of the transition issues, including rehabilitation, if that's the body where it sits, that it has the capability and expertise. So your submission's very helpful because if we do go down that path what we want to make sure is that that's a body that is fit for those roles and can perform those roles but it's somewhere else at the moment.

So coming back to the timely engagement model, you've indicated that could be rolled out, it hasn't been rolled out. What's the current status of that as far you know from DVA's point of view?

MS BUNN: It's ongoing certainly in Queensland. It's become the norm, so it's no longer even called the timely engagement model. It's to the

point where it's been piloted, the outcomes have been reported on, and it was due to be rolled out nationally. But anecdotally we've heard that it hasn't effectively been rolled out outside of Queensland.

COMMISSIONER SPENCER: Do you hear anything about why that might be the case? Because it seems to be more a way of working rather than a costly sort of next step, so it's about people's behaviour and working across the boundaries.

MS BUNN: Yes, it's well entrenched in that there are, you know, Defence forms called - - -

MS ELLIS: Section 369 I believe.

MS BUNN: Yes, section 369 transfer of rehabilitation, which is the legal transfer of responsibility, if you like. So it's down to that level of detail and it's just being used as the normal process in Queensland.

COMMISSIONER SPENCER: Yes. But elsewhere I mean, you know, you're reflecting to us, you know, high levels of cooperation.

MS BUNN: Yes.

COMMISSIONER SPENCER: And sort of an entrenched practice now. But elsewhere if you speak to other colleagues - - -

MS BUNN: Could I just - - -

MS ELLIS: No.

MS BUNN: Yes, so I spent 18 months in New South Wales after working in the system in Queensland directly after the pilot and even within DVA it was to remain in Queensland. So New South Wales were not aware of this, which was incredibly frustrating because we were having such good success. And our offices are based quite close to some of the bases in New South Wales. So I can't definitively answer why. Even speaking with DVA yesterday the official term timely engagement program is not used. We know that it's simply triggered by the form but as to why I can't provide a clear answer.

COMMISSIONER SPENCER: Okay.

MS BUNN: And there was the communication out in October that there has been perhaps a miscommunication and come October last year timely engagement is no more. But there has been an interesting tender that our

two companies were successful and the case management program it's been renamed WASP, the Wellbeing and Support Program, of which both our companies have clients. One of the referral silos is representing the timely engagement model, which is wonderful. I don't think either of our companies have seen any of those referrals come through. They seem to be more the chronic incredibly ill people. But, yes, so the take is that timely engagement is actually on pause right now.

COMMISSIONER SPENCER: No, I was just going to say just when we believe we understand all acronyms we get a new one. So WASP I noticed that in one of - - -

MS ELLIS: Yes, yes.

COMMISSIONER SPENCER: - - - (indistinct).

MS BUNN: That's the third term.

MS ELLIS: Term in (indistinct).

COMMISSIONER FITZGERALD: Well, DVA is not short of pilots and new terms. They've changed multiple times even in the life of our inquiry. I want to go back to a couple of - just to points, if I can. One of the issues that I think is a problem in the DVA system, but you may say I'm wrong on this, is we can't get any sense that DVA itself understands the outcomes that are being achieved within the rehabilitation service area.

MS BUNN: I think you're absolutely correct.

COMMISSIONER FITZGERALD: So you said to us that through your accreditation you're required to not only have a stringent, you know, and detailed reporting of particular outcomes. And then you said to us that DVA, I understood from you, imposes additional ones and you thought that that was good. But when we've actually got the DVA and other groups the overwhelming sense is they have almost no idea of what the cumulative outcomes are of the whole rehabilitation program and you've disagreed with that.

Now, how is this possible? Because going back to the workers' compensation area we don't see that at all. Workers' compensation providers both government and non-government organisations are one of the key things for them is to actually understand what's happening in terms of outcomes for their clients. Some would say that's driven by money but I would hope to think that it's actually driven by (indistinct).

But put that aside DVA stands alone in that absence of understanding outcomes. So why is that the case in 2019?

MS BUNN: As a provider to many different compensation systems we're used to keeping that data, recording it, and providing it to the insurer in the method that they request. We do that for DVA as well, we're just not asked to provide it. It's provided on a case by case in closure reports. So we can look at a closure report for a client we've had on a rehab plan for a year and show what their life satisfaction scores were at the beginning of the program, at six months through the program, and at the closure of the program. But I don't believe that data is then - - -

MS ELLIS: Captured and collated.

MS BUNN: - - - captured and collated within DVA. We try individually to report it through to DVA but I don't believe it's then utilised.

MS ELLIS: So on the DVA rehab plans they've got something called goal attainment scoring. You may have heard of that, that is - - -

COMMISSIONER FITZGERALD: Yes, we have.

MS ELLIS: - - - their metrics for capturing positive or neutral goals and outcomes I should say. However, currently a lot of these plans are preset and the goals are set, the activities are set. There is very little room for individuality to demonstrate that whole person approach. And it is very hard to put especially on a psychosocial rehabilitation to actually say this person has got a zero outcome or a plus two.

So as a company, and I'm sure Julia does the same, we have actually spent a lot of time collating the positive outcomes such as, you know, I'm trying to think of an example now, but (indistinct), you know, just family relations.

MS BUNN: Community engagement.

MS ELLIS: Thank you. Community engagement. And then what we would do is we would go in every quarter and provide sort of this united this is what as a team as an external provider but as the delegates together we have achieved this. And there are some amazing, amazing results. Not only the return to work.

COMMISSIONER FITZGERALD: Sure.

MS ELLIS: So it's those qualitative - yes.

COMMISSIONER FITZGERALD: Michael?

MR NELSON: So just based on my sort of 18 years' experience in the Commonwealth public service I'd suggest to you it's probably because the government hasn't actually asked for it. So what you'll generally get is departments providing information and reporting on things that government asks them to. Where that's not been asked then they're unlikely to probably provide that information.

COMMISSIONER FITZGERALD: But would it be - I mean I understand the rehabilitation scheme in relation to DVA is about a $40 million arrangement. It's not a huge budget but it's not an insignificant budget. I would have thought that any department that is procuring services to the extent of that would want to know whether or not it's actually delivering outcomes beyond the forums and the focus groups and all of those sorts of things.

So whilst you're probably right, and I'm not disagreeing with that, it seems extraordinary to me that you would not want to know whether or not the money is actually achieving outcomes for veterans as well as being good value for money I might just add.

MS KEYS: Can I comment there as well?

COMMISSIONER FITZGERALD: Sure.

MS KEYS: Because I think one of our frustrations as providers, yes, we believe DVA has done a lot of good work in the last few years compared to when I first started working in the scheme. In saying that one of our frustrations is the disparity amongst States. So there are three rehab officers, if you like, that refer to - there's Brisbane, Perth and Adelaide. They all work differently. So as a company we're required to manage different forms for different plans, there are different approvals. So we have to actually train our staff in these different States differently.

Yes, they have just introduced the training modules but there is - the synchronicity is not there. They're also not under a current tender, so we just simply provide service as a provider. There is no contractual arrangement between my business and the department. So we're not required to metrics. We do, we provide qualitative data, outcomes, that can be put into - - -

COMMISSIONER FITZGERALD: Sure.

MS KEYS: - - - newsletters because we want to sing the successes of the veterans that we help rehabilitate. But you're absolutely right, there are no metrics in there and there's no consistency either.

COMMISSIONER FITZGERALD: And you've made that point in the earlier - so thank you for that. Do you have any - - -

COMMISSIONER SPENCER: There was just the issue of consumer direct care. I mean that's perhaps more relevant in other areas other than rehabilitation. But I take it from - I've forgotten which submission it was that you think interesting idea but that would need to be looked at, it may have limited application. And, in fact, if I understand correctly if the rehabilitation activities were more in line with what we've been talking about there may be less need for a consumer director care model.

But do you have any just quick comments on that as to where some choice of control can come in? Because it strikes me that the (indistinct) like a social model, that you're trying to empower the individual as well as to their own wellbeing and therefore some sort of choice of control through that process seems to have potential. But how do you view that?

MS BUNN: I've got fairly limited comment to make. I've seen it used in other similar systems where a user or an injured individual maybe provided with a choice of three providers and they can go to their website and see who they like and choose them, you know, according to that process.

I've also seen the systems where an injured person can choose a treatment service regardless of whether it's been recommended medically or not. And I question whether that has - how useful that can be based on demonstration of outcomes. So there needs to be I think some level of rigour around the range of providers who are offered whilst then still offering the injured worker, injured person an opportunity for choice.

COMMISSIONER SPENCER: Right. And there's professional judgments obviously in there that needs to be made by somebody I mean other than the individual, so I guess it's a question of whether within the various treatment options are there choices that are available. I don't know but that's the issue I'm thinking about.

COMMISSIONER FITZGERALD: You made a reference to directing us away from a strict version of a workers' compensation arrangement and you mentioned the NDIS. And Richard did a study on the NDIS for the Productivity Commission last year, year before. And so we're fairly familiar with the NDIS but I was just wondering were there any particular

learnings out of the NDIS or traps that you might just want to alert us to? Now, we are not proposing an NDIS model.

MS BUNN: No.

COMMISSIONER FITZGERALD: But I'm just wondering whether you have any particulate insights.

MS KEYS: I'm not familiar with the NDIS.

MS BUNN: No, I can't comment.

MS KEYS: (Indistinct) submission, yes.

MR NELSON: Like all of these big changes or programs I think the key is in the implementation. So I think any of the issues that have been experienced in the Commonwealth and other areas with NDIS all have been around implementation. So I would suggest that good ideas can fail quite quickly, if not implemented properly.

COMMISSIONER FITZGERALD: No, that's correct. Is there any final very short comments you wish to make and then we'll conclude?

MS KEYS: I think just from the association and from myself we applaud what's being done here. And in essence we've supported most of the recommendations where there are just a few cautions based on our experience working across different schemes as to what would work well. But at the end of the day I think the goal is for the wellbeing of the veteran and a robust scheme that has metrics and data to manage performance around it.

COMMISSIONER FITZGERALD: All right, thank you. And we'll probably be back in touch with your association as we go a little bit further down looking at those rehabilitations. So thank you very much for your collective efforts and - - -

MS ELLIS: Thank you.

COMMISSIONER FITZGERALD: - - - we appreciate that a great deal.

That concludes our formal presentations but if there is anybody in the audience that would like to make a brief presentation now is the opportunity to do so. So is there anybody that would like to make a short

personal statement? Yes, please. Just pull the microphone a little bit closer to you.

MS MOUNTFORD: Yes.

COMMISSIONER FITZGERALD: That's it, terrific. If you could give me your full name and the name of an organisation, if you represent one.

MS MOUNTFORD: I'm Rosemary Mountford, I work at Redcliffe RSL but I am not representing them and I want to make that definitely clear.

COMMISSIONER FITZGERALD: That's fine, Rosemary.

MS MOUNTFORD: I'm an advocate and a welfare officer and I work directly with veterans each day. I work fulltime there. And some of the stuff I've heard over the last two days and especially today in reality at the coal face we don't see that. The veterans are not seeing it. And I see some really bad cases on basically a daily base.

So what is the veteran? He starts out as 17, maybe 20 year-old very fit, very robust otherwise he's not in the services. He goes in there, he's trained, trained to do a job that he has been employed to do. In that process, in that first initial process, it's set - and I'll say I've been through the process, I have served, so I do understand. They attempt to break you in that first few - couple of months to see whether you're going to be fit for service. It is a process. And the ones who do get through and are not fit for service are quickly weeded out.

Then you go on and it's almost like a Stockholm Syndrome. You are taught not to question and you're taught to like the person that is abusive to you. And Stockholm Syndrome is the closest thing that I can ever relate that to. So these soldiers become dependent on the people above them to care for their needs and express what their belief is. They're not allowed to have an opinion. They are a soldier.

And this is the thing that sets aside Australian soldiers because we are very good at following orders and being able to go into battle and achieve. They are very well trained. That is the purpose of an Army. Our Army also works in Defence of our country but also in the support of disaster. And this is a big thing that is not recognised. The people who are in disaster relief or peacekeeping their service is diminished and not accepted, that they received injuries in those times.

And especially the boys from Banda Aceh. Horrendous, absolutely horrendous injuries there but that was just, you know, something, disaster

relief, not accepted. So we have this whole thing of they've had to be fit for readiness but some of them get broken in that process but they're so proud they would never say they are broken. And even now they'll come in, they can't sit still, they can't sit in a chair. And you'll say "Are you okay?" "Yeah". And then they'll say "I want to get back into the forces". You're broken. Wait.

A lot of these people are the old dogs and the old salts who are wanting to share the pain that they went through and how they were treated, which was an old guard system. And we still have some of those people in without the new thought processes. So to put in a claim a veteran has to have the evidence and quite often their medical documents are lost. I've got a guy who's missing 15 years of his med docs when he was most damaged. They don't know where they are.

So you've got this whole process. Now, if we're lucky enough to have that, then they've then - we've got to prove that it was treated in the Army, it was diagnosed in the Army but then DVA say, no, it's not related to service. Where is it? Then they have to go through proving it for incapacity. Then they have to go to another doctor to prove that permanent impairment. Then they have to go through another medical examination for CSC. They won't use the same report. I have one fellow he had 80 reports on his psych and they won't accept any of them because they're so different. We have people who are being treated by psychs for up to 10 years, they're sent to an independent one for DVA. They spend an hour with them, no, it can't be that, it's gone.

Same as with orthopaedic surgeons. They might have had multiple operations with an orthopod but the one independent person knocks it on the head and say can't have been because of service. So there's got to be some change in the future in how we approach this. If they have one report and all three share it but even with the three acts. If you've got people who've served from '74 to today they come under the three acts and the three acts don't share the reports. They've got to have - each one has got to have it. It's crazy.

In the English model they actually keep them in until they are fit for civilian life and training them and they pay them to be a soldier until they can be a civilian. So that could be something that we have. I've heard a lot about families and they're talking about the soldier or the sailor or the airman and always referring to them male. We also have a lot of females. And so we've got to look at this new guard that's coming in.

We need to look at - that there are a lot of men and women who are coming back that are very damaged and can't support the family but they

also can't support the household services that are needed to do but they expect the wife or husband to go out and earn a living, then come home at night and do all the housework as well. So where is the quality in their lives? It's not there. If it's a female they will provide household services for them. If it's a male that's stepping into that role because his wife is having to work out, she is expected to come home, mow the lawn, do all the housework, and do the shopping. But if it's a female that's been broken that's all provided for her. So there's a lot of disparity between sexes where we shouldn't have that.

The men the only ones they get is washing the windows, cleaning the fans, and mowing the lawns. God forbid I wish they would.

COMMISSIONER FITZGERALD: We've only just got a couple of minutes.

MS MOUNTFORD: Yes.

COMMISSIONER FITZGERALD: (Indistinct), please.

MS MOUNTFORD: Yes, yes. So vets at the moment are working towards getting that Gold Card and so they are getting more and more broken and proving how broken they are rather than having a system that works towards getting them better. Rewarding them for engaging and becoming better, the best that they can be even in their brokenness. And I'll finish with that we need to give them a light to work towards rather than a goal to work towards.

I had one yesterday and he can't be engaged because of the extreme nature of his conditions. And the rehab have cut him off and said there is no more rehab that we can engage him with, so that means his PI does not exist. So we need to change this model in the future, so that we can reward rather than they have to be broken to change.

COMMISSIONER FITZGERALD: Thank you very much. And firstly, thank you for having been here the day and a half or the two days, I appreciate that. And we very much hear the sentiments that you've made. I mean our scheme that we're proposing is very much about people trying to move to wellness, if that is possible. And the issue in relation to health cards and we're trying to look at in that context. Its not an attack on the gold card system, which some people think it is. It's actually to say can we have a system that adequately recognises people's service but also has people on a wellness pathway where that is appropriate. But I must say that's proving to be very challenging but we appreciate it.

And the second thing we're very conscious of - I think the figure at the moment is about 17 per cent of those who've served within our ADF are, in fact, females. So the number of female veterans is growing and their particular needs and aspirations have to be identified and so thank you for raising that issue. So thank you very much for that.

MS MOUNTFORD: Thank you.

COMMISSIONER FITZGERALD: That's terrific. Good, thanks. Anybody would like to make a final comment? Going, going, gone. So it's my duty to just simply adjourn the public hearing until it resumes tomorrow in Townsville. So again, thank you for those that have been with us over the last couple of days and it's been very valuable and very helpful to the Commission. Than you very much.

MATTER ADJOURNED AT 2.44 pm
UNTIL FRIDAY, 1 MARCH 2019

Australian Government
Productivity Commission

PRODUCTIVITY COMMISSION

COMPENSATION AND REHABILITATION FOR VETERANS

MR R FITZGERALD Commissioner
MR R SPENCER, Commissioner

TRANSCRIPT OF PROCEEDINGS

HOTEL GRAND CHANCELLOR, 334 FLINDERS STREET, TOWNSVILLE
ON FRIDAY 1 MARCH 2019 AT 9 AM

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COMMISSIONER FITZGERALD: If we can just grab some seats. If you're hard of hearing I suggest you just sit down the front a little. If you're almost completely deaf let me know and we've got a separate microphone. These microphones don't amplify. They're only for recording purposes. So, again, if you can't hear anybody let us know, we have another microphone.

Good morning and thank you very much for attending and welcome to this public hearing of the Productivity Commission's inquiry into veterans compensation and rehabilitation following the release of our draft report in December.

So I'll just make a short statement which we make at the beginning of each of these hearings. I'm Robert Fitzgerald, I'm the Presiding Commissioner on this inquiry, and my colleague is Commissioner Richard Spencer.

First off I'd like to express our appreciation for you giving your time to attend these hearings, particularly following the recent floods or significant weather event, however you describe it, and we do understand that there would've been people who wanted to participate today but are engaged in the recovery process and are unable to do so. Nevertheless, given the very large presence of veterans in the Townsville community we believed that it was appropriate to proceed, and we are very pleased that we have, and we are very pleased so many have shown up today.

So far we've held hearings in Sydney, Canberra, Wagga Wagga, Melbourne, Hobart, Adelaide, Perth, Darwin, Brisbane and following today's hearings there may be one further hearing in Rockhampton, but that's yet to be confirmed. Following these hearings we will be then working towards completing a final report to government which will be delivered in the last week of June of this year having considered the evidence presented at these hearings and through our consultations as well as the submissions, and if you're contemplating putting in a written submission they're due in yesterday. So you have to put them in in the next week or so, so that we can have time to consider them.

Participants and those who have registered their interest in this inquiry will automatically be advised of the final report's release by the government. So the Productivity Commission produces and releases the draft report, which we did in December. The Commonwealth Government releases our report in full, but it must do so within 25 Parliamentary sitting days after the government's receipt of our final report.

We like to conduct all the hearings in a reasonably informal manner, but many would say this is not very informal, but nevertheless, but I remind participants that a full transcript is being taken. For this reason, comments from the floor cannot be taken, but at the end of the proceedings for the day after the first three presentations, I will provide an opportunity for any person present wishing to make a very brief presentation in relation to one or two issues. If you would like to do so, during the morning tea if you can see Stewart or Aaron, but we will give that opportunity and I understand some people have already indicated that they would like to do that.

Participants are not required to take an oath but they are required to be truthful in their remarks. Participants are welcome to comment on the issues raised by other people in their submissions.

A transcript will be made available to participants and will be posted on the Commission's website following these hearings. And all written submissions, subject to minor qualifications, are available on our website. There is a counsellor from Open Arms present today. Should anybody need that service then please see our staff and you'll be directed to that person.

In relation to OH&S it's very simple, follow the green men. There's two exits here and there's a fire escape outside the entrance to which you came in. Otherwise, again, I'd like to acknowledge and thank you for being present. I am very aware that the draft report was very complex, it's very long, and it has many detailed recommendations, and I'm immensely grateful that so many people around Australia have taken the time to respond in what is a very short period of time, but we are grateful for that.

All I can say is it's likely that the final report will be even longer, so anybody who thought we'd learnt from our mistake and making it shorter, I'm sorry, it's not going to happen. But that's because there's a whole lot of new material that's come in during these hearings.

So, I'd like to now call John Caligari. John, if you can give your full name and any organisation you represent here today.

MR CALIGARI: Lieutenant General John Caligari, AO DSC, retired.

COMMISSIONER FITZGERALD: Good. And, John, you know, the procedure is just 10 or 15 minutes of any points you'd like us to consider and then we'll have a discussion.

MR CALIGARI: So gentlemen, thank you very much for the opportunity to speak to the Commission today. I don't actually intend to go into the detail of the report, but most of my remarks are at a level that will have an impact on many of the recommendations.

The first thing I'd like to make clear is that in my view the Department of Veterans' Affairs mission should read that it is interested in supporting the wellbeing of the entire veteran community, not just the clients of DVA. They ought to be the experts in the whole veteran support ecosystem. And in that regard it is obvious that they are not aware of who is in the entire veteran community by their own self-admission. But I do, however, think they are moving that way.

One thing that I think would be particularly useful would be that in the August 2021 census there was a question in there that related to veterans. If we took this issue and the impact on veterans seriously we would have a question in there that would enable us to understand the entire veteran problem.

The problem is not organisational, structural, institutional. I think we all agree that the Department of Veterans' Affairs is the right place to put the veterans' affairs, but it needs some change. Clearly they are on that change, but, in my view, the main problem is that there is a lack of trust between the department and between those who the department is intended to serve.

The key question here for me, as I've observed the veteran community, in the three-and-a-half years since I've been out of the Defence Force is 'what value does the Australian Government place on its veterans?'. There's rhetoric perception and reality.

Some of the things that are the cause of some of the mistrust are that, for example, underpaid doctors and specialists or sub-standard services for veterans, which is different from services available to other Australians. The emphasis we seem to place on things that cost no money, they're just policy, pins, cards, covenants, all of which have a great place in solving some of the problems, and those of us who have served at that level of the bureaucracy understand that, but it's not well understood at the lower levels who are just seeking help. And there are soldiers that I've commanded who have killed themselves through this fight.

There are photo opportunities and dollars spent on 100 year old commemorations for wars of long ago, for which no-one lives today. I know that most of that money spent is actually a fraction, nothing more than a fraction of what the Department of Veterans' Affairs has, but it

would appear to be larger than that. The perception of where our focus is is the problem, not necessarily the reality. So there is some perception, reality, some of these things costs money and some of them don't cost anything at all. The bottom line is that words do not equal actions in the dealing with veterans and the veteran community in its entirety in Australia.

So with my 36 years' plus years of experience in the Australian Army one of the things that I have spent all of my life doing is leading soldiers, and in this respect I refer, when I say soldiers, I am referring to soldiers, sailors and airmen. In order to build trust, which is a fundamental leadership principle, in my opinion there are two things we need to do. We need to decentralise DVA, not centralise it. There should be more representation of the provinces, in particular, places like Townsville, not less. There should not need to be security guards on doors. There should be people who interact with both the Department and the veterans who understand fundamentally what the requirement is to help veterans rehabilitate and be compensated. It needs to - so we need to push out from - out to the provinces more representation, more face to face, more veteran centric reform.

The second thing I would say is that we need to professionalise the compensation advocacy. We're at a cliff, not too long away, where we have a lot of veterans, many of whom who are older veterans who have - who are now looking at the prospect of having to do a competency based advocacy training and development program in order to remain veterans and be covered by the insurance as part of DVA. Many of them will not do this anymore. Many of them will stop doing it. Many of them were doing it because they're totally and permanently incapacitated and were allowed to work for one day's pay a week, and this is what filled their day. So one day doing the same thing they got paid, but for five days, and in many cases seven days - some of these advocates have some serious caseloads, so there's a flaw there.

We need to professionalise because we need younger advocates, we need advocates who understand fundamentally the Acts. We'll probably never get to the point where we do anything about the three Acts, bringing them together, but we need younger people who understand the DVA side, who understand the entire process, but are advocating on behalf of the veterans and their families. The Ex-Service Organisations play a vital role in doing this now, and they have served a great purpose in the past and will continue to serve a great purpose. They all do things in the support of the veteran community, but compensation advocacy is one of the things they are - we are starting, as an organisation, as a group of people - as a group

of organisations are starting to struggle to handle. A fundamental reform is required in this area. Thank you, gentlemen.

COMMISSIONER FITZGERALD: Good. Thanks very much, John, and for your - you've also given us a brief submission, and obviously we met with you prior to the draft when we were up in Townsville. Can I ask a couple of questions? You've indicated right at the beginning that you believe there's an issue in relation to the relationship with DVA and the entire veteran community. When we look at DVA, it's one of the very rare agencies in government, almost the only department that is heavily influenced by the group that it provides benefits to. That is, it's the only department that has exceptionally significant influence by ESOs in a way we don't see in any other part of government, and that's largely historical.

So, from an outsider's point of view we might say one of the issues for us was whether or not DVA is in fact too closely affected by various groups within the veteran's community, but you take a different view, that you actually don't think they serve the veteran community well enough in broad terms. So where do you think the absolute gaps or problems are that you've identified?

MR CALIGARI: Well I think there's a couple of issues here. The first one is that when we talk about the Ex-Service Organisation community, so in - for example, in Townsville there are over 25 organisations that would be recognised by the Department of Veterans' Affairs, I'm guessing. Do they represent the entirety of the Townsville veteran community? The answer is no. Their membership, specific to their cause and the people that they bring in for their specific cause, is who they represent, and if there are - if that is reflected elsewhere around Australia, which I suspect it is having read the Aspen Foundation study of several years ago, about the number of Ex-Service Organisations in Australia, then I think it would be fair to say that if the Department of Veterans' Affairs is listening to Ex-Service Organisations or a specific round table of Ex-Service Organisations, they're not necessarily getting to the grassroots of where the problems are, particularly with younger veterans, which is what we've all been struggling to get - to understand, the younger veteran, particularly those transitioning out of the ADF now.

So I think in part it's probably true to say that the Department of Veterans' Affairs should potentially listen less to the Ex-Service Organisations because they don't necessarily represent the younger veterans or probably even the majority of veterans. The veteran community as a whole is the problem that DVA should be focusing on and finding the best way to get to that.

COMMISSIONER FITZGERALD: So you've identified an issue that is now clear. It's beyond doubt that the veteran community, as we've experienced it over the last nine months, having had many round tables on bases as well as met with most ESOs - large ones - is split between older veterans and younger veterans, and their needs and aspirations are different, and what they demand of the system is different. We've tried to accommodate that in some way, but that's, of course, subject to contention, but how do you believe DVA can better engage with younger or more contemporary veterans and their families, particularly in regional areas such as Townsville?

MR CALIGARI: Well I think this goes to my second point, about how we could potentially build trust and improve the advocacy process. There are many advocates. We've got many advocates in Townsville who are younger veterans, but the problem for a younger veteran who is keen to support the veteran community and his friends is that if he's not TPI and - or receiving some sort of a pension from the military or the government somehow, he's actually got potentially a family and a - a family to feed, so they can't do it as full on or as full-time as all of the older veterans can. The older veterans doing the advocacy are working themselves hard with big caseloads - and they empathise with the younger veterans - but the younger veterans have got different needs.

We need to bring in younger veteran advocates, which means they're going to need to be paid, and they need to understand and be trained fundamentally in the issues that relate to the application of the three Acts to those veterans that they would see.

COMMISSIONER FITZGERALD: In relation to advocacy, we're looking at the findings and recommendations of the Robert Cornell report. That report has not been made public by the government, and we've encouraged them to do so. Nevertheless, when it is made public we'll be having some discussions around that, but can I just deal with the - there's two types of advocacy - maybe there's more than that, but certainly there's claims-based advocacy, advocacy around benefits and others, and then there's what people generally call welfare advocacy, and I think what we're starting to see is a - is not so much advocacy but a very sort of soft level but very important level of support that is being provided.

So you've mentioned the claims advocacy and you believe that should be professionalised. Do you have a particular view as to how we deal with what is hitherto being called welfare advocacy, and/or this more soft but very important interface with veterans through support services and what have you?

MR CALIGARI: Well I think this is the area where the Ex-Service Organisations can - Ex-Service Organisation community can really take over, and I prefer to use the term wellbeing, not welfare. Welfare has connotations of a handout.

COMMISSIONER FITZGERALD: Sure.

MR CALIGARI: Wellbeing is actually looking at all of the fundamental things that relate to an individual's wellbeing, from their health, their financial circumstances, their employment, their skills, their education, everything else, so - and many of those issues are so interrelated that an individual who comes to an advocate looking for some answers thinks in their mind they've got the answer already, "I need the following". Actually, wellbeing advocates could take a really important role in helping that person understand how his or her, or the family's, problems could be resolved by looking at the entire person in a wellbeing sense. One of the alternatives, one of the options to refer out of that process, would be to say "You need compensation and rehabilitation, and we'll refer you to an organisation that does that professionally".

It could also be that they get referred to an exercise physiologist or a gymnasium or a doctor or a GP, or any number of other referrals out, but the wellbeing of the person is where I think the expertise should lie in the ex-service community.

COMMISSIONER FITZGERALD: In relation to the scheme in its totality - and it's a complex scheme - the scheme traditionally, certainly up until 2004, was very much geared to lifelong benefits and entitlements, and the VEA, which we've recommended continue, maintains that. In the early 2000s, as you know, the government moved to trying to have a more proactive regime in relation to rehabilitation, return to work, and those sorts of things, and that correlates with what we're hearing from younger veterans, but what's your experience on the ground? Do you think that that change of attitude to wellbeing, that change of attitude to an engagement beyond just receiving the benefits, which are important, do you see that manifest in the actual veteran community that you're dealing with?

MR CALIGARI: Well it doesn't yet, because we've still got the problem of how DVA deals with us. So there is fundamental no trust. It actually becomes a problem when an individual who has been trusted in his time in the - his or her time in the ADF walks - and is used to the term "The boss said"; there is no comeback. So when dealing with DVA, with the Department of Veterans' Affairs, they turn up to get rejected, initially. I am aware of many who, having tried once, won't go back again. Anyone

who's dealt with bureaucracy knows of course, though, that you go straight back, because it'll be elevated, and things change about how that will be dealt with, but it appears as though the bureaucratic answer is you'll be rejected initially, so many won't go back, or if they do get a success or they do get an undertaking that we'll do something on it, it takes so long. So you're not mentally - you're not able - they are not able to move on with their life because they think they're still waiting and waiting, and waiting, for something to be resolved, whether it's rehabilitation of compensation.

So in order for this - for my proposal of an ex-service community dealing with wellbeing to be affected, this needs to change.

COMMISSIONER FITZGERALD: In relation to the provision of the White Card in relation to mental health services and a whole range of sort of no liability conditions being recognised in different ways, do you believe that veterans are able to access some of those rehabilitation and other services more easily in recent times, or is - again, is that something you haven't yet seen? Because the funding mechanism now to achieve at least the service provision seems to have been changed and freed up a little, but as we've always said, people go on and on about cards and what have you, but they're only funding mechanisms. At the end of the day it's the service that you can access. So you can talk about cards as much as you like, but it's the actual service. So, what are we seeing in relation to that? Are veterans able to access services?

MR CALIGARI: So the non-liability health cover that came in has been a boon, no doubt about that. There is an ability to be able to get to someone. The issue would then become are those specialists available? That has been an issue. Another issue has been that it's all very well to say you can walk into a psychiatrist, psychologist, or a GP and talk about a mental health condition, anxiety, depression, et cetera, but in many cases the psychiatrist or the psychologist will associate with that some co-morbidity problems.

COMMISSIONER FITZGERALD: Sure.

MR CALIGARI: Which are not covered by this non-liability health cover. So then we've got to go back to the process of that was caused by Defence or not, and go through that process, and the psychiatrist and psychologist are frustrated because they can't solve the person's problem because there are co-morbidity issues that are not covered by non-liability health cover, as I understand this, and I personally haven't experienced this service myself, but in talking to a lot of the veterans who have, and

psychiatrists who are sitting with me on my veterans and their families suicide prevention trial, that's what they are describing.

COMMISSIONER SPENCER: John, you mentioned at the outset about the veterans that are known to DVA, and that is a major issue and one we're focused on as well. I think the Secretary mentioned a figure of about 600,000, or in excess of 600,000, so only probably roughly about 20 per cent of veterans are known to DVA. The system that we're interested in recommending and supporting is about all veterans, so - because for a very good reason. Even though people may discharge and apparently have no issues or no problems, later in life those things can manifest, so the system needs to be able to respond to that, and we absolutely recognised that.

In relation to the issue of trust and changing the way DVA performs and interacts with veterans and their families, with the VCR process, from what you observe do you see progress there? Do you think that it's on the right trajectory, or are there other things that should be happening? You've mentioned a few already: be more decentralised, face to face, but generally speaking how do you see the efforts underway to try and change that?

MR CALIGARI: I think what I've seen of the veteran-centric reform program so far has been excellent. I think they are definitely on the right trajectory. I think at the rate we're doing it it'll take a long time to get there. I don't know the target end point for it. If it's more about just streamlining bureaucracy it won't achieve it. In order to achieve the level of trust that I'm talking about people who serve in the ADF and are fundamentally trusted, particularly those who have served on combat operations, who trust their leaders or they die, there is not that trust with the Department of Veterans' Affairs because the soldiers and the sailors and the airmen and women who think they need help turn their attention to the Department of Veterans' Affairs, who are failing to help them.

What I find difficult to understand is, having read, for example, the Minister's speeches through parliament about reporting on Department of Veterans' Affairs, to see that after all of these processes are gone through, after the VRB is gone through as a process and then the AAT, there is something like well over 90 per cent of claims are eventually agreed. So it would appear to me as though, if we just - so therefore it would appear to me as though there is a degree of trustworthiness in the veterans, except that we're fighting them all the way, and that's what's causing more problems, and they all talk. So one person has a problem, five people are aware of that problem, and they're all now with him or her against a

department who's taking a long time to get to a resolution to what appears to me is likely to be resolved in his favour in the long run.

COMMISSIONER SPENCER: Yes. No, it's very interesting, and we've observed that as well, John, that despite all of the trials and tribulations that people go through, overwhelmingly the benefits are finally agreed upon and most veterans are satisfied, but the process to get there seems very tortuous, to say the least. There are some aspects of our draft report that we will continue to pursue, to try and contribute to a better experience by veterans, particularly in trying to make upfront determinations faster, better, more accurate, better informed, rather than it relying on what seems to be the case at the moment, that it has to go through to the VRB, there's an ADR process, and we've heard quite often that the first conversation that a veteran has with a VRB sorts out a lot of the issues, and we wonder why couldn't that have happened earlier? So we are making sort of recommendations about that.

I just want to come back to the role of ESOs, because it does strike us - and absolutely, you know, we agree with what you have said - that there is a terrific asset out there to be utilised by government. So ESOs, in terms of what they do, will decide what they want to do. I mean, that's part of civil society and that's a terrific thing. So government shouldn't really have anything to say about that, but what government can do is to decide who it consults with, who it talks to, and also what services that it can leverage through ESOs. So you commented earlier that that idea of services - Robert mentioned the idea of soft entry points, which we think is particularly important particularly for the most vulnerable veterans who are isolated, who don't engage with government, won't engage, but in a peer-to-peer situation they will.

So in that context one of the things that strikes us is that the funding currently that goes to ESOs to support those efforts is, to be diplomatic, modest. So we think there's potential for investment there, and I just want to connect that with the hub idea, because obviously Oasis, which we've talked about on our previous visit, and is commented on around Australia, so it's creating, as you know, a lot of interest, the hub notion of how the services available in a community can be linked to veterans, and the model that you're exploring here, how do you see the potential for that more generally across the nation? And I know that you're not going to wait for anybody to give you permission to go to the next stage. You said to us when we met you last time "We'll be doing this anyway", but it seems to us that government could really be very supportive and strategic about how it supports efforts like this. How do you see that?

MR CALIGARI: Well the first point is that the veteran community are a group of people who have, in some cases like mine, spent their entire life helping our community and overseas communities. We have lived a life of friendships and mates that you just don't get anywhere else, so when we have the opportunity all of us, whether you're an advocate, whether you're leading an Ex-Service Organisation, or you're just participating as a volunteer with an Ex-Service Organisation, there is a strong desire, for those of us who have served our country and to serve our friends, to continue to do so. So that is definitely something that should be strongly valued by government. That is something that is - you should not let up on.

The second point is that not all Ex-Service Organisations need to be some unified body. ESOs are entirely individual organisations just as individuals are individuals. An Ex-Service Organisation, in many cases, will specialise in the sort of things they want to do, whether they only want to deal with wounded, injured, or ill, whether they deal with anyone who's been classified as totally and permanently incapacitated, whether they want to deal with all Vietnam veterans, or - they have their own niche because they have their own friendships, mates, experiences and connections. So there's no need for them all to get together. Some of them are national, some of them are local, some of them are state-based, they don't - some of them are incorporated individually but connected nationally to various other organisations, so then none of them are the same.

In my view there's no reason why they all need to form some big organisation to be able to leverage. That's another one of those adversarial things we keep coming back to, that the Department of Veterans' Affairs needs to have some other organisation that gets its act together and can discuss, deal, and negotiate. That's not trust. We should be looking at the Department of Veterans' Affairs and trusting that they have our interests at stake. All the surveys we did of Vietnam veterans' children and Vietnam veterans problems from their time of service in Vietnam, all of these sorts of things need to be done as a routine for all of the veteran community, understand the entire veteran community. Ex-service organisations will be different in location by nature of what they do.

So, for example, in Townsville to bring you to the Oasis example we have many excellent ex-service organisations in Townsville, all of who do outstanding work for the constituents that they have and the people that choose to belong to them, help them in everything that they need as best they can. They don't all need to be together. But what that community does want which in meetings they had ten years ago, led by the likes of the Vietnam Veterans' Association and Peter Hindle, was they knew that

the difficult bit was, how does a person leaving the ADF in Townsville connect with that community because they're spread all over quite a wide area in Townsville and there's no directory that tells you exactly what they all do or who is welcome or what they provide for you.

So, the whole idea of an Oasis is not to do anything that any ESO is already doing. It's to provide and entry point to the ADF, those transitioning, in fact, in my view, the day you think – the day you have the first thought that you might leave the ADF you should connect with someone about what it is that I need to be prepared when I get out.

So, we're looking to say, we will connect you from the Oasis with the most appropriate organisation to suit your needs. So, for example, in Townsville my estimate of the situation would be that five per cent of those leaving the ADF are complex and are well managed by Department of Defence and DVA, possibly slightly more.

I would say that 75 to 85 per cent of those who get out of the ADF have no difficulty, don't really need much help, have thought this through, have planned themselves, they've got a job, and they've worked out what education they need. They've solved these issues before they transition out. There's probably then about 15 per cent who are in the middle there who are missing. They're the ones that need to know, where do you start? Where do I start with what support I can get. They're the people that we would like to see turn up to the Oasis the day they think about getting out. We would then reflect them to some other organisation and the wider community. Because the veteran community doesn't naturally go to Centrelink, Medicare. They will go to the ex-service community expecting that's where it'll come from. But actually we need to bring their attention to all of the other outstanding services are, at the government, non-government, charity, not for profit level.

COMMISSIONER SPENCER: I remember when we met earlier, John, you mentioned that one of the surprising discoveries for you in exploring this space with a number of other organisations out there doing good work that was invisible to veterans quite often, but could be accessed by veterans and your model is to actually make that connection which we think is a terrific model.

I just go back to an earlier point you mention which I think is really very important. In human services generally, there has been a trend in recent times for government bodies to be much more open and engaged with, what I would call, frontline services before actually designing a program or a solution to say, "What are seeing, what is the need, how is that best responded to?"

I think there's been an absence of that, but we think that same trend could come in to the veteran space as well in terms of really engaging around what are the needs? Because, you know, from a distance, from a government department that you're pointing out, it's very hard to really understand what that is. So, we'd certainly be supportive of that.

I just want to go – the last point I just wanted to raise was around the joint transition command. Because we see and have heard great examples of DVA and Defence working together to get across the boundaries of what happens when somebody discharges. There's been some terrific examples of that here and in Holsworthy.

We think the difficulty could be, that relies on good will and good relationships between individuals which is important, always important. But we felt that that there was a structural response needed, and as you know the joint transition command was our proposal to give Defence the responsibility. So, it's very clear who has responsibility. But within JTC, you would have people form DVA, from Commonwealth Super working together and that would go for a period of about six months, following discharge. Others have suggested to us that should be a longer period.

But how do you respond to that particular proposal to give Defence firmly that responsibility and then the capability into Joint Transition Command that's needed?

MR CALIGARI: Well, to be quite honest with you from my time in Defence, I would've said, Defence has a mission to defend Australia and its interests. And it's not to transition people out of the ADF. Should they be interested in how that occurs? Absolutely. That will affect recruiting if you don't do that properly. If people are leaving the Defence force and not feeling as though they were – they enjoyed themselves, then you will impact your recruiting.

So, to the extent that they need to have a duty of care and they have a responsibility, absolutely Defence should be involved. But I think – I think what's actually needed now is, that the Department of Veterans' Affairs needs to connect with Defence, absolutely. Issue a white card the day they enter the ADF, absolutely. Let's get better transparency of medical records, particularly psych records which once you've left the ADF are very difficult to get out and transfer to another psych somewhere else. Let's make the process of being inside the ADF and inside DVA, seamless. There's no doubt about that.

I personally, from my experience, both inside the Defence Department and now three and half years outside the Defence Department, believe the best people to help people transition is the Department of Veterans' Affairs and the ex-service community, supporting their friends coming out. Not either a 2 to 14 day course inside Defence, which 85 per cent will be listening but not really listening because they've already got their circumstances cracked. Or the 5 per cent who it's just too much and they're getting personal help anyway. But the 15 per cent who need that help, who will need specific support. They need more than no matter what period of time you think you can devote to training them to leave the Defence Department. I don't think a transition command, unless it's more of a description of a connectedness that I appreciate. But a formal structure of responsibilities allocated requirements inside that, I think we're getting – we're taking responsibility off the organisation who has the first principle, should be responsible for the entire veteran community.

COMMISSIONER SPENCER: The difficulty with that is, transition starts very early, for some people as you said. I mean, the government's definition of veteran, which is highly contested, is not our definition. A veteran is a person that's served more than one full day. And we understand that some of the veteran community don't agree with that definition but that's the Government's definition.

The issue we've got is, there's a lot of stuff happening in transition but if you look across Australia, we've been on many bases. As Robert indicates in some places it's done relatively well. In other places it's a dog's breakfast. It's not coordinated, it's not connected. So, at some point, what we've said is you've got to bring DVA, Comcare, comsuper and other practitioners into a central, sort of – not centralised but into an agency that brings that together. And part of that is to absolutely do what you're suggesting, that before a person discharges, they're referred to the appropriate ESOs, they're referred to appropriate rehabilitation providers. That sort of stuff is happening at or around the time they discharge. Then the person can come back to that, if they so choose, for a period of time.

So, what we're finding is there's good initiatives but there's no structure. So I suppose we have to come to a view that unless you have good structure, you'll continue to have this random approach, which is good in some places and frankly appallingly poor in others. So that's an approach. Can I come to an issue that you've raised in - - -

MR CALIGARI: Can I just answer that one. My argument would be that DVA can do that. You don't need to form a new command to do that. There is structure, if DVA's focus was on the entire veteran community and paid attention to the transition process from the day the first time

someone enters the ADF and starts thinking about it, put in place the structures that enable it.

COMMISSIONER SPENCER: Yes.

MR CALIGARI: Followed the best practice innovation of what ESOs are doing and funded it, and had their own circumstances, within DVA you'd actually solve the same problem.

COMMISSIONER SPENCER: Yes. I won't go to the issue about whether Defence should, in fact, have a broader of duty of care, that'll come up later on. But it's an issue that we've been looking at right across Australia. Your interpretation of what Defence is about is obviously what most people say to us. The question that lingers for us and it remains a question, is whether that should be the sole focus and that's what we're just trying to look at.

We actually have a view that Defence does have a duty of care that extends to its personnel around and beyond the time of discharge. But that's the contentious issue. The other issue is that in some jurisdictions, Veterans' Affairs is in the Defence Department, such as in New Zealand. So, this notion that you can never have Veterans' Affairs and Defence linked, is not true around some other jurisdictions. But in Australia, the overwhelming view that you've put is the view of the veteran community and we've heard that and acknowledged that.

Can I come to this issue about in – just in your submission, and we've only got a few more minutes to go. You say, assuming to treat the different types of Veteran as one is unjust. So can I just unpack that a little bit?

One is that many people have said they don't like the definition that the government has given. Some think it's a very good definition. But what is your greatest concern in the current system, or proposed system, in relation to this issue, as you say, of trying to treat different types of Veteran as one.

MR CALIGARI: Well, it comes down to the value of a Veteran. What is the government – how does it actually value a Veteran? Not the rhetoric, but the reality, and in my view, there are – and I proposed in my submission three levels – that to treat everyone, someone who served, for example, two tours of Vietnam, probably say Borneo confrontation, Malayan emergency, possibly even back as far as Korea, as the same as someone who served for one day and was injured in training out of Kapooka, and left at the end of their first day, haven't even been issued their equipment, is in my view, unjust.

It doesn't necessarily mean that everyone – anyone's injuries are different. There's no reason why that single individual, who may have experienced some traumatic event in their first day in the ADF, and may have PTSD, or who has a serious injury because they fell over or were involved in a grenade accident, that their injuries are no different.

They could have more injuries, worse injuries than someone who served on combat operations for two years. But the difference is that someone who served on combat operations has a different value. They need a recognition which could potentially, as I've suggested, could potentially be a simple as the standard of proof.

What standard of proof are we expected if someone's left the ADF, they put in no claims, they finished as a Vietnam Veteran, and 20 years later realised they've got some problems that could very well have been caused.

The standard of proof that you might say, highly likely that that's occurred as a result of his service. The standard of proof would be lower. We would be much more quick to recognise that it's likely, highly likely, and just do it, quickly.

Whereas someone who's been involved in, potentially, a training accident, when in Australia, Work Health & Safety laws apply. The Chief of Defence Force and the Chief of the Services are the responsible people for Work Health & Safety.

There are mandatory requirements through what we used to have, the forms we used to have, and the new Sentinel system they have now, but you could be much more demanding of the circumstances to be sure that they were – they are entitled to compensation rehabilitation.

So, in my view, it's almost a standard of proof. If I was to look at three different types, just off the top of my head, as I put in my submission, I would think there are those who have served. They would be Veterans, but they'd be service Veterans. I'm just making these names up.

COMMISSIONER FITZGERALD: Sure.

MR CALIGARI: They could be, if they served on, for instance, many of the operations we've served on in relation to tsunamis, or droughts in PNG, or evacuations from Solomon Islands during the crisis. If there is no clear enemy, but there is a serious environmental issue. Like we've had helicopter crashes in (indistinct) and so on, then it's an operational Veteran.

But if you've served somewhere on operations where you are actually facing an enemy, and there is a chance that you will be killed, or you will send someone out to be killed by someone who out to kill you, is their intent, it's a different thing altogether as well.

So I don't see any problem with the word Veteran, but I think there needs to be some differentiation so that the Veteran of longstanding, 30 odd year service, multiple tours of combat operations is not the same as someone who spends 24 hours in the ADF.

COMMISSIONER FITZGERALD: So just in relation to that, as you are aware, the Statement of Principles does have these two different types of tests currently. One is called a reasonable hypothesis test, and the other one is a balance of probability test, and the lowest one is applied to those in certain forms of operational service, and war and non-warlike service environments.

When we're speaking to younger Veterans, almost universally, but not completely, they hold a very different view to this. Their view is your view, which is injury's an injury, and in fact, it could be worse, whether it's in training.

So they're saying to us that, in fact, there should only be one test, the lower test, that is, reasonable hypothesis, and it should apply to everybody. So that people that served within a war or non-warlike environment are not disadvantaged, but they are in fact treated the same. Now, there are mixed views about that, but I have to say, young Veterans are fairly uniform in that view.

The recognition that you talk about, they see it coming in remuneration whilst they're in the military in other forms, and maybe in relation to healthcare cards and so on.

But do you have a view about what I've just put to you?

MR CALIGARI: So you're saying that they disagree with what I'm saying?

COMMISSIONER FITZGERALD: I'm just basically saying, the younger ones are basically saying that, in relation to injury, there seems to have been a wholesale shift to the view that injury should be treated as injury, irrespective of where that's been incurred.

MR CALIGARI: Well, I think it's true to say an injury's an injury. So if you're suffering from a back condition, and the torture of going through your own doctor, then a DVA doctor and a bunch of other doctors to confirm that, and then having to dig up the evidence through your medical records, many of whom, while you're on operations overseas, don't have medical records, or don't choose to leave their team on combat operations for the sake of seeing the Regimental Aid Post.

They want to stay with their team and they'll put up with all sorts of injuries, because they do, because it's leaving a team, is a different thing from having an accident in Australia, or having a training incident where we all know the circumstances. It's clear. In fact, it's a command responsibility to understand those circumstances.

So you should be – and the record is more likely to be there. So what I'm saying is, the chances of there not being a good record are higher on combat operations, slightly less, potentially, on operational service because it's not quite the same. You would take the opportunity to help yourself. But on training, it's different.

So I've got no trouble with the injury. An injury is an injury, and an injury needs to be dealt with and looked after and managed exactly the same, whether you got it on combat operations or you got it in training. No doubt about that whatsoever. I'm talking about potentially – and only one idea I've come up with that's been floated is the standard of proof.

COMMISSIONER FITZGERALD: In relation to the connectedness between the injury and service. Yes, okay, that's fine.

MR CALIGARI: Yes.

COMMISSIONER FITZGERALD: One last question. In relation to the Veterans community more generally, Richard's talked about trying to leverage off the work of the ESOs, and so on and so forth.

What do you see, if any, of the role of state government, and again, it's not an issue that's been very much in our report, but we are conscious in the Queensland environment, certainly, that there has been a more active approach by the Queensland government, and we now know that there are Veteran Affairs ministers in every state and territory. I might say I'm not quite sure what some of them do with that, but nevertheless, they exist.

So the question for me is, do you have any insights or thoughts about the role of state governments in the Veterans' affairs issues?

MR CALIGARI: Well, if I was to have my way, there would be an equivalent of the Smart Cities deal, where all there levels of government were working together on the one problem. The each have a responsibility for some part of every community.

So the federal government got a responsibility for Veterans, but the state government has a responsibility for communities, and it's in their interests to support communities, and their actively looking for where are the preponderance of those communities, and support them with everything from community centres through to grants and activities.

Local government, likewise, is – considers themselves a community, and they have their own community, within which there are other communities. So all three levels of government working together would be a great outcome.

But all three have an interest in, in particular, the Veteran community, particularly where there is a preponderance of them, and in Townsville, that's significant. Twenty per cent of the Townsville population, using DVAs figures, or the figures that they extrapolate from the 4,794 registered Veterans as clients in Townsville, who have served, or are serving, who are in Townsville, they can extrapolate that one in three, they reckon they know one in three Vietnam Veterans, or one in four post-1999 Veterans, or as you said, 20 to 25 per cent. Using those figures, 20 per cent of Townsville.

There are a number of other communities around Australia that are similar. I would point to Darwin, Amberley, and possible even Newcastle, Maitland, where there is a significant ADF population in a relatively small community.

The big difference in Townsville is that we are 15 hours drive from Brisbane. All the other small non-capitals are within three hours drive of a capital city.

So we've got a particularly unique problem here. But there's opportunity there, and to go back to your question about the government, there is opportunity, I think, for the Department of Veterans Affairs to be more proactive in identifying innovative best practice that's going on in the ex-service community and follow it, instead of just taking the approach that if you put in a bid, we just rate the bids, rank them, and pay it. Let's get more innovative. Let's work out where all the best alternatives are coming up.

COMMISSIONER FITZGERALD: Good. Anything else?

MR CALIGARI: No, that's good.

COMMISSIONER FITZGERALD: Thanks very much, John. That's terrific.

MR CALIGARI: Good. Thank you. Thank very much for that.

COMMISSIONER FITZGERALD: Much appreciated. Could I have now Phillip Burton, please.

MR BURTON: Sir.

COMMISSIONER FITZGERALD: So Phillip, if you can give us your full name and the name of any organisation you formally represent.

MR BURTON: My name is Phillip David Burton and I'm representing myself as an individual rather than an ex-service organisation.

COMMISSIONER FITZGERALD: Terrific. So Phillip, you know the drill. It's – if you can give us 10 or 15 minutes of the key points you'd like us to consider, we have received a submission from you, so thank you for that. And then we'll have a conversation.

MR BURTON: Yes, sir. Well, again, my name is Phillip David Burton. I am a veteran of the United States Navy, as well as the Australian Defence Force in the army. Within the United States Navy, I was an enlisted person. So I was in – the other ranks. My deployments included Southern Watch, Northern Watch and Enduring Freedom.

My injuries, as part of my service in the US Navy, was that of a fractured ankle. And my experience with DVA, in the United States Navy, on transition, was that DVA came into the transition seminar, they sat down with each of the hundreds of people that were transferring out of the regular service into the active or inactive reserve and they assessed our cases on site, on that day and they had the paperwork ready to go by the end of the seminar which was three days long.

Post United States Navy, I immigrated to Australia where I used my Montgomery GI Bill Education Benefit to pay for my Bachelor's Degree at the University of Queensland. I'll cover the GI Bill a little bit later, but it is a proposal that I think is – it warrants consideration by the Commission. In 2004, I was accepted to the Royal Military College and I attended RMC for 18 months in Canberra. Upon Commissioning or being allocated to the Royal Australian Infantry, I worked as a platoon

commander, company commander and officer of a battalion or for Battle Group Rear.

Deployments included that of Timor-Leste in 2006 and then again in Afghanistan for the winter of – Northern Hemisphere winter of 2007/8. During this time, I utilised the Defence Assistance Study scheme, in order to gain my Master's Degree, so that I could be better equipped or more competitive to attend Australian Command and Staff College. However, I played one too many rugby games and I suffered an injury, which saw me medically separated from the Army. During the time that I was between injury and separation, there was basically no management for injuries. Now, I'm not blaming or casting aspersions on the medical corps. There is no blame. It was a matter of service before self and I took decisions to fulfil my role within the unit at Battle Group Rear, in support of Afghanistan trip, so that the unit forward had more resources and less worries about operations back in Australia.

The role of the ESO's in my particular case was that I attended Corrections. I submitted the paperwork to DVA by myself. I felt that my injuries were not accurately recognised. I made representation to the VRB and enlisted the support of the RSL at (indistinct words). However, at this time, there was no broad scope of training for advocates. Not like there is today. The advocate I worked with referred me to DRCA when I was covered under MRCA. However, the VRB took pity on me, recognised my arguments and then eventually did increase any level of compensation that I would be awarded later. On separation from the Defence force, I went to study law at QUT. It's not complete yet. I've been employed in several professional roles, mostly within the project and program management sphere working on Defence contracts, government contracts and even within the construction industry.

Since Defence, I have, again, lived in Brisbane, Papua New Guinea and Port Moresby, as well as that of Canberra. Upon transition, what I found from the majority of the civilian employers was that of a lack of understanding of capability of former Defence personnel. That's not going to change until there's a greater veteran presence out there of pushing veterans into professional employment. And I'll leave that comment alone. And that will serve as my period of introductions.

Insofar as discussion, this period's going to focus on eight topics which were covered in my submission as well as I my supplementary submission to the commission.

COMMISSIONER FITZGERALD: So you'll just need to be brief in relation to those. (Indistinct) come back to – so maybe it might be best to

highlight just very briefly, the (indistinct) but come back to one or two points.

MR BURTON: Certainly. I will agree with General Caligari in that the objective of a VSS is to support the whole of the individual. I will agree that it is only words on a page until the veterans see it in action. Too many times and too many people have made statements that said, "We are going to take care of you. You have served us. We will now serve you." It has been incorrect and it is a blatant falsehood.

I'd caution the Commission that words on the page look brilliant, yet if the execution of the VSS transformation's not delivered in full, on every printed word or on the entire operation will be considered by some a failure. The practical example of this is that of a George W. Bush stood on the deck of an aircraft carrier and announced to the world "Mission accomplished. We've done it, we've eradicated the Taliban." And then 17, 18 years later, still, here we are. Yes, the tactical mission of clearing the country of interference had been accomplished, but we're still there.

I'd like to address the use of systems, such as Sentinel and the next generation of eHealth system. At a tactical level, the information that comes out of Sentinel and comes out of the next generation eHealth system is only as good as the data entry that's put into it. The General was talking about three aspects being on operations, you're going to get limited data. In training you might get more data. This is correct.

Focussing on the tactical level, at the battalion level in the platoon, the issue comes into the training of the individual who puts the data into the system. If the information is incomplete, then you cannot expect a good outcome. At the same time, you must look at the interoperability of the system between all aspects. Defence, down to the platoon commander, DVA and then over to comsuper and then whoever else is going to be using this as an external support contractor.

The system must be robust enough that all personnel can access one central system with security taken care of by permissions. And as far as I see it, the natural fit for who's responsible for providing the permissions for the security of the system, is that of the Australian Signals Director [ASD].

There are too many contractors, and I've worked for some of them, who will tell you in a tender application that yes, we will meet the information security manual principles and we never do. We have no intention of meeting them. But we're going to put that paragraph in there to ensure that we sign a contract for millions of dollars.

Back to the user friendly principles, this would see that training for data entry has to be done at an earlier level, it would have to go into the (indistinct) training or to the training that is provided on subject courses for promotion. That is not the focus of this condition, however, it is stated that we need more time and more training and better data, better security. We can't afford another MyHealthGov.gov incident where data is compromised. And that's therefore the ASD comes in control.

When speaking of notional worker's compensation premiums, the word notional, means pretend. No one in the military respects the word notional. "I have a notional enemy. I'm going to go out and kill or capture a notional enemy. I'm going to fire my blank rounds at it", but it is not a respected term. Now, it may not be a popular opinion, however, if we are to have worker's health compensations premiums, Defence is not funded to provide those. Defence has a very small budget. It is (indistinct) for everyone, three, five years. Battalions put in plans to its brigade. In order to have a real penalty, which may be what is required in order to get the attention of leadership roles, is that a career may have to end as a result of a lack of paying attention to the reduction of harm principles. That is not something that any of us want, however, I'm not quite sure that the message gets through to the senior leadership when we have – when we enter the realm of the – what do I want to call it – I'll just move along.

COMMISSIONER FITZGERALD: That's fine. Just move along.

MR BURTON: Joint Health Command reporting.

COMMISSIONER FITZGERALD: Yes.

MR BURTON: I took issue with the draft commission saying that the Joint Health Command should produce more reports, more annualised actual reports on what's happening. Joint Health Command is doing what it can. It is doing what it's resourced to do. So unless the Commission has some type of leverage to fund Defence more, to put more people into Joint Health Command, and to put more bodies on the ground, and not necessarily a treatment or an administration record/ role, but into the provision of research, then a joint health command can only do so much.

The establishment of a Joint Training Command – sorry, a Joint Transition Command, it's a good idea. However, a JTC has to sit at every single Defence establishment in order to cover off on personnel. The reason it has to sit there, is because if it does not sit at the local level, well, then more funding has to become available to Defence and to the

personnel providing the service, so that they can support the veteran as they transition out. I say that because Australia currently operates on an open-ended contract series, so a soldier is a soldier until he doesn't want to be a soldier anymore. Then he has to give 6 months' notice saying, "I want to transition out." And an officer is an officer until he doesn't want to be an officer anymore, but he must give 90 days' notice.

In order to fund appropriately what Defence is doing, I believe that a trigger point or a decision point needs to be reached where the individual has to nominate at an earlier date, potentially a year – two years out from the actual transition or separation date so that they can move on and actually receive the joint transition command and so forth, effectively.

COMMISSIONER FITZGERALD: So we might need to just leave that and then come back and ask you questions and I'll pick up a couple in a moment. Can I just come back to one or two points that you've already made. Your experience in relation to transitioning out of the Australian Defence Forces was vastly different to that which you've described in the US.

MR BURTON: Yes.

COMMISSIONER FITZGERALD: So when you were transitioning out of the Army here, how long was it before – between the time of discharge and the time that you actually put in a claim with DVA?

MR BURTON: My claims went in very shortly after my initial injury.

COMMISSIONER FITZGERALD: Right.

MR BURTON: The entire process of having claims accepted and then finalised was 24 months.

COMMISSIONER FITZGERALD: And ultimately, you had to go through the VRB?

MR BURTON: I did.

COMMISSIONER FITZGERALD: And that was all – and that resolved the matter in your favour. Is that correct or not?

MR BURTON: Yes, it did.

COMMISSIONER FITZGERALD: So what do you think should have happened during that 24 month period? That two year period? In short,

what would have made a difference to you and what do you think the system should have been able to deliver?

MR BURTON: I think that the system is very competitive in that I have to go back and prove and prove and prove again that I had been injured and it is a result of my service. I think that I did the proper things and that I submitted my reports early. I engaged early. And DVA at the time dragged its heels. It wanted more information. Go see a different specialist. Get another opinion. I do note that DVA has improved its clearance rate of DVA claims over the past little while and has now dropped significantly in time frame. And where my submission to DVA took 24 months, is now taking approximately 30 days at times.

COMMISSIONER FITZGERALD: Well, in some cases.

MR BURTON: Yes.

COMMISSIONER FITZGERALD: I wouldn't say 30 days is the average, but yes, that's true. But you also raised the issue that when you initially received advocacy advice, you were directed to the wrong Act as I understand it and that was fixed up in the VRB. So do you have any particular comments about what you want to see or what you'd like to see in the advocacy space? Some people have said to us, our system's an unusual system where it's one of the very rare systems in the world where you almost must have an advocate to be able to navigate it, it's so complex. We can't verify that in relation to other jurisdictions but it is certainly unusual relative to other compensation schemes. So the question for us is how can we improve that whole process? Part of it is DVA's responsibility. The other is obviously what's happening in the area of advocacy.

MR BURTON: Well, since I've separated, Australia has moved to a common training standard for advocates. There is now a general understanding across all the advocates as to what is acceptable and what is not. So they are trained more effectively than the volunteer status that they were when they were just lending a helping hand or "You want to have a chat? I'm going to help you out, but I can't guarantee that this is going to be the correct advice."

So now that advocates are more professionally trained, that is super. However, there is a role for professionalising again, so that their younger people, younger individuals who are a little bit more up to date with what the standards may be, are able to assist others more effectively. I think that when I engage the RSL, I had to call and then visit and then email and then wait, because the lines were so long.

But a professionalised service with a series of metrics to judge the performance, KPI's, (indistinct) as well as quality outcomes for the veterans may be – may greatly assist people in submitting their claims.

COMMISSIONER FITZGERALD: Can I go to a couple of other issues? One is in relation to your comment about employment. One of the things that we're hearing from veterans, both older and younger, and it's consistent, is that they came into the ADF with an expectation that they would leave with a set of qualifications which would be readily transferable into civilian life. What we're hearing is for some that is true, but for many that has not proven to be the case, in fact we had a young veteran the other day, he had been out for two or three weeks and he's shocked to find that none of his qualifications are relevant to any of the employees. Now, its early days and hopefully he will find employment. But I just want your comment on that. And the second is about the – I suppose – the attitude of employers. You'd made a comment that that's proven to be problematic.

MR BURTON: Well, firstly, during my time in Defence, any individual can log onto the campus and start to undertake a number of professional training competencies which would lead to certification. As far as Defence training in general, leading to certification which may be useful within the employments sphere, it is non-existent. A Certificate II in Government Operations will get you nowhere. I don't think you can operate the cash register at McDonald's with a Certificate II in Government Operations. The skills that Defence personnel learn over time, are not formalised, in that one of the areas that which we can excel is that in Risk Management. This is continuity, resiliency programs. There is no formalised certification process to learn these skills or to develop plans for businesses and governments alike that are acceptable within the general population of employees and employers.

More, or something, rather, is required to be able to formalise an education within Defence. That is not your Certificate II. Certificate II in Government Operations. It's not your Certificate III in Logistics Operations. Whilst those things are great, when you look at it corps by corps, there are individuals who are more suitable to gaining a warehousing job because they were within the logistics corps whereas a standard infantryman is not going to get a forklift ticket. He will not have a heavy rigid license. He will not have qualifications that are applicable coming directly out of the Defence Force.

COMMISSIONER FITZGERALD: Is that different in your experience in United States Military, or is that similar?

MR BURTON: I think that the work of some ex-service organisations within the United States, the work that they have done has – they've gone out and they've reached into industry and they've said this is what our people can do. Not only can our guys run fast and shoot straight, but they can think on their feet. They're very good at, you know, at managing a team. That equates to leadership principles, it equates to the ability to administer a company, means that you are a pretty good executive assistant already. They've reached in the industry and they've done that. Whereas, perhaps, the ESOs today and in Australia, have not reached in the industry, have not equated veteran's experience and veteran's skill sets to something that employers here can understand.

COMMISSIONER FITZGERALD: We have spoken to a small number of new organisations, some ESOs, some not, that are, in fact, in that employment space and what you've said resonates. But it's true to say that most ESOs that we've spoken to have not engaged proactively in the employment space. But that seems to be to us an emerging area and goes to a point that Richard raised with John in the first presentation, he's lost the role of government either through (indistinct) through ESOs roles. Can I then link that to your recommendation in relation to education benefits?

MR BURTON: Certainly.

COMMISSIONER FITZGERALD: And just briefly, you've referred to this Montgomery GI Bill, in the US.

MR BURTON: Yes.

COMMISSIONER FITZGERALD: But just tell us in principle what you think is beneficial about that approach?

MR BURTON: It is a formal funding arrangement to see higher education for any veteran who has contributed to the plan.

COMMISSIONER FITZGERALD: What's the plan?

MR BURTON: In my instance, upon enlistment in the Navy, my drill instructors said that you will sign up for this plan. What's going to happen is $100 per month for the first 12 months, will be deducted from your salary, and in return, you will receive approximately $1000 a month for 36 months to pay for technical training, collegiate degrees, attendance at university or gaining certificates.

Whilst it was a voluntary program, being a good little squid, I said, "Yes, sir", and signed the dotted line and gave – handed over my money. In return for that, I was able to comfortably attend the University of Queensland for 24 months and finish a Bachelor's degree and not have to – I didn't have to work. That was due to the exchange rate at the time.

COMMISSIONER FITZGERALD: Yes. And this particular payment, so you were able to use that in Australia?

MR BURTON: I was.

COMMISSIONER FITZGERALD: And you had come here. Do you have any idea as to whether or not most serving United States military, would they commit to that plan or is it only a small percentage? You may not know, but your experience there, is it readily taken up or most people won't do it?

MR BURTON: Ninety-nine per cent taken up.

COMMISSIONER FITZGERALD: Taken up?

MR BURTON: Taken up.

COMMISSIONER FITZGERALD: So when the US Army spoke to you early, was there a very clear view that they were concerned about your long term well-being? I mean, in essence, that plan is a, if you've got to pay $100 per month from the day you start, almost, that's about a view to the future.

MR BURTON: It is.

COMMISSIONER FITZGERALD: A view to your post.

MR BURTON: Yes.

COMMISSIONER FITZGERALD: I'm not saying Australia doesn't have any such schemes. We have some education schemes, but there's no evidence in the military that that approach is – is well-articulated.

MR BURTON: Day to day operations, you did your job, however, you had an option for later on to take on formal education later and that the government would make a contribution to assist you. The other enlistment schemes going into it, whereas that you could have a Defence funded college fund which would then, dependent upon the MOS or the job that you decided to sign up for would increase your education benefits

by fivefold. You could sign up on enlistment for an education benefit for $60,000. So you would have then $60,000 to spend on education and if you signed up to the GI bill, you would have additional funding on top of that, because a member voluntarily invested in a bond scheme for lack of a better word, that said that this will be your return on investment. So the government very much wanted you to look forward and not sit on your haunches waiting for something to come to you.

COMMISSIONER FITZGERALD: Phillip, you have a very unique perspective and so I just want to explore that a little bit in relation to your comments on Sentinel, the systems of reporting, of capturing that information, because, as we all understand, if information is correctly recorded up front, and the records are there, later on when the injuries become apparent, it's going to be a much easier process. You know, but we hear the stories about people don't report because for good reason sometimes and other reasons are about, particularly back here during training, it may put your career at risk, you may not be deployed, and so people sometimes go off base and we've heard all of those stories.

From your experience, and I appreciate it's some time ago, is the US, in terms of reporting and capturing that information, when the accident or injury occurs, did you experience a different system, a better system or were the same issues really at play there, as well?

MR BURTON: It was equally poor.

COMMISSIONER FITZGERALD: Okay. And for the same cultural reasons? That people – you know, it's that issue of just get over it, get on with it, do your job and also, you don't want to put your career at risk?

MR BURTON: When you have a 22 year old platoon commander who is more worried about the tactical situation rather than the administrative paperwork, you are not going to get good quality data put into the system. Platoon commander at the second battalion where I served, and I'm guilty of this as well, I need soldiers that are up. I don't need soldiers that are down. I want my administrator burden nice and low so that I can continue to run around the bush at full strength and go and kill or capture my notional enemies. I said in my submission and I said verbally, a little while ago, that additional training needs to be provided. People have to understand that it is a command responsibility to look after the welfare of your soldiers, today, tomorrow, until the end of time. When you decide to take on a commission, you're taking on that individual and those individuals that serve under you and with you forever. You are their support network, you're there, the ones that they call when they're having a hard time and you're the ones that they turn to initially to seek

assistance. If I do not put good quality data into the system, I have made it increasingly difficult for my soldiers to make claims at a later stage.

COMMISSIONER FITZGERALD: So I come back to a couple of issues, because there are very strong incentives, as you say around capability and the – and looking after your troops, I mean, we understand and appreciate that. But you said earlier, you made a comment about that there is that duty of care and in that duty of care is not adhered to, then there need to be consequences.

MR BURTON: Yes.

COMMISSIONER FITZGERALD: And I think you mentioned, in fact, you knew careers may need to end. So other ways to focus people's minds are, first of all, is information and insight as to what is happening and what are the long term consequences of that. So that's data capture, that's tracking information. I'll come back to that in a little bit because you've commented on that. This idea of the premium, and I take your comment that notional is not a very compelling word, there is in fact just to clarify, there is a notional premium that is calculated by the Department of Defence. So they do look at the long term consequences of injuries. There is a calculation around that. Our point is that there's no actual premium. And in many other systems, the – an actual premium focuses the mind in terms of what are we doing, what are the consequences and what could we do about that.

And look, we do appreciate the very unique aspect of military service, that there is the duty of care, but also the duty to prepare. And we hear that constantly. Some systems, as you know, struggle within the same structure. And New Zealand does, for example, and we've heard from New Zealand about how they really try and strike that right balance, and it's very challenging. So – an actual premium, some would say, would focus people's minds. You've made the point that Defence is not funded, but a way of approaching this is for Defence to be funded at the outset. And then it has to work with the consequences of that into the future, so if a notional becomes an actual, does that have more interest or more rigor, more likelihood of being able to influence behaviour in your view?

MR BURTON: I think if anybody experiences a financial set back and it effects your pocket book then you understand that that had a consequence and that you take things more seriously in the future.

COMMISSIONER FITZGERALD: Okay. Could I just go to just a couple of other issues you've mentioned about joint health command. Also, our proposal of a transition command. Look, you've made a very

good point, and that is, if it's in name only, well, nothing will change, so I just want to put this in perspective, because this comes out quite often, I think, in people's reactions to some of our proposals, if you were going to do this tomorrow, it's probably not going to work, it's not going to be possible or feasible. But the mandate we have is to look 20 to 30 years and say how do we have a system that is fit for the future? And we've had commentary already about the changing needs of younger veterans. So how does the system best respond to them? So in some of these issues, this may not happen and shouldn't happen perhaps tomorrow, but how do we move towards that? So we'll have more to say about a transitional arrangement around some of our proposals.

So do I understand you correctly that if the right capability and resources are there, first of all, just with Joint Health Command, to be able to track long term outcomes, treatment options, what works, what doesn't and true insight around that. And with the transition command, have the presence that you're suggesting are on base are the capability. If those resources are there, so, then do you feel are you supportive of what we're talking about and what we're suggesting or do you still see other issues we need to think about?

MR BURTON: I'm certainly supportive of Joint Health Command if resourced properly with more personnel who are research focussed in delivering a product or reports of instances, if they're resourced properly, then they would be able to do that. But the current role in the medical corps for – at a brigade level, is you either have a doctor or you have an administrator. And doctors are busy, administrators are busy. You can't get blood out of a stone. I would suggest that JHC, Joint Health Command, start to look at foreign partnerships, maybe with Department of Veteran's Affairs, Human Research Ethics Committee, saying we need someone to come in and write a report. Can we look at offering a grant to a research university? We give them access to data, they come up with actual reports annually.

I think with the Joint Transition Command, there's a similar model that's already in existence with what is and/or was 39 personnel support battalion out of Brandwick. They take individuals and get them ready for deployments. They are centralised but with the Joint Transition Command, you'd need to be decentralised. You'd have to be everywhere. I think that again, there is not the funding currently available within Defence to do it. If they were to receive funding in the future, could a Joint Transition Command come into effect? Yes.

I think that one of the hurdles to get it there in the future, again, is going to be that of - the Commission mentions career planning to take place, every two years. Well, platoon commanders are not the right place to do that.

COMMISSIONER FITZGERALD: No.

MR BURTON: Company commanders are probably not the right place to do that. So to do more within the realm of career planning which identify a decision point where you would then have to – you would be looking to transition out of the regular army into a reserve capacity if you chose to do that, then you would have to spend a significant more time developing junior officers in order to do the paperwork that is required to get there. A 22 year old in the US, a 19 year old platoon commander in Australia, does not have the life experience required to sit down and adequately counsel an individual on transition planning.

COMMISSIONER FITZGERALD: So just a clarification on that. The JTC would be to centralise, but I want to clarify one issue. Troops are not being deployed to or attached to that command, so it's a bit like the Joint Health Command. Both Army and, I understand, Navy, have various units to which a personnel can be actually attached. I understand there's a unit such as that in Townsville, I think. Pre-discharge. So the Joint Command is to be a body that brings it all together but doesn't displace that sort of notion. So just so I want to be clear, because some of the submissions, there's been a lack of clarity about that.

COMMISSIONER SPENCER: Yes, I just want to add a general comment to that, because the Productivity Commission is very good at cost-benefit analysis. And that's sometimes misunderstood by people, they think well, that's just kind of code language for saving money or cost-cutting. In fact, it isn't. I think some things we've been talking about is, how do you get smart and strategic about tracking outcomes, knowing what leads to those outcomes, what can you do earlier in order to achieve better outcomes, and outcomes here, means outcomes for the veteran and their families. Families in the fuller sense of the word. So I just wanted to mention that. And also, another issue that's come up, in our hearings, people express a level of concern - and we understand that - that this is a cost-cutting exercise. We just want to make the point that our recommendations would actually require investment by the government. The – the challenge is to work out what is the – where is that best investment made.

We've touched on some of those areas this morning about the role of ESOs, the role of services. In terms of data collection, better information, better understanding and insight into outcomes, these are areas that we

think have great potential with investment to yield really good results for the individuals and their families. So just to clarify that.

COMMISSIONER FITZGERALD: Well, just could I go to the last point and then we'll break. Health insurance and health incentives, can I just put this in a little bit of context. There's about $5.3 billion spent annually on health for veterans, non-serving veterans, so that doesn't include serving veterans. And that's going to increase. And our report will not reduce that in any way, shape or form. As you may be aware, we have said clearly, unequivocally, that nobody that currently receives a Gold card or a White card would lose that and that's unequivocal.

Nevertheless, we are trying to work out how to get better health outcomes within a well-being framework. And so cards are nothing more than a funding mechanism, that's all they are and some people seem to attribute more to them, than that. So we're not disagreeing that the importance of the White card and the Gold cards, but we are saying, are there different ways to achieve better health outcomes over the life of a veteran and their families. You've made some reference here to private health insurance. We're looking at that. But I – it's not one that we think is likely to fly. But at least it needs worthy consideration.

So I just wanted to touch on your recommendation, and hear your views in relation to health cards, private health insurance, and health services generally.

MR BURTON: Certainly. Unless there is a hub which can then – I go into a hub and a hub will farm me out to the applicable service providers, I won't know where to go to receive treatment. When I exited Defence, I still had to attend appointments with neurosurgeons and neurologists. I did some nerve damage. My White card was then – I would say it was not helpful in gaining the attention of the same surgeon and the same neurologist that I had experienced whilst in Defence. Therefore, you start to wonder what good is this piece of plastic to me.

If then, that White card, that piece of plastic were then seen as more of a general health insurance, such as basics or premiums or all the care, then you start to understand better, well, my health insurance is accepted at any place, there may be a portion where I have to make a contribution. That might be okay. It starts to open up your avenues of service providers versus people who don't accept the White card or are not looking to do things under Medicare.

COMMISSIONER FITZGERALD: So just a couple of things about that. The first thing is we are trying to understand whether or not DVA is

underfunding or under-pricing health services and the evidence is in some areas, it is, and we had a lot of feedback in – on that. And that does seem to have an effect on the ability to access services, because providers just won't deal with veterans. In other areas, that's not so. They do, in fact, pay close to market rates.

The second one is a more contentious area and that is, whether a veteran has the right, his or her choice to use a provider and to pay a gap fee. So at the moment, you can't use a provider that would charge you a gap. So from a choice perspective, should a veteran be able to choose to go to a provider of his or her choice and pay a gap. Now, that's a highly contentious issue, but some veterans have said to us, "Why should I be denied being able to go to a doctor that I want to use," and currently they are. Others would say, "This is opening a hornet's nest," and so we understand that. You may have no view on that particular issue?

MR BURTON: Well, I operated under the principle that if you break me, you bought me and you're going to pay what you have to pay in order to make me better. Or as well as I can be. Through experience, I've learned that this is not the case and so therefore, if I want better care or different care, then I need to be prepared to come out of pocket to receive that. And I have no problems making a contribution to my own health care where required.

COMMISSIONER FITZGERALD: Good. Thank you very much indeed for that.

MR BURTON: Thank you.

COMMISSIONER FITZGERALD: We'll now break for 10 minutes. There's some morning tea at the back. Thanks.

SHORT ADJOURNMENT **[10.28 am]**

RESUMED **[10.46 am]**

COMMISSIONER FITZGERALD: If you need to have a tea or coffee during this period just do so. We've got a further formal presentation and then we have four other people that have indicated that they'd like to make comments. So if there's anybody else they can join the list after that.

Good. So, Trevor, if you could grab a seat. Good. Trevor, can you give your full name and the organisation that you represent, please?

MR MULLINS: First of all, thank you on behalf of our organisations for allowing to be here at the Commission today. My name is Trevor Paul Mullins. I am the Vice President and Veteran Liaison Officer for the Totally Permanently Incapacitated Servicemen Townsville Inc. And I'm also on the committee of RSL Townsville.

COMMISSIONER FITZGERALD: Good. So if you can just give us 10 to 15 minutes of the key points.

MR MULLINS: Sure. I'm going to modify this a little bit, if I may, because some of the areas have been covered by previous speakers and I don't want to bore you to death. So I'm going to look at services more than anything else and how it impacts on my members.

First of all with the TPI we are the second largest ESO in Townsville. We have 470 plus members and 25 per cent of our members are under the age of 50. So we have a long group of contemporary veterans joining us for whatever reasons. Also, we currently have two contemporary veterans on our committee that was just voted in. So the changing of the guard for us is coming.

The biggest problem with my older members is change is always very difficult and any time the government decides it's going to change something or modify something the inspeak within the organisation is what are they taking off us this time? All right. One of the concerns that I had, and be advised I'm representing all these people at the moment:

> *Could you please advise how the review plans to manage war widows, widowers and/or dependents as this particular topic was only briefly covered with very little detail and we think it needs to be a bit more transparent?*

Now, there's probably no necessity for concerns but any time that somebody says that the reviews of our wives or our children are going to be suffered in some way we have concerns.

The other thing is I'd like to go back to, if I may, DVA. We have major concerns at the possibility of DVA being disbanded as we know it now and outsourced to a part-time insurance type agency, which may not have any or little experience in veteran affairs or issues or controlled by a board or part-time CEO or directors or any other civil authority i.e. human services or Centrelink.

We have concerns that if an injured serviceman has to go to a public shopfront. I've had experience with that myself where I've fronted up to help somebody and the staff at Centrelink said "Well, you're only a serviceman, you think you're special". So there's a lot of education there. So if you do that I think you're going to get yourselves into a lot of trouble. I could imagine a couple of Afghanistan veterans, no disrespect to those chaps, who've got post traumatic stress disorder who weight about 18 or 19 stone trying to go and get their benefits at Centrelink. You will be bringing in stretchers, all right.

So DVA is rather exceptional, it is unique, they are special. I can tell you two stories. One is if you take a negative spin on DVA services in 1972 a certain veteran sitting in this seat was injured in non-warlike service. His claim was finalised two weeks before Christmas. My TPI when I was put up for my TPI in 2000 took four weeks. So depending on who tells the story depends on how effective DVA is to you and depending how you submit paperwork or you get yourself organised depends on how well DVA can support you, all right.

Any system that compares civil workers type arrangements would seem flawed and the mere fact that ADF personnel train and deploy to and for warlike missions at the behest of the elected government of the day these should not be treated or aligned with normal workers' compensation arrangements. We are unique. It doesn't matter what we're tasked to do. Service personnel from all tri-services, all genders, are unique.

There are some - you could say there are some emergency services people that are similar but our people do 24/7 non-stop, they are deployed to all avenues of the world and when they come back they are hoping that they will be looked after.

TPI members are concerned by what and how they would be infected by the possible change of system. This is regards to the gold card system. The card has been earned. We have paid for this heavily and as we have no repatriation hospitals anymore it is a simple way of receiving treatment from GPs, hospitals with no fuss or argument and respect as these cards are recognised universal.

I've never had an issue when I've presented my Gold Card with any medical authority whatsoever. I've actually found that when I haven't got them in today because one is being serviced but I wear hearing aids and when I went to the service provider recommended by DVA they upgraded me. They didn't have to but they upgraded what DVA allowed and they wore that. So GPs that I go to, GPs that service my people at TPI and I

would say at RSL we have no issues with the service we receive. We get treated the same as anybody else that walks through a GPs office. When I've gone to a specialist I've been treated exceptionally well by specialists.

So there are a number of DVA service providers who are extremely skilled and knowledgeable in the various areas that we as service personnel come under. And depending on the individual case and what the reason that you're sent there will depend on I believe what treatment you get. We've had issues where people want to go and they say things like "We want to go to the Mater Hospital". Well, if you're designated to the Townsville General Hospital and you demand to go to Mater Hospital and it hasn't been designated by your service provider or doctor, then you will pay the gap fee. So it's a matter of education, sir.

Any changes to the Acts must be given assurances that the entitlements would not be reduced or eroded no matter who oversees them. As history proved there appears to be loopholes and many changes that can reduce entitlements. Excuse me. It should be time to assess all injuries the same whether they are injured while training, deployed in warlike or non-warlike service. So I'm just reiterating what General Caligari said.

We believe an injury is an injury. How you define it is another thing. The baseline of it is if you get injured you need it fixed as quickly as possible and as effectively and economically as you possibly can. But it shouldn't be about dollars. It should be the respect of any service person, and there's a lot of non-operational deployments happening at the moment where people are injured. And I was sort of sitting there looking at the General here on the side and I thought as a Vietnam veteran I was about 10 and a half stone wringing wet and carried about 120 pound and I didn't have armour, I didn't have all the kit that these poor young so and sos have got to carry today. No wonder they're getting injured, you know, they're carrying half a truck on their backs before they go anywhere.

And each deployment requires to be looked at differently in the opinion of my organisation. But they all need to be treated with sensitivity. Just bear with me. I'm having trouble with my eyes, so that's why I'm - I had my eyes done and they're not working. My main bugbear and the bugbear of our association is until recently we didn't have advocates paid or otherwise. We had a welfare office and a pension's office. And under the old training system, which has been much maligned by certain people, it was effective in different ways.

And it was effective because what we were able to do was if a service person came into our organisation and even though they weren't TPI but they were currently serving or they'd just transitioned out they could come

to us and we could do the basic paperwork that they required to help them proceed with what their entitlements might be.

So they would have initial interview. We would get and collate all the medical documentation that an advocate would require. We would have the file completed, then we would recommend an advocate, and that completed file would then be sent over to the particular advocate who could just go through it criss-cross and submit. We found that a far more effective way and it also allowed us to maintain a high level of volunteers who didn't need a law degree or, you know, hours of paperwork to maintain their certification.

Now, I know the certification of ADTP is essential moving on. The bottom line is in time they will get up to their level 4 advocates and they will be able to - as they've got a few now. But there's that little grey area which makes for servicing better if they had pensions as well as wellbeing, so there was that central focus there, right.

Now, I just want to draw your attention to something. It's not a matter of just moaning about training for the sake of doing it, but effectively when you go for a pension you see your advocate one, two, three, half a dozen times depending on the difficulty of your claim. So you would possibly see somebody for a month, three months, six months, maybe a year depending on the technical details of a claim.

A welfare or now wellbeing advocate has that person for life. It is task and duty, not only for the member that you're dealing with but their dependents. And then, of course, because you look after them the non-service families ask questions and that's where civilian organisations like PHN come into it. So it's critical that when you talk about training, the costs of training, what the training actually produce, there's just that grey area that needs addressing. It's not a matter of changing ATDP training, it's a matter of increasing the level from welfare to advocacy by allowing pensions, which means that you can bring in more non-paid volunteers, which means that the paid professional advocates are able to do their task quicker, more professionally and more efficient. And it allows organisations like TPI, and there'll always be TPI in some vein or another, to keep producing volunteers. And that in itself having volunteers is another issue of wellbeing.

Now, a lot of the other things that we've put down here have already been covered by the two previous speakers, so I'm not going to bore you with that.

COMMISSIONER FITZGERALD: So you're finished there? And we'll just raise some questions.

MR MULLINS: Thank you.

COMMISSIONER FITZGERALD: Thanks very much, Trevor, and also thanks for your participation in a forum we had prior to the draft report. Just in relation to the first issue, can I just deal with this notion of - well, I think your second issue, its civil workers type arrangements. So I just want to clarify that you're seeking some comment on it.

What we have done is we've looked around at all of the civil workers' compensation schemes and accident compensation schemes that operate across the nine jurisdictions of Australia, including the Commonwealth. No government, no government operates compensation schemes any longer through a departmental structure. It has long been deemed not to be an effective way to operate these sorts of arrangements.

But what we've never intended is to turn the veteran support scheme into a workers' compensation. So what we've tried to do is to say 'what can we learn from those schemes?'.

The second thing is we are absolutely not in favour of outsourcing the veteran support scheme to an insurance agency or any other agency. Indeed it's the government who's outsourcing large portions of the back office, as you're well aware. Our view is that there needed to be a veteran specific Commission established, reportable to the Minister responsible for Veterans' Affairs, and exclusively deal with the military or veterans' compensation arrangement.

But can I just ask this? One of the things that is clear is that just about all of the other workers' compensation and accident compensation arrangements in Australia are very outcomes focused. Now, they do it imperfectly and there are criticisms of those schemes. But there is a genuine desire to actually improve the outcomes for the individual.

Here this scheme is very much about providing people with a benefit, an entitlement. And younger veterans and your people are saying the same things to us, it's also about services, it's about other factors. So do you think that in the TPI space there is a growing recognition that whilst benefits are very important, and we're not diminishing those, it is time to start to move on and to look at different ways of achieving wellbeing for veterans.

MR MULLINS: I think organisations like myself and the Vietnam Vets and DVA have always worked on wellbeing predominantly. I mean that's why we have focus points. I mean we have an amazing building in South Townsville that was basically funded by the Townsville City Council. We pay a peppercorn rent arrangement.

COMMISSIONER FITZGERALD: Sure.

MR MULLINS: It is a focal point for our particular members and those people have trust in us to bring their problems or queries to us. So we probably do - it's probably digressing a bit but we're self-funded, right.

COMMISSIONER FITZGERALD: Sure.

MR MULLINS: We have assets which are on the public notice of a quarter of a million dollars. 10 years ago we had $10,000, all right. And through fundraising, as you do, and with the assistance of certain grants, which we get a small amount of money, which is gratefully received, and other community grants we are able to take away 30 or 40 people on trips half a dozen times a year. We also go to Oak Park, Ironsley with our coffee truck and fundraise. And what that is in a nutshell it is another form of socialisation.

COMMISSIONER FITZGERALD: Sure.

MR MULLINS: And funny enough we run a Bugle, it's a magazine, and it's funded by some very leading business people in town and they pay a nominal figure for us to put out this coloured magazine every month. And the only reason I draw that to your attention is there are some very highly skilled businesses out there who with the right approach would consider future employment for our younger members who are coming out and want to retain their residency in Townsville.

So it's an ongoing thing. This hub that we've got, the Oasis, the TPI organisation especially is extremely excited about this hub. We see it as the way of the future. We see it as a place that once they get, you know, four or five more advocates it is something that we would use as a referral to.

COMMISSIONER FITZGERALD: Have you given consideration, Trevor, to taking up a point that Richard raised earlier in the day as to how government through DVA or any other body can and should be aiding the ESOs to deliver or target at services at all? So you may say to us that you're doing that voluntary work and we agree with that, but is the

implication of that is you're now satisfied that the level of government support is adequate.

MR MULLINS: No.

COMMISSIONER FITZGERALD: In other words leave us to do ours at DVA or whatever agency does its work. Or are you as an organisation saying we actually see particular gaps and we want those filled? And if you do, what are they I suppose.

MR MULLINS: Well, I think the thing about it is is at some stage or another - we currently have a advocate who's a volunteer non-paid who's a Timor vet who's currently going through some personal issues himself. We would see that government funding to help us support part-time advocates in the short term, that would allow us - you see in a former life, sir, each organisation was formed by a particular group of people and the history has maintained that.

COMMISSIONER FITZGERALD: Sure.

MR MULLINS: That is no longer the core business that our organisation does. We are the TPI and members, full members, voting members of the TPI association are people who are gold card TPIs.

COMMISSIONER FITZGERALD: Sure.

MR MULLINS: But the amount of people that come to us that are not TPIs who volunteer in other capacities who come and seek our advice and our counsel, all right. We spent the last 10 years being facilitators until 18 months ago, all right, and then all of a sudden the role has changed because now we need to find certificated highly qualified advocates, which we weren't in a position to find because we weren't getting those volunteers. So in answer to your question, all right, if we were eligible for some form of grant funding that would allow us to have trained advocates to support our troops coming out, then it would be an invaluable lesson.

But at the same time I just want to draw attention to one thing. 80 per cent of our core business is wellbeing. Part of the thing that I wrote on the brief, I only got 70 pages of the review.

COMMISSIONER FITZGERALD: Sure, sure, that's fine.

MR MULLINS: All right. It was about wellbeing. It wasn't just about getting injured, getting compensated, it was what you do afterwards. Now, 80 per cent of my core business at TPI is ensuring that people are

looked after. 24 hours ago at 11 o'clock we were doing a young veteran's intercession and somebody was threatening to do self-harm. You know, if you have only paid people doing it you can't get them or you have to call the police.

COMMISSIONER FITZGERALD: Sure.

MR MULLINS: So we use our welfare wellbeing people that volunteer to do those sort of tasks. To help the people that need initial helping you need - we do need government support to do that but it has to be directed in the right direction. And that's where ATDP does shine.

COMMISSIONER FITZGERALD: Sure.

MULLINS: Because we can have certified qualified paid advocates in the future.

COMMISSIONER FITZGERALD: So beyond advocacy, which I know, and as Richard indicated, we will be commenting on the Robert Cornell report, but it is not yet public and that, as I've indicated, we would hope the government do so. And that deals almost exclusively with ESOs and advocacy and we will wait to see how we deal with those recommendations that he has now made.

But can I come back to this system? Do you think that both - we see this as an integrated system between Defence, DVA, any other agencies that are in this space, and the ESO community. Now, one thing we see is it's not very integrated at the present time, in fact, it's quite disjointed. But the question is do you think now, and you've said you have some more contemporary veterans, do you think that ADF, DVA and the ESOs are now more responsive to the needs of contemporary veterans or do you think there are still significant weaknesses in that system, which is really those three sectors, those three players?

MR MULLINS: Well, I believe there's weaknesses but defining the weakness is very difficult. I mean you made a comment there that in our organisation, the RSL organisation, we don't have an issue with DVA. We have an extremely good rapport with our local office. We don't have the quality interaction with the brigade, all right. We are slowly working that way.

RSL, if I can take that hat off for a minute, RSL does transition and what have you lectures. They have a back-to-work and transition thing that we're doing on the 18th and the 28th. So slowly but surely that is

improving, but there's long way to go, all right. So in answer to your question, yes, there is room for improvement.

COMMISSIONER FITZGERALD: That's fine. Well, if you put it in a submission you might care to tell us where you think that could happen. We do see greater integration and integration is hard to achieve and it can sometimes be Utopia, you can't quite get there. But I do think the current system doesn't work as well as it could even with its limitations.

Can I go to another point, just really a clarification? I don't know where this has arisen but it's been in a number of submissions about uniformed members having to pay a levy for injury insurance. Let me assure you that is not in our report. The premium we're talking about is a premium that is imposed on ADF and paid across to DVA or whatever organisation runs the agency. And the initial premium is, of course, fully funded out of the budget by the Commonwealth Government. So it's a high level premium. I don't want to go into the technicality but it never gets applied to the individual members.

MR MULLINS: But that's how I read it when I saw a section of the report that I got was and uniformed members.

COMMISSIONER FITZGERALD: No, no. And if that is in there, well, it's not there but it may well be an interpretation that's there. But I just want to be very clear. The government already raises what's called a notional premium in relation to the lifelong costs of the MRCA system.

MR MULLINS: Okay.

COMMISSIONER FITZGERALD: And technically that's ADF's responsibility, except ADF doesn't pay anything ever. So ADF is the only employer in the Commonwealth jurisdiction that doesn't have any financial commitment at all to its own personnel once they leave. Every other agency, including the Productivity Commission, pays a premium.

Now, there are pros and cons and ADF will tell us and others have their views but I just want to clarify, we're not imposing a premium on individuals. So if I could just clarify that, I think that would be helpful. And you would be right to say that's a bad idea and we would be right to say we agree, so I just want to clarify that.

But can I go to the widows and widowers? And you've raised this question. We've had very strong representation from widows, widowers and partners of living veterans and it's clear to us that we need to be clearer about the fact that that was included in our definition of families

but we'll much more explicit about that. And we need to be more explicit about the level of support for those dependents.

But I wonder whether you have any views about what is necessary for those particular very important parts of the veteran community. They've come forward with various suggestions and we will look at those suggestions but do you have any particular views?

MR MULLINS: Well, open a can of worms here. When we were talking before about injuries and how they're assessed widows are also assessed on the same levels basically. If you are a TPI gold card holder and you're covered under all conditions, if I pass away my wife will get a war widow's pension and other additional benefits.

If you are the wife or husband of a member who is a Gold Card holder and they pass away from not exactly their conditions but, you know - I've had an 80 year-old plus person the other day who's passed away and they're not treated the same way because there's no alignment with the service person's injuries, which I understand, all right. But I get asked all the time 'my husband was a Gold Card holder and I don't get a war widow's pension' and I understand. So when you're doing your review maybe that could be brought out and explained why those situations exist, all right. Basically now that's it.

COMMISSIONER SPENCER: All right. And just on that issue one of the observations that's been made to us several times in hearings is the role played by the spouse or partner to care for the injured veteran and the impact that that has on that individual and the family and what services are available, particularly around mental health issues. So as we know Open Arms is there to assist but a number of people have put to us that's not enough. Open Arms generally speaking we heard does a very good job but people are saying that there should be a response beyond that, particularly around mental health issues, so we're considering that. But do you want to make a comment about that, Trevor?

MR MULLINS: When it comes to - there are other civilian organisations that we avail ourselves, the Townsville Suicide Prevention organisation, for example, under the PHN. There's areas, if there's a shortfall currently that's where we have to go. The other issues that we have is I get a young soldier coming in who's self-harming and he really needs to be committed to what's its name. The amount of palaver we have to go through to get into the private health clinic or something. So there's - I know it's all privacy laws and confidentiality but I don't want to call the police because we've got a self-harming contemporary veteran or any veteran, right, or somebody who's out there belting his wife.

There's got to be avenues because it's slightly different, right, and there needs to be some - I don't know how you do it, some fast-track way to get services quicker, not having to wait to get an appointment with a GP who may or may not see you in three or four days. Or you push your way through the front door and they think you're being bold to get somebody treated, all right. So there are avenues, I know there are other avenues, but it's knowing what those avenues are available at that point, all right.

COMMISSIONER SPENCER: And, Trevor, my understanding is that the Oasis model has great potential to help navigate what is a complex system for everybody. So that in terms of where to go, when to get the service you need, the Oasis model would be a terrific asset I would think.

MR MULLINS: Well, John Caligari isn't here now, but Neta's here, you might like to address that after we're finished here.

COMMISSIONER SPENCER: Sure.

MR MULLINS: Neta would be more au fait with responding to that.

COMMISSIONER FITZGERALD: Yes. Okay.

MR MULLINS: All right.

COMMISSIONER SPENCER: Let me just come back to another issue, you mentioned about the Gold Card. And your experience is a very good experience - - -

MR MULLINS: I've had very few examples of negative responses. John's here now.

COMMISSIONER SPENCER: Yes.

MR MULLINS: I've had very few negative responses, all right.

COMMISSIONER SPENCER: Yes.

MR MULLINS: You have to be so careful what you say. There has been an influx of non-English first language speaking doctors and there are cultural differences. It's not a racist thing, it's just cultural differences. Some people that come from the Far East, the way they treat their service personnel is different to how we look after our personnel and sometimes they sit there - I've been to the Townsville General Hospital to one ward there where a particular doctor said "I don't know what you're making a

fuss about, he's just an old veteran", all right. Now, he was pulled into line very quickly.

But when we are having service providers, and I cover doctors and hospitals and every other service provider, some form of education for them. You know, when DVA was running call centres with non-English speaking first language people the older veterans and some of the younger veterans were getting very frustrated, all right.

COMMISSIONER FITZGERALD: No, there's been - we've heard some commentary around assisting GPs in particular who are often the gateway to a range of services to have a better understanding of the veteran's circumstances would be a good thing, so we're taking that onboard as well, yes.

MR MULLINS: Our organisation and I'm sure a number of other agencies, I know Peter's done it from Vietnam Vets, we've actually had doctors come to our organisation and give us talks and air their concerns about what services they can or cannot provide under the current guidelines. And I think there needs to be a more fundamental thing across the board, information for GPs and specialists. And I'm going to digress a bit.

One of the issues that a lot of contemporary veterans, any veteran's had is when there's a holdup on their paperwork because of certain terminology. Now, DVA gets hammered for that, all right. And the bottom line is if your specialist or your GP - specialists predominantly - puts the word unstable or doesn't put the word permanent, if somebody's got a back injury and is in a wheelchair and they've said the condition is ongoing is that a permanent injury or is it not? Yes, it is. Well, write that permanent.

When you talk about unstable because he's damaged his knee or lower back is that condition going to improve? No. So it's a permanent impairment, all right. That allows him to be assessed. Then the rehabilitation after he's got his assessment comes in because he's been accepted for that and then can get ongoing treatment whether it's a heart, he'll lose weight, change his diet, whatever it is. But once you've got the diagnosis and it's been accepted, then you can move on. And the bottom line with a lot of our service personnel they haven't been given the opportunity to move on and it's not always DVA's fault. Sometimes it's in the terminology or the understanding of SOPs or the understanding of - or who writes the submissions for the specialist.

COMMISSIONER FITZGERALD: Sure.

MR MULLINS: Right. And I've got one other thing I want to bring up, which I forgot before. We were talking about widows, dependents and what have you. Can the Commission please ask why if I am a TPI and I am entitled to a service pension and I have a spouse who's earning the gross national debt is still entitled to one dollar of service pension if it comes under that threshold and that means that a person who's - I only get a dollar. All right, why does the wives who are in fulltime employment why are they entitled to a service pension?

If they're not working fine but why do you get - because you've got a lot of younger veterans where they sit there and they look at the fact that, hey, we can only earn so much money, you know. Where there are wives, who are probably in some cases a lot brighter and in higher powered jobs who are earning a lot of money and they can have a professional life. Why is that anomaly in there? I mean some people would cut my throat for saying that because they say - oh, you know, right.

COMMISSIONER SPENCER: Yes.

MR MULLINS: But it's just a question I get asked.

COMMISSIONER FITZGERALD: I won't answer it, so it's all right.

MR MULLINS: Yes.

COMMISSIONER FITZGERALD: But we'll consider it. Yes.

COMMISSIONER SPENCER: Yes, indeed.

COMMISSIONER FITZGERALD: Anything else?

COMMISSIONER SPENCER: No. No, I'm fine.

COMMISSIONER FITZGERALD: You're sure?

COMMISSIONER SPENCER: Yes. Yes, thanks.

COMMISSIONER FITZGERALD: So, look, thanks very much for that, and thank you for your submission, and I do want to say that the TPI community has been very active in responding to our report, and we're grateful for that, so, again, thank you very much.

MR MULLINS: And thank you for the opportunity.

COMMISSIONER FITZGERALD: Good. So we have a number of people who have indicated they'd like to make a presentation. These presentations are shorter and I'd ask you to stick to one or two issues, and, again, you've got about five or seven minutes to make your presentation and then Richard and I may ask a couple of questions. And, again, if at the end of these four other people in the audience wish to make a comment then we will make a time available as well. We're very conscious that people sit in the audience and suddenly think of a particular issue or a particular circumstance that's happened to them, and they'd like to express that, and we're very happy to do so.

So could I have Barry Martin? Barry or Ray?

MR R MARTIN: I'm Ray.

COMMISSIONER FITZGERALD: You're Ray.

MR R MARTIN: No relation to Barry.

COMMISSIONER FITZGERALD: There's two Martins. You're Ray. And, Ray, could you please give me your full name and the organisation that you represent?

MR R MARTIN: Certainly. My name is Raymond James Martin. I'm here as an individual today, but I wear a number of hats within the community. I'm the project manager of Operation Compass which is one of the 12 national suicide prevention trials.

COMMISSIONER FITZGERALD: Yes.

MR R MARTIN: A member of the RAR, ADSO, DFWA and other kinds of veteran ESO organisations. But as an individual I just want to touch on a few questions you raised for a number of people and just add in a couple of points that I might be able to help you with.

COMMISSIONER FITZGERALD: Yes.

MR R MARTIN: First of all you asked about the question of what responsibilities States might have to deal with veterans' affairs. I'd just like to expand on that a little bit. Obviously the Commonwealth has responsibility in regard to compensation, et cetera. In the State sense of course they own things like - well, it's not clearly owned, but housing and homelessness is a significant issue, and in the veteran community, as we know, that's an issue around the country. So they have a significant role in that piece.

Education, and the focus this morning, I note, has been pretty well exclusively on the veteran, but of course we see this as veterans and families. So State has a particular responsibility with education. Many of our service men and women, children are moving into and out of, you know, State schools and other schools and same with the veterans' community. And things like this last event that has occurred, the flood event, et cetera, we're trying to get support to children within the community, and many of those State institutions have, you know, children within that wider Defence community.

And health services is the other key one of course. Many veterans and indeed some service people choose not to take up the option of the services they're providing. For instance, even in the ADF community where of course taking of drugs is absolutely prohibited for good reason, there are ADF members who go to providers in this city and other cities to get support. There are ADF members particularly veteran members who, through that trust issue that John was referring to before, declined to take up services through DVA, the Open Arms counselling services, and some other services. So I think the State via their health system can play a pretty significant part. And my role in Operation Compass obviously falls under the PHN.

And this goes on to pick up a point that's linked with that about particularly GPs and specialists. There is no doubt a lack of understanding for good reason amongst many of the GPs within our community and it would be across the nation. Their training does not include any training that I'm aware of in any deliberate sense about the, you know, Defence and veteran community.

We recognise that here is a particular issue and in towns like this or garrison cities like this you have - with a big proportion of people there's no doubt the GPs and others could do with training, to have an understanding of - you know the health needs for a Vietnam veteran might be common to those people of the same age within the community. With a bit more knowledge they'll know some of the circumstances the Vietnam veterans have been through, et cetera, and their families.

Families, I note, as I said before, there's only a small mention, but I really want to highlight the significance of the family in this whole space, and I note you picked that up partly in your report. I just look around this room and I know in my own case certainly my own service made a major contribution to my family, and sometimes in a negative way. We know through studies with Vietnam veterans, we know many of those issues are passed down. I would think that'll be similar within the contemporary

veteran space. So it's not only spouses but its children, and I think that's a very key element that we really need to focus on a little more.

You mentioned the non-liability health card, and how effective that might've been. Certainly in my own experience I needed some support with that card with cancer, and within one day that was approved and within weeks I was getting excellent service. Same same I think with the psychological and mental health services that provides.

One of the big issues is DVA is not necessarily an organisation that sells that or gets that out well enough in one sense. There's I think a misconception that many people are online. Many of us are, but many still are not. And as far as DVA goes and Open Arms in particular though we have absolutely noted in the last six months or so at least a significant turnaround in the attitude of DVA. There's no doubt about that and we really appreciate that. I know of many people I deal with, and same same with Open Arms. It's really doing some very effective work.

So in one sense to me as a veteran seeing potentially an option you're looking at is let's move away from DVA, the irony here is DVA are starting to really listen. Their veteran centric program is starting to work. It's how that is - you know, I think they need to put a bit more effort into how that's solved and engage people more, but, you know, they're starting to do that.

Contemporary veterans you raised about how they are fitting in or their needs, et cetera. I think one of the issues is, and this might ever be thus, all those other ESOs and those represented in the room have organisations set up. Most of the younger veterans in the broader sense - I mean, our USA counterparts have Afghan and Iraq associations. The younger veterans have not done that yet. They would say, "No, we don't believe in those old structures". You know, "We're not going to do it that way". Well, the reality is when you get together collectively you probably have a stronger voice and I think it might be some time before they start doing that.

The only other thing I'd want to say is mention complexity. You yourself have used that word six or seven times. Yourself a couple of times, and in the audience it's been mentioned a few times. This is a very complex system. Your report is complex and you've promised us a more complex one.

COMMISSIONER FITZGERALD: No, longer.

MR R MARTIN: Or a longer. It might be more - - -

COMMISSIONER FITZGERALD: Not more complex.

MR R MARTIN: I'm sorry. But really, I mean, to me there's an issue of complexity. We've got at least those three Acts, not a fourth that covers some of this space.

COMMISSIONER FITZGERALD: Sure.

MR R MARTIN: And I note you're aiming 15 to 20 years ahead. We absolutely, in my view, should be aiming for an Act. The Kiwis have an Act. That's one of their strengths. There's arguments that say this is going to be really difficult and that might take time, but we need to be going that way. As John and others have picked up, the other reality is over 90 per cent of people that put in claims they'll prove to be correct. If we had one Act and we said, yes, we would solve 80 per cent of the problem.

COMMISSIONER FITZGERALD: Okay.

MR R MARTIN: That's all I have.

COMMISSIONER FITZGERALD: Could I just thank you very much for that, and, again, thanks for your contributions prior to the draft. Just a couple of points from me. Can I just start with the last one, in relation to the two scheme approach ultimately it gets to one, and you're absolutely right, there is a universal view there at some stage we need to get to a situation where, firstly, a person only has their claims dealt with under one scheme, one Act. We can get there within a few years.

The second one is people say there should be one Act and we can get there, but at the moment it's not possible to get there within a short timeframe. And largely that's because of the extremely strong support for the VEA and that's okay. But VEA we have to make a very difficult decision to say, you know, could we push for the one or do we have to acknowledge the reality of where we're at and that's why we've got the two schemes, but eventually it does become one. If we can get there sooner that would be terrific and maybe it is possible. But at the moment it's difficult, but we're in the one club.

But I want to make the statement that you made right at the beginning. I want to understand if I can, and I think John and others have raised this this morning and it's been raised with us. We are told on the numerous occasions we have visited ADF bases that in fact the culture of not reporting of injuries has changed, and yet when we talk to veterans that have left ADF they say well, they actually haven't changed at all. You've

indicated that people use external services, and I don't want miss-describe what you're saying there but I suspect in part it's because they don't trust the processes within ADF, or there are other factors taking place. Then you've made the same comment that people don't access Open Arms even when they're veterans. So I want to understand, from your perspective whether or not you're seeing a significant change in the way in which Veterans, serving and non-serving, are prepared to deal with the services provided by ADF and DVA or are we not much advanced?

MR R MARTIN: Well, this is a personal and probably subjective view.

COMMISSIONER FITZGERALD: Sure.

MR R MARTIN: Certainly during my service between `74 and `99 we absolutely under-reported and really mental health reporting to put your hand up to seek support with a mental health issue is pretty well unheard of. I have little doubt the ADF, and I know the ADF have put a big effort into encouraging people to report, and I heard firsthand of that the other day. Even in this flood event, you know, people have been encouraged to, and putting up their hand to get support, which is wonderful.

I think the reality is though, and that's the command system saying, we encourage you. The reality is that there's still people not willing to put their hand up to get that support because they think that's a career inhibitor. I can't give you any facts or figures around that.

COMMISSIONER FITZGERALD: Sure.

MR R MARTIN: I certainly know that in that one issue of drug use there are absolutely people wanting to get help or going to get help outside because if they put their hand up they will absolutely go through - will be discharged or administratively discharged.

As far as veterans are concerned, and we've got people from Open Arms here, who I respect greatly, many people use that service. However, it is absolutely aligned to, I think there's a firewall, but you know there's the Open Arms service working with DVA. It gets back to John's point about trust. You know, some people are concerned about using Open Arms because of, you know, "Will my information go back into DVA? Might that impact me?" I think certainly people are using that service. It's a good service, however, people are also using other services. I mean, there's little doubt about that.

So I think for some in the end you need to help an individual with the issues that he or she has. You should have the option as a veteran to go to

Open Arms first up, and if you don't like - if you're not happy with that, you go to another service but still be able to get that service, you know, to get the support you need.

COMMISSIONER FITZGERALD: Can I just explore this?

MR R MARTIN: I think in a - - -

COMMISSIONER FITZGERALD: But I want to understand this if I can.

MR R MARTIN: Yes.

COMMISSIONER FITZGERALD: Of course we believe in choice and we believe that veterans and their family members should be able to access a range of both DVA funded and community based services. The question is whether people would not use, for example, Open Arms for a reason other than just simply wanting the choice. That is, is there a perverse incentive, is there a factor or a barrier or a concern or is it the issue that you and John have raised about mistrust that might lead to people saying, "I won't go to Open Arms". So I suppose I'm trying to get to whether there's something more than just simply choice at stake. It is in fact there is a deep seated distrust by some.

MR R MARTIN: Yes, look, for some that would be correct. For others the issue is even putting their hand up to get support many years later. So that issue of seeking support, gaining support, that first step is pretty critical and if you've left the ADF with a poor experience or you've had a poor initial experience with a DVA claim and many of us did in the initial instances, well, why go down another military related path I suppose.

COMMISSIONER SPENCER: Ray, look, thanks for raising all those issues with us. I just wanted to comment on a couple of them. First of all in the New Zealand example, we did have the opportunity to sit with the New Zealand counterparts, and the two scheme approach is one they're engaged with at the moment. They were faced with not dissimilar challenges about how do you take a whole series of complex legislation and ultimately get to that, you know, ultimate goal of one Act. So those discussions help to inform the proposals we're making.

Secondly, it's a little bit just to go to this general comment about, you know, "We must maintain DVA", and their comment that said in that context is, which you did as well, and that is VCR is making good progress. Look, a bit of a sense that people have put to us that the problems that are there will be fixed by the Veteran Centric Reform.

Clearly what we're saying is, look, we're supportive of those changes, and they should absolutely have their opportunity to succeed, and be shown to, but I think where we're at is to say that even with that the department structure, there are limitations and difficulties with the department structure to have a, what we would describe as, fit for purpose, organisation, statutory corporation, Veterans' Services Commission, first word is Veterans, veteran specific, steeped in capability and experience around the military context to deliver those services in the future. And that's a big debate about that obviously in the future, but just about that.

The primary health networks you raised, and I'm familiar with that because one of the other hats I wear is chairing a PHN, and, look there are some interesting initiatives underway with DVA, as you know, to say how could GPs be better informed, and some pilots and trials around that, so that we may be part of the answer. But I think it comes back to a question we constantly pose for ourselves and challenge everybody with is what are the best ways to deliver the health services, right time, right place, right service to get the outcomes; complex issue. And some of the sort of ideas and initiatives you suggested I think, you know, they're worthy of looking at it to see how that can be achieved.

MR R MARTIN: One of the initiatives in the Operation Compass suicide prevention, one of the projects we're looking at is potentially in this community for instance there are some very good clinics who are, if not specialising in certainly taking a keen interest in veterans and families, so one of the things we're looking at is, well, we should be supporting it. How can we provide further support to clinics like that? So this is a complex space. With many GPs they wouldn't necessarily want to - they don't have the time.

COMMISSIONER SPENCER: No.

MR R MARTIN: But you've got some in this community. They are doing some very good work. They might need some additional support to do that or resources. So they're one of the things we're looking at. Rather than just across the board you might, you know, provide support to a number of clinics here already doing good work for instance. So we're looking at a number of those things in the project we're looking at in suicide prevention and wellbeing within the community.

COMMISSIONER SPENCER: Terrific. Good. Thanks Ray.

COMMISSIONER FITZGERALD: Good. Thank you very much, Ray. Thanks for your comments. That's good. Could I have his look alike, Barry Martin?

So, Barry if you could give us your full name and the organisation that you represent.

MR B MARTIN: Yes, my name is Barry Martin OAM. I am the president of Vietnam Veterans' Federation, Townsville, and also the senior vice president of VVF National

COMMISSIONER FITZGERALD: So, Barry, if you can just make a few comments for about five minutes or so, and then we'll have some questions.

MR B MARTIN: Yes. A lot of the comments have already been made about trying to get into one Act. We believe in that strongly. Another one is the inadequacies of the Funeral Act, funeral benefits. Now, under the Veterans' Entitlement Act you get up to $2000 indexed once 1986, whereas under MRCA and DRCA you get $11,654 indexed annually.

Now, a lot of veterans come under the whole three Acts, but some veterans are just under one, and there seems to be a great disparity whatever you want to call it in those two Acts. You know, if we ever get to a one Act maybe all that should change, but at the moment it's terrible. We had a lady in there, her husband is getting buried today. She come in and she had no money, nothing. I rang up and DVA said we will get the bereavement payment to her as quickly as possible, within a couple of days. So that would have helped her considerably, because under the Veterans' Entitlement Act when you get that there you get 12 - or, no, six payments what they're already on, the same as a pensioner does with Centrelink, exactly the same. We believe there strongly that that benefit of $2000 should be looked at very quickly.

Another is people who are getting medically discharged, all liabilities should be accepted before they even leave the Defence Force and compensation commenced. You know, some of these people get out and it's not done. They get themselves in a bit of bloody trouble financially, you know, and what do they do, they get no help from no-one and they try and neck themselves. You know, this has to stop. It should be liability accepted, if they're medically discharged, and compensation should be commenced before they even get out of Defence.

That's the two I'd like to bring up now.

COMMISSIONER FITZGERALD: Sure.

MR B MARTIN: Because a lot them have been covered by John and others, but we'd like to see it consolidated into one Act eventually.

COMMISSIONER FITZGERALD: Good. Thank you very much. Can I just raise a couple of issues? The first one is in relation to the streamlining, we all agree. It's just how do we get there to the one Act?

MR B MARTIN: Yes.

COMMISSIONER FITZGERALD: And we'll eventually get there.

MR B MARTIN: Yes.

COMMISSIONER FITZGERALD: But I do want to talk - just the funeral benefits one, we think they should be aligned across all three Acts.

MR B MARTIN: Yes.

COMMISSIONER FITZGERALD: There's no reason why funeral benefits should be treated differently. After all we all die the same way. So the answer - we are looking at that, so thank you for raising that issue. We see no current logic in the arrangement, so we would agree. I just don't want to be precise about what that might look like but - - -

MR B MARTIN: Yes.

COMMISSIONER FITZGERALD: - - -yes, it seems illogical. Now, there may be a reason, but at the moment we don't think so. So thanks for raising that issue with us.

Can I just deal with one issue that you raised or that your members have raised previously with us, the current DVA system in relation to Vietnam vets. In the early days Vietnam veterans had a very difficult relationship with DVA.

MR B MARTIN: Yes.

COMMISSIONER FITZGERALD: In relation to a number of matters. Would it be the case today that most Vietnam veterans have found more recently changes to DVA particularly through this Veterans Centric Reforms, have you seen significant improvements in recent years?

MR B MARTIN: Yes, I have. There's still a lot who class DVA as the enemy but as a whole most of them are starting, when they put claims in some put them in late, they're getting them done in reasonable time where

it used to take two years before. So they're getting them done within six months now a lot of them, and they're very appreciative to DVA for doing that. But the assessors down there have got the same thing as all us advocates who are looking at the whole three Acts. It's too complex.

COMMISSIONER FITZGERALD: Sure. We agree.

COMMISSIONER SPENCER: Barry, just a comment again about your statement, but particularly with those being medically discharged that their entitlements have been settled, payments have commenced before they discharge. There are some good efforts under way right now, both here and, for example, in Holdsworthy, to bring together all the particular entities that need to be engaged in that process to achieve that, and we've made recommendations that if those trials are proving to be effective and getting towards what you and others, and we would all hope for, that those should be rolled out for all discharging service people, so we're aware of that. There are some good initiatives underway. We think they look promising, and indeed they should be rolled out if they prove to be effective.

MR B MARTIN: Yes. There's one more thing. With the AAPTD there's not enough courses around and if you can get one of your members on a course down south the organisation has to pay for that where before under the TIP scheme DVA take you there. You know, we think there should be a little bit - a give and take in that situation.

COMMISSIONER SPENCER: Good. Do you know roughly how much that is, Barry? That - - -

MR B MARTIN: Well, just say it was in Brisbane or the Gold Coast, it could be anything up to $600, you know, in airfares.

COMMISSIONER SPENCER: Yes, okay. Right. Yes, that's all. Thanks.

COMMISSIONER FITZGERALD: Thanks very much, Barry, for those comments, and thanks for the - as I said, we've heard from a number of Vietnam veteran groups around Australia, and we're appreciative of those inputs, so thank you.

MR B MARTIN: Thank you.

COMMISSIONER FITZGERALD: Good. Thanks very much.

MR R MARTIN: No worries.

COMMISSIONER FITZGERALD: Could I have Lawrence White, please? Good morning. Just grab a seat, Lawrence, that's fine. Lawrence, can you give us your full name, and if you are representing an organisation, the name of that organisation, please.

MR WHITE: My name is Lawrence Charles White. I'm a Townsville resident and served in the military for 25 years in the Airforce. I'm not representing any organisation.

COMMISSIONER FITZGERALD: That's fine. Thank you for that. If you can just give us five or seven minutes comments, that'd be terrific.

MR WHITE: Well, my comments are - - -

COMMISSIONER FITZGERALD: And just speak up a little louder there.

MR WHITE: - - -based on a person enlisted in 1985 and served most of his career when the Defence force didn't deploy people. They deployed them on humanitarian grounds which was in the Airforce's case, very few deployments. Very few people were going except the aircrews of the aircraft. In the time, the helicopters were maintained by the RAAF, so the RAAF would deploy if they were a member of squadron, but the rest of us were basically in the squadrons. We did our job, made sure the aircraft were able to fly, and our job was to keep them in the air.

We're I'm coming from is recently there's been a change with the DVA Act where if members were deployed regardless of time, like you were saying of one day or more, at the age of 70 they'd get the Gold Card. Well, for the rest of us who, you know, worked during that period, we did the best we could to keep the aircraft in the air, to keep the tanks going, to keep the logistics moving, and we were given the shitty little jobs. In most of our cases we'll get a whole body, you know, of 40 per cent or more, but when we turn 70 we won't get the Gold Card, but we've done more, if not the same, as these other people.

And I was trying to raise to you that this group of people should be given the Gold Card when they reach 70. They will have, you know, in cases where they have a disability proven at age 50 or 55, which is the retirement age in Defence, they'll have a 40 per cent or more disability. Well, because they've had their claims accepted it won't raise much more, but you can consider between the ages of 55 and 70 these conditions will get worse, and, you know, they should be reconsidered and given a Gold Card at age 70. You know, it's logical that they will need tablets, which

are $6.50, you know, if you're a Gold Card holder or a person on an aged pension. And if they're a self-funded retiree, which we all should be in Defence if we served longer than 25 years, we'll all be on a pension where we won't receive the old age pension, which means we'll be at a disadvantage if we have to pay $48 for the diabetes medicine and, you know, if we have a heart attack we've got 10 extra medicines to buy. So we're going to be retired with, you know, an inability to pay for all these medical expenses.

So what I wanted to get over was there's a group of people which you aren't looking at who should be given some time to sort of be reflected upon. It's probably about 15 per cent, which the Brigadier was raising, and there's a lot of people who need assistance but haven't got a voice.

The other thing I was going to raise was when you enter the DVA office the thing that frightens you in some respects is there's always a security officer sitting in a chair opposite listening to every word that you're saying. Surely the DVA can operate like a bank. If they're so scared of trained killers they have a glass partition, and you talk to the person behind the glass partition. And the same where they take you into a claims area, having the security guy is actually taking $100,000 away from DVA's money where it could be given to veterans in care. These little things when you add them up all around the country and the 50 offices they operate in that's a lot of money. That's the other point I wanted to raise.

And the biggest thing was, the other thing which was raised, there's members of Parliament at the local level at State level and Federal level who deal with veterans. And, you know, once we get out we're given a White Card or a Gold Card, and we all go to the different States. In some cases we have to go in for care by specialists in Brisbane and Sydney. One thing coming from this, I would like to see that the White Card and Gold Card gets us, you know, in the White Card case, the ability of travelling on trains, ferries and buses at the seniors' rate. I mean, to get to an appointment at $2.20 is better than paying a $20 cab fare. It's just a little thing, but it helps everyone get around.

Here in Townsville they operate a different bus company to what's in Brisbane. I had to talk several people to find out what I had to do to get a discounted fare, and I was told that if you show your White Card, after I got to the second in charge, and you make them aware that you've discussed it with management you'll get a discounted rate. But it's not known. It's not out there. That's what I'm trying to raise with you. These are just basics which should be a given.

In relation to the care given by DVA, they sent around a proforma to all of us people who were on their books, and you had to give them an eight or a 10 in relation to the care that they give to you. In relation to the White Card when you go to a doctor, when you go and see them, anything they've accepted in your claims. You're getting service second to none, and my hand goes out to them. I haven't received a bad - anything bad from them. The only thing is, is getting the claim across the line. I had to fight tooth and nail with one of their claims assessors. It turned out he was denying the claim saying that during my time in service when I was attending University and had a car accident I wasn't entitled to any compensation from DVA. I had to go back to admin instructions. Fortunately I was able to get back on base. They gave me a copy of it. I handed it to them along with a written report to them to ask for it to be assessed with this extra information. It was sent to Melbourne, and it was assessed in my favour, but without fighting it tooth and nail, it was like they take a personal insult if you're going up against them.

COMMISSIONER FITZGERALD: Sure.

MR WHITE: You know, you're going up against their judgment. But in nine times out of 10 even these ones which are online they tell you that they will get you a reply back in 30 days. Normally it's what the rest of the people are saying, they'll reject your claim. For that they reckon that about half as many will come back against them, and, you know, say, "I don't like the reply I've got. These are the reasons". And in my particular case I was given a letter back by them to say that my claim was disallowed because, "We contacted your doctor and because of the tablets you're on that was giving the symptoms". The only problem is the doctor never got a referral contact phone call from them, and wasn't contacted.

Now, I read the letter and just like when I was in Defence if I received a reply from my officer in charge I accepted 100 per cent that, you know, it was all kosher. In this case with DVA I was given a letter and they hadn't made contact with the doctor. It was crud they'd given me, and I was expected to accept it. Now, I've got to go back to them, put into writing that I - you know, all of this information, and send it off to hope that an assessor higher up in the food chain will read them, take them to task over what they've done, and get an outcome for me.

COMMISSIONER FITZGERALD: Lawrence, in relation to that last matter are you using an advocate to assist you through that process?

MR WHITE: I tried to use the RSL advocate. I have to say that I've tried three times to get to see them. Each time I've been denied. I tried to leave my phone number, I don't get a call back from them, because they're

so busy talking to the people coming back from Afghanistan operating through, you know, the barracks. And the other advocates are just as busy, so you have to either do it yourself or discuss the matter with DVA.

COMMISSIONER FITZGERALD: And in relation to the claim that you've got currently going and they've rejected it or dealt with it in a different way are you appealing that or getting a review done on that?

MR WHITE: I'm getting a review done today. I'm going in to see them, and discuss with them the matter.

COMMISSIONER FITZGERALD: Sure.

MR WHITE: I've got to talk to them and find out whether I can do it as a letter or whether I've got to formally put it back into one of their forms and send it back through the food chain.

COMMISSIONER FITZGERALD: Can I just ask this question, only a couple of questions very briefly, the claims that you're putting in, under what Act are they?

MR WHITE: They're under the Act between 2001 to current.

COMMISSIONER FITZGERALD: So which one is that?

MR WHITE: MRCA, I think.

COMMISSIONER FITZGERALD: The MCRA.

MR WHITE: Yes.

COMMISSIONER FITZGERALD: Okay. And this issue about people that were not deployed, I have heard this many times that there was a large cohort within the ADF for a period of time that weren't deployed, or deployments were rare and now of course they're not, they're very - - -

MR WHITE: From September, 911.

COMMISSIONER FITZGERALD: It's significantly different.

MR WHITE: Yes.

COMMISSIONER FITZGERALD: And this issue that people are treated differently. So your fundamental point is the mere fact that you

had no choice and weren't deployed should not impact on the benefits that you're entitled to receive. That's the bottom line of what you're saying?

MR WHITE: Basically, yes. When you read the current Acts if you're deployed the payment figure that you can receive for an incapacity is a lot higher than if you haven't been deployed, which for example, you know, you might get $30,000 if you weren't deployed, but if you were deployed the figure it goes up $75,000.

COMMISSIONER FITZGERALD: Sure.

MR WHITE: And the criteria for your assessment is lower if you were deployed than if you weren't.

COMMISSIONER FITZGERALD: So one of the things we are doing in the MRCA/DRCA area, not the VEA, because that's remaining, that over time will largely be removed, but the difference between those that were injured in one location or one service environment to another will disappear. And the SOPS we're looking at, so that's a different issue, taking John's earlier point about a differential balance or test.

But we are of the view, and this is well supported by most of the younger veterans we've spoken to, is that once DRCA and MRC are merged people should just treated the same. Anyway that's our aim, and that would support your view.

MR WHITE: On one other point, I - - -

COMMISSIONER FITZGERALD: Sorry, I need to be very specific, that doesn't touch the Gold Card. That's a different issue entirely. Yes.

MR WHITE: Yes. On another point, I'm raising another claim with DVA. In relation to, you know, technology these days they can X-ray you, and when I got out I had an issue with my lungs, and when they used the, you know, the machine which goes around, the current X-ray machines, well, they X-rayed my lungs and told me that it was due to a lung infection. You know, which I didn't have when I enlisted, but I'm told there's no way of making a claim on it. So this was in 2008.

Come through to 2018 they re-X-rayed me and used one of their new - probably the best machine here in Queensland, which is out at the University and they got a totally new - when they reviewed the X-ray they said, "No, it's caused by a contagion within the lungs". Now, I've got to fight DVA over an issue which happened in 2003 where the chief of Defence was asked for all chemicals on every base to be removed, and I

was part of a group of people who identified chemicals which didn't have a label on them. They were, you know, a company like Serco Sodexo won't destroy these chemicals without being given a huge bundle of money, but you can give the job to Defence members to dispose of and find out what they were and give them an MSDS and everything else.

The problem being we breathed in the fumes. We were given gloves. We weren't given breathing apparatuses, and all of these issues occurred while I was in service. Fortunately in my case, in Darwin I showed symptoms, so they sent me to a hospital. When I went off to another base in Adelaide they told me I had a contagion of the lungs which was a short time later. All of the body organs were showing signs of - they couldn't understand why they were all enlarged and they were working harder than they should. All of this was medically documented.

But the only thing is, without the information from that X-ray, I couldn't raise a claim. So now it's 2003, is when the incident occurred. Now we're in 2019, that's 16 years after.

So you're going to have a long lag between when the incident occurred and when the claims are submitted, even though you might have submitted one in 2010 that was rejected due to the X-ray, and them saying that it was caused by, you know, getting a lung issue due to cold weather or something.

COMMISSIONER FITZGERALD: Yes, sure.

COMMISSIONER SPENCER: Lawrence, I just want to acknowledge the point you raised about transport and the complexity around that. It does seem like a lesser issue, but I know it's a frustrating issue, and that is particularly we've heard from Veterans when they move interstate, and you get certain concessions in one state and not in another.

So it obviously makes good sense for governments to work together, to have a common approach to these, and we heard earlier in some of the discussions we had, about federal, state, local councils working cooperatively around how is there a seamless system, and a system that doesn't surprise you when you move from area to another.

So I just wanted to acknowledge that that's on our radar screen as well.

MR WHITE: The best system that's in operation, sir, is the one operating out of New South Wales. Anyone who receives a disability payment from DVA, whether it be White or Gold, is entitled to free transport, and that

means all around their state, they can catch a train to go to Sydney. It costs nothing.

But in Queensland, I have to physically go down to an office which was the main train station and go upstairs and get one of their cards. Now I can go on all of their transport for $2.20, which is great. But if I go to another state, because I've got a Queensland card, White Card, it's non-transferable.

Just that when they all come together, one person agrees across the board that a person from another state who holds a minimum of a White Card will receive the $2.20 fee. That's a huge saving to someone on a fixed income.

COMMISSIONER SPENCER: Yes.

MR WHITE: You know, if you're only earning $40,000, to get $2.20 instead of paying $6.00 for every transit of going through ticket sales.

COMMISSIONER SPENCER: Yes, all right. You don't have to – yes, absolutely. Right. No, that's good.

COMMISSIONER FITZGERALD: Good. Thank you very much, Lawrence. Thanks for making those points.

MR WHITE: Thanks. It was good.

COMMISSIONER FITZGERALD: Sorry, could we have John Williams, please? Thanks John. John, if you could give us your full name, and if you represent an organisation, the name of that organisation.

MR WILLIAMS: Thank you. My name is John Ernest Williams and I represent the Vietnam Veterans Federation here in Townsville.

COMMISSIONER FITZGERALD: So if you could just make five or seven minutes of key comments, that would be great.

MR WILLIAMS: Good. In referring to the Commission today, I would refer to Vietnam Veterans reply to the Productivity Commission there. On p.13, under point 23 in the reasons and examples, the anomalous situation the DVA funding and training of Veterans' advocates under TIP and ADTP are now hiring barristers to oppose these advocates in the AAT.

The training of advocates in ADTP must have then – must have a legal component for these advocates to appear, especially with – in dealing with the VRVs, as well as moving away the Appeals Administrative – Appeals Tribunal and going more to an alternative dispute resolution.

Can the Commission, as an application in allowing the ADR teams to have these advocates trained for legal purposes with the ADR systems, and where can we improve our training programs, especially for ADTP people, here in Townsville. Because, to be totally honest, our teams – our compensation advocates up here have to either fly to Brisbane, or down south to actually do their face-to-face consolidations, as well as our people here having ongoing commitment with professional development.

COMMISSIONER FITZGERALD: So could I just clarify a couple of things in your comments, John. Are you disagreeing with a proposal that was put by one of the other organisations, or when you started off, you referred to another submission by another organisation. I just wasn't sure whether you were agreeing or disagreeing with their proposition.

MR WILLIAMS: Well, I'm disagreeing with the fact that the DVA actually put forward that they're using barristers in the AAT, rather than going to the alternative dispute resolution.

COMMISSIONER FITZGERALD: Right. What has your experience been? We've got alternative dispute resolution in the VRB, and we've got alternative dispute resolution in the AAT. In the AAT, you can be represented with a lawyer. In the VRB, you can't, as I understand it, and you're the experts. So what would you like to see happen?

MR WILLIAMS: I would like to see the AAT not involved. I would actually prefer to see it go to the ADR, where you don't need to have that legal training of four years as – four years as getting your Bachelor in Law, and then spending another 12 to 18 months doing your practical legal training just to represent somebody in the AAT, which is, as per the point of law.

COMMISSIONER FITZGERALD: Sure. So are you suggesting that if it goes to the AAT, advocates should be replaced by lawyers, at that stage, rather than advocates become legally trained?

MR WILLIAMS: Well, I'd rather have – well, to understand any of the Acts, you need some sort of legal training. Because when I was doing my Bachelors in Law, you had to understand the legislation. To understand that legislation, you needed to do a full semester of how to interpret an Act.

COMMISSIONER FITZGERALD: Sorry, I just need a clarification. Are you saying that advocates in Townsville, for example, who are dealing with claims, should in fact receive some form of legal training?

MR WILLIAMS: Yes.

COMMISSIONER FITZGERALD: Okay, that's fine. How do you find – you are an advocate at the moment?

MR WILLIAMS: Yes, sir.

COMMISSIONER FITZGERALD: How do you find the current ADR in the VRB, for example?

MR WILLIAMS: It is very - - -

COMMISSIONER FITZGERALD: Sorry, I should be careful. I understand it hasn't been rolled out into Queensland, but it is in place in New South Wales. So it's coming. So you wouldn't have had experience. I take back that question.

In other states, people have spoken highly of the ADR in the VRB, but it's coming here, isn't it?

MR WILLIAMS: Yes. I have had experience with the ADR system and have been trained to do alternative dispute resolution in my Bachelor's degree.

I believe it far much less confrontational than the AAT, and that the advocates there can actually assist and do more in the ADR system than they can in the AAT.

Because when you're at the AAT, you have to abide by the strict rules and conduct of the AAT, wherein the VRB and in alternative dispute resolution, it is not so much point of law, it is a natural justice system.

COMMISSIONER SPENCER: John, some of our suggestions – because we think the experience around ADR in other states has been very positive, and I think you're reflecting that as well.

So we've suggested more of that sort of engagement process be brought earlier, and we've put that under the title of a reconsideration. Because I think most people agree that if the initial assessment is done well,

appropriately informed by whatever paperwork and information is needed, that's going to be better than these things having to be sorted out later.

So, presumably, you would support that? To try and bring those sorts of mechanisms earlier in the process?

MR WILLIAMS: Well, in my experience, that if you prepare a claim as such a manner as a legally trained person, or some person that's had some form of really serious training, especially with the ADTP, you present the case to DVA. DVA usually look at you and go, okay, yes, this is well trained, this is well thought forward. Yes, we can accept this.

But when you get the people that just put the claim in, and especially by themselves, this is where a lot of the information is not put forward to Veterans. This is what we do. We do this because we want the Veteran to be able to be – sit back and relax and not worry, not get stressed.

And this is what I'm seeing a lot of, is our own Veterans are stressed out because they're having to deal with DVA straight away.

COMMISSIONER SPENCER: And John, as you know from Robert's earlier comments this morning, the Robert Cornell report has been finalised. It's with governments. We are keen for it to be released as soon as possible so that people can look at that.

We were a bit light on in our draft around a number of these issues because the Cornell study was underway. But we'll have a lot more to say about this in the final draft, once we're able to publicly engage with that report.

MR WILLIAMS: Thank you. Unfortunately, I haven't been able to read the report.

COMMISSIONER SPENCER: No, it hasn't been released publicly yet. So we're keen for it to be so that you and others - - -

COMMISSIONER FITZGERALD: Can I just ask one – and this, you may not have had enough experience with. The VCR, the Veteran Centric Reforms have been well supported. They're early days yet. I think people are a little bit overenthusiastic about their results, given it's only just been put in place. But we are positive, as Richard said, in relation to that.

But there has been an issue raised in public hearings about the system encourages people to put in their own claim, in that, you can go online and you can lodge it.

But some advocates have said to us there's a danger in that, and that is, people are putting in, or have the potential to put in, incomplete or incorrect information, or to use terms that might in fact adversely affect the claim, and I was just wondering whether you have any view about that?

MR WILLIAMS: I do. This is something I've struck personally with certain people putting in their claims by themselves. That they don't understand the Act. They don't follow the SOP, and then when they try – when they put the claim in, they only put in the fact that they've received an injury. This is what I'm supposed to get. This is what I – and they have these great expectations, but they don't come to fruition because of (a), they don't know which Act to put the darned thing under.

It's like something that happens under SRCA is not – and MRCA is not recognised under the VEA. They don't realise that the cut off date for MRCA and VEA is 1 July 2004. And this is something that I have seen time and time again.

COMMISSIONER FITZGERALD: Well we may make some comments in the final report, subject to what Robert Cornell's looked at. Is there any other comments you've got?

MR WILLIAMS: No.

COMMISSIONER FITZGERALD: Thank you very much for that, Lawrence, and I understand there's another person - - -

MR WILLIAMS: John.

COMMISSIONER FITZGERALD: Sorry, John. John. Thanks John. Can I have Peter Hindle please?

MR HINDLE: Gentlemen.

COMMISSIONER FITZGERALD: Good. Peter, if you could give us your full name, and if you represent an organisation, the name of that organisation.

MR HINDLE: Good morning, Commissioners, ladies and gentlemen. Pete Hindle, State President for Queensland, sub-branch President for Townsville. Operation Compass, a few other odds and ends, as Mr Caligari knows.

COMMISSIONER FITZGERALD: Just the organisation that you're representing.

MR HINDLE: Vietnam Veterans will do first. Basically everybody, at this point. Mine is just going to be for me. Sorry.

COMMISSIONER FITZGERALD: Just slow down. So you are representing VVA Queensland, is that correct?

MR HINDLE: That'll do. Okay.

COMMISSIONER FITZGERALD: Good. It's only for the record. Now, five or seven minutes of key points.

MR HINDLE: That will be interesting, that quick. Just one thing is that I was having a discussion with a gentleman the other day, and it involves a lot of what we've been – different people may have been putting up today, is that opening up DVA to far better and greater thing. Probably similar to the VA in America, where they've got millions of claims, some are still outstanding today, just by the sheer number.

And one of the things with America is that if you've got 12 injuries, you've got 12 lots of paperwork you've got to fill out. Here, with DVA now here under MRCA, if you've got 12 injuries, you basically put them on one page. All right. So that makes it easier.

But the Veterans, when they get out of the defence force over there, no matter who they are, what they are, they have a big day to get out. Everything's all set up. Different people (indistinct). It's all on computers. Just type your name in. Right, up you come, what are you injuries, et cetera. What can we do for you? Some say no, some say yes, away we go.

There's a possibility it's been going to be talked about here for DVA, and I said, well that all comes under legislation. He said, no, that's your – it's policy.

Now, to me, I said, mate, if you can get this done, I said, fantastic. Because it opens up the doors where DVA, as the recognised group to look after Veterans, or all ADF who've got injuries, people go there.

Obviously, DVA will expand exponentially with personnel. So if an individual's got a problem and he's got an injury, he just goes straight to DVA, right. Go there, and they start that process.

In one way, maybe it will eliminate your lawyers, your advocates. You still need welfare, or you'd probably need some of the advocates (indistinct) to keep a check on DVA, right, if they decide to refer a case a back to somebody else.

And I can see that way as a possible – whether it comes off, I don't know. I'd virtually like to see it. Because they've lost the things that people were discussing. No one has got a central idea of what to do, right.

You know, there's three different Acts. Like myself, personally, I actually align to VEA. That won't happen. So you've got VEA, SRCA, DRCA, and MRCA. Bad acronyms.

And nothing will change on that. It doesn't matter who's in government. That will stay.

One of the other things, mate, John alluded to it with the packs that they – the young soldiers carry today. In real terms, in war zones, like we didn't have their weights. But it comes down to money.

The act of war, or going to war, the conditions might be different, but it's still war. You are still fighting for your life. Looking after your mates. Everybody like this.

The Australian government, and/or the defence, will not buy the, I believe, the appropriate gear. You've got this metal plate they put in here. They don't need the metal plate. They can buy the proper bloody flak, the proper jackets that they can wear. But they're too damned dear. Our government's too stingy to buy them. No, I speak the truth. They are.

Right. So there's lots of things where they could probably eliminate certain aspects. It would cost more, but our governments don't like spending money. Nobody does.

God, I had heaps of stuff in my bloody head. The PTSD kicks in. I'll leave it at that at the moment. Do you want to ask some questions?

COMMISSIONER FITZGERALD: No, that's fine. Can I just go back to your first point? We heard this morning from Phillip. Phillip Burton, about the US experience, and I was taken by the fact that in the US, by the time you're discharged, you've had that three day seminar, you're actively involved in their version of our DVA.

And here, that has not been the case. But we are moving, in a sense, to partly that through some of the initiatives that we've heard about.

So you're view is that – what's you view? Should the situation be that a Veteran who's exhibiting some sort of ill health or injury shouldn't be discharged until they've at least got the claims in? Or do you have a different view?

MR HINDLE: If they've got an injury, they should put their claims in straight away, depending on – like everything else within, I'll just the Army, because I know it a bit better. You know, it's been a long time.

Years ago, mate, if you had an injury, mate, it was frowned upon, well and truly. In this day and age it's, you know, the different brigade commanders that I've got to know up here since I've been here the last 20 odd years, they're doing a fantastic job, and a lot of the personnel under the brigade commanders, mate, they're all – and they're trying to help the system.

From when I first came here to what it is now, mate, it is 10,000 per cent better. It really is. People have sort of been knocking DVA. Yes, give them a kick occasionally, but in real terms, DVA, VVCS – sorry, Open Arms – do a magnificent job.

And others were saying that, oh you can't do things. Mate, if you don't want to go and see someone at Open Arms, right, just go into DVA. I don't like this. I don't want to go here. I want to go there. Well, DVA pay for it. DVA, nine times out of 10, will say, yes, that's fine. We'll pay. It's covered under your card, et cetera.

The gentleman alluded before, and I feel for him, going through all this process, and I hope he gets what he needs. But even people with Gold Cards, TPIs, they still have problems, mate, in dealing with doctors, psyches, hospitals, et cetera.

Because if you had a Gold Card, and it has happened here, it even happened to me, they ask for your Medicare Card. And I say, why do you want my Medicare Card? Because that's our requirement, and I said, well guess what? There's my Gold Card, mate.

COMMISSIONER FITZGERALD: So could I just deal with a second point that you raised, and that is in relation to accessing services - well the point you've raised, so not your second question, the points that you just raised, your view is that access to service, Open Arms, health service and what have you, your experience in Townsville has been good?

MR HINDLE: Yep, I think they're probably more frightened of me.

COMMISSIONER FITZGERALD: So my question to you is just - and you may not have a view on that, where do you think the biggest gaps are in the system at the moment? You may not have a view, you may not believe there are gaps, but are there gaps in, say, Townsville that you think governments generally need to address?

MR HINDLE: I believe there is.

COMMISSIONER FITZGERALD: What would be one?

MR HINDLE: Well actually Open Arms, they've actually announced a month ago, a bit over, that they're increasing some staff because of the amount of personnel accessing it, which is fantastic. It's like everything, everything else works on budgets from government. You've got - - -

COMMISSIONER FITZGERALD: Sure, but putting aside the budget, I mean everything costs money and you made the point that you believe safety is being impaired because governments won't spend the money on alternative safety equipment.

MR HINDLE: Yep.

COMMISSIONER FITZGERALD: We won't go there, other than to say we are looking at ADF's response to reducing preventable injury and we've got a whole chapter on that. But I just want to come to this point. Do you see through the Vietnam vet's eyes significant service gaps at the moment or do you think that it's reasonably well covered from your experience to date?

MR HINDLE: I think it's probably reasonably well covered to a certain extent. It's like - again I would say it comes back, more dollars, more things you can do.

COMMISSIONER FITZGERALD: Sure, that's okay.

MR HINDLE: I'll give you another example if you like. DVA Queensland we have two homeless houses. I've been asking different ministers and anybody who will listen, I have no shame, for $5m to upgrade Zac's house and Remembrance House, because we cover homeless and anybody, doesn't matter if you're a Vietnam veteran, ex-service, male or female. We don't cater to kids because they cry and that upsets the PTSD, sorry ladies. Et cetera. Going back to that question before about money, yes, why don't the government make or anybody give money to this. Providers may have got houses like this, where they're

supplying a service and very - no one gives us any money for it, we've got to raise all our own money. But to expand so we can take more people who are in need.

COMMISSIONER FITZGERALD: So it's those sort of specialist services you think might be the case.

MR HINDLE: Yeah.

COMMISSIONER FITZGERALD: Okay, thanks for telling us about Zac's and - the second house was?

MR HINDLE: Remembrance House.

COMMISSIONER SPENCER: Just to comment on dollars. You're absolutely right, it's a hard ask to go to government to say spend money on this, spend money on that. But look in fairness I think what we all have a responsibility to do is to try and help government to work out where can it make its best investment. Whether its equipment, of course we can comment on that, or in the area of prevention. And look I think just a good example of where progress can be made is the introduction of the Workplace Health and Safety legislation back in about 2012. Now there have been quite dramatic falls in unnecessary and preventable injuries.

MR HINDLE: Yep.

COMMISSIONER SPENCER: Which has been shown over that period since then. So that is entirely a good thing and I'm sure that there was an investment approach and having to change practice approach that went with all of that. So I think, you know and this is something that I just comment on in our report in general, what we're trying to do in our report is to think through what are the best options that will be in the best interests of veterans longer term; that there's evidence there, there's good analysis and good thinking and where can government invest. And I think we've made the point several times; with our current set of recommendations, and they may change in our final report, it will require government to make investment. There will be more dollars. The key question is where are those dollars best allocated and best invested to make a difference.

MR HINDLE: That's easy. The younger cohort more than anything else. As I said to Stewart earlier, just briefly, we as Vietnam veterans, when we got out, the last ones in 1975, I did it in 72, in those days, mate, Australia was booming, so jobs were aplenty. You know, you go somewhere, mate, you got a job. You worked hard, got promoted. A similar structure, mate,

to the ADF, you still had to report to leading hands, foremen, et cetera, so you get to a certain stage, "Righto boss, mate, have you got - can I learn something more?" "No." "Can I get more money?" "No." So you've already got a job somewhere else so you quit and go to the next job. Unfortunately, mate, the younger cohort of today, when they get out, mate, the work is not there. And I've been saying for many, many years and 300 times I think, that with the younger veterans, the ones who are bent, broke and busted, yeah, fix all them, they're probably not going to work and do some rehab so they can live a - have a quality of life. But the remainder who, like I said they were small - minor injuries, right, get their White Card, a small percentages, 50, 60 per cent or whatever. Their problems could come along when they get to their fifties and it's a known fact, you know, round about that time. If something's going to happen, mate, it'll happen about there with your PTSD or something along those lines. Then possibly look at going on to some equivalent of the TPI. But in that instance, the ones who aren't bent, broke and busted, they've just got the basics, they need to have full-time jobs, as John alluded to earlier and someone else. You've got to work. It, you know, keeps the mind happy, it's good for your rehab, mate. Sometimes you mightn't like the job but you've got your family and you've got other things to think about, so you're not sitting at home where you're going to get, as Trevor said, sitting home doing absolutely nothing, getting on the grog and doing stupid things like this. So a lot of the money, a lot more money nowaday, first thing myself, go and set up the policy and legislation for the younger cohorts from basic Timor onwards.

COMMISSIONER FITZGERALD: Well I think one of the things that's come out of today's hearing is a need to focus on employment opportunities.

MR HINDLE: Absolutely.

COMMISSIONER FITZGERALD: And that's a complex area. It's about what's happening in the economy but we are seeing signs of some fairly specific well thought through employment programs and I think the point that was made earlier about educational opportunities being built into the system, we might look at that a little bit further.

MR HINDLE: Could I just make one other comment.

COMMISSIONER FITZGERALD: Yes, last one.

MR HINDLE: Which is this, thank you. Which John alluded to. Is that ESOs don't have the ability, nor the money or the backing of anybody else, mate. We can ill-afford not to. We can't do it, simple as that, to

make an RTO facilitate work for other people. The current legislation from government stated, Federal, mate, prohibits us from doing that. Right, so that's just - I get that in there, mate. We just can't do it. As much as it's been discussed and work health officer - work health safety officer and myself, I had to pull them up, "Mate, you want to spend $200,000 just to write up the procedures, you find it, mate, and we'll do it". It's very, very costly, we can't - as much as we'd love to, its illegal, right. Thank you.

COMMISSIONER FITZGERALD: Thanks very much, Peter.

MR HINDLE: Cheers. Hope I didn't bore you, guys.

COMMISSIONER FITZGERALD: Is there anybody else in the audience who would like to make a final statement? Yes, if you could come down and give your - - -

MS MOLLOY: Good morning, sir. My name is Lieutenant Colonel Sarah Molloy. I'm currently employed as the senior health officer at the 3rd Brigade. The comments that I'll make this morning are representative of some of the initiatives that we're employing within the 3rd Brigade and have also been socialised amongst defence establishments and some are my personal views.

COMMISSIONER FITZGERALD: So you've got about five or seven minutes, so that's great.

MS MOLLOY: Thank you. So I just wanted to touch on two points in particular. The first one was in response to your question regarding the culture of not reporting and where potentially some of those issues are. I would also acknowledge that there is still a culture of not reporting. I think that we are getting better at it as an organisation. However, there is a genuine fear that there will be career implications associated with not reporting, which is well known.

One of the initiatives that we have put in place, and I know that it is represented in the Commission report, is a system that we have employed in our physio department for physical injuries. What we've seen come through on that at the moment is approximately 400 injuries that have been reported as part of a de-identified database, which we've been able to cross-level with systems such as Sentinel. What we're finding at this point in time is that it's almost mutually exclusive to Sentinel, which is 400 injuries of which approximately 50 per cent of those are in the chronic sense. So they're the sorts of injuries that will result in medical

downgrades and ultimately a portion of those will lead to medical separations.

Which then brings me on to the next point and that is 'where are the gaps in service?', and these are my personal views. I actually believe that one of the significant gaps in services at the moment is internal to the defence organisation. And if I could be critical of the defence organisation, what I would actually say is I think that there are a lot of things that Defence could be doing better in our policy and procedures to be able to support people as they transition from Defence. Whilst Townsville has a very good system in place at the moment in relation to the whole of life approach, and I note that the Commission report is very much focused on whole of life, and I commend the Commissioner for that actual report, we certainly have focused on a similar thing within the human performance framework and that is the prevention, the rehabilitation and the transition from service. Where we could potentially be supporting our Defence members is by capturing them very early in their career. And that is when they go through their periodic health examinations, to be able to rectify some of those e-health issues, whereby you could establish a tab as somebody comes in. If their injury or illness or condition is attributed to Defence service it wouldn't take much for a medical officer to be able to articulate that on the system and then as part of that periodic health examination to then proceed them into the on-base advisor to get their DVA claims lodged and recognised while they're very early in their service. You would then see a continuum of care whilst they're currently serving, which would set them up for success as they transitioned from Defence.

The other thing that we could potentially be doing to support our veterans better would be to establish some set transition dates in the year, particularly for medical separations. We all know that medical separations come with a burden, psychologically as well, particularly if you're not prepared for it, and if there are dates and goals that people can work towards they are much better supported in that process.

COMMISSIONER FITZGERALD: Good. Any other comments?

MS MOLLOY: No, that's it.

COMMISSIONER FITZGERALD: Thank you very much for that. We are aware that Townsville and Holsworthy are the two bases that seem to have pilots addressing some of these issues and you've acknowledged that and we've acknowledged that in our report. So I just want to say that we've been very attentive to what's been happening up here and in Holsworthy as well.

Can I just deal with your last one about the medical discharge area? The general experience up here on the base and more generally is that medical discharge seems to take a reasonably long period of time, 12, 18 months, sometimes even two years. Is that still the case? Some people talk about very quick medical discharges but the experience we've had is that there is a period of time over which that trajectory, that discharge pathway is likely to have been known. Would that be right?

MS MOLLOY: Sir, I think it depends on the individual circumstance, naturally. Some people will refer to that separation period from the time that they trigger an injury and recognise that that's a discharge from commission, and then the time that it takes them to work through their rehabilitation and recovery to then a point of transition. Others will recognise that quickly and then will psychologically adjust to the fact that they are going to separate and they'd rather make that decision quickly. I think there is somewhat of a culture of supporting the individual in relation to that process. So the length of time that it takes and given some of the regionally based services that we provide, for example through that human performance framework and also through the other Garrison Health services, leads to potentially a longer period of time to get to the point of transition. Which is not necessarily a bad thing. I think its setting people up for success, but it is resource intensive.

COMMISSIONER FITZGERALD: And so when we look at the discharge, and at the moment as I understand it, about one in five people that are discharging from the ADF each year have medical issues and are going through the medical discharge route, so it's quite a significant number but not the majority. Have you seen significant changes and improvements in the last two, three or four years in relation to the discharging of those on that pathway?

MS MOLLOY: In relation to their preparation for discharge?

COMMISSIONER FITZGERALD: Yes. Access to rehabilitation.

MS MOLLOY: Sure.

COMMISSIONER FITZGERALD: All of those sorts of things that we've heard about today that seem to be very important to be in place prior to, or at least at the time of discharge.

MS MOLLOY: I think what you deal with in the Townsville community is a very networked community and certainly Defence is very much part of that community as well. So when we talk about supporting people

through this transition process there are numerous, as we've heard, ESOs out there who support that process. Defence is very well engaged with those ESOs, very well engaged with the medical support services. Open Arms, the relationship with Open Arms is very strong. I know that there was a discussion in relation to that trust component. Open Arms outsource to a number of service providers and if you're not satisfied with a particular person that you're seeing you can certainly go through a different avenue. It is, I think, better known in our region that most of that is very confidential, so I think that there is more of a trust in relation to the systems, particularly in this region, when I compare it to other regions. We're not perfect and we haven't got everything right yet.

COMMISSIONER FITZGERALD: Can I just ask one other question and then Richard might have one. We do want to take a whole of life approach to the whole system and that's our aim and it's complex to do that. The human performance framework that you're using, you've referred to that. What's the essential feature of that particular framework?

MS MOLLOY: So there's two key wings that we look at at the moment. So we've got our health and wellbeing arm, which is support to our soldiers who are going through rehabilitation and reintegrating back into the workplace, and also those personnel who are transitioning from Defence. Two distinct areas. And then we have our ready resilient arm, which is those combat behaviours. It's the preventative health measures, it's cognitive training and everything associated with your service in Defence. The point of the whole program is it's about recognising full potential within that whole systems approach, and so regardless of whether you're medically downgraded or whether you're a high performing soldier, you - just because you're medically downgraded doesn't mean that you're not a high performing soldier and it's about giving you the skills to be able to reach your full potential. So we focus on the intellectual character and physical components of an individual. There's a lot of cognitive training, physical strength and conditioning training, nutrition, psychoeducation, combat behaviours.

COMMISSIONER FITZGERALD: And you have a soldier recovery centre in Townsville?

MS MOLLOY: So the soldier recovery centre is the health and wellbeing arm of the Human Performance Centre in North Queensland and part of that - part of the reason that that name was changed is part of a change in the strategic narrative which I would note also, from your report, the last report being the Tanza review was very focused on support to wounded injured ill, which I actually think is a terrible term; I think we

label people when we call them "wounded injured ill" and what we're wanting to do is break away from some of that strategic language.

COMMISSIONER FITZGERALD: So what have you renamed the soldier recovery centre?

MS MOLLOY: The Human Performance Centre, North Queensland.

COMMISSIONER FITZGERALD: We visited a soldier recovery centre recently in one of the other jurisdictions. What was curious to me is, and again I don't want to quote the figures exactly but we'll get those, about 40 per cent of those in that - by the end of that program are on a discharge pathway, and there's no comment about whether that's good, bad or indifferent. So I was interested in the fact that even in that particular program, and it may well be different on that base, a reasonable percentage of soldiers will in fact still end up discharging, and that may be quite appropriate so there's no commentary on that. But given that, do you think that that sort of number or that sort of proportion of people discharging, do you have a particular aim? I mean you could say it's 100 per cent of people returning to duty but that's unrealistic. Is there a sort of a benchmark that people - that you're trying to achieve in this renamed program area?

MS MOLLOY: No, so we learnt quite some time ago, quite a few years ago now, we originally - and I know the soldier recovery centre you're talking about - we ran our courses concurrently as well. So, for example, we would run a soldier recovery centre program and that was tailored towards our goal one, goal two and goal three personnel. So we'd have a combination of people who were trade transferring, staying in their core and rehabilitating and getting back to work, and those people who were transitioning from Defence. What we find is that attitude is infectious and if you have a group of individuals who are highly motivated individuals and focused towards returning to the workplace then the general culture within that group is one of positive change and getting back into the workplace. If you have a group of individuals who are somewhat disgruntled with service, that attitude is also infectious and can then lead to other people who would have otherwise been returning to the workplace actually then deciding to change their mode of separation and transitioning from defence.

So we made a decision a couple of years ago now to actually separate our two programs. We run one program for goal three, which is purely focused on transition, and one program for our goal one and goal two personnel which is focused on returning to the workplace. They are

essentially - the same types of information is provided but the mind set and the approach to that is entirely different.

COMMISSIONER FITZGERALD: Sorry, just related to that. Given that there are different models in relation to what I'll just call "soldier recovery" at the moment, how does the ADF evaluate which is the most effective? So is there a formal evaluation process that at some stage says, "We've got these three or four different models out there, which one works?" I'm not sure that I see that in the ADF.

MS MOLLOY: I agree.

COMMISSIONER FITZGERALD: And that worries us, because in a systemic thing if something is going well and you want to replicate that, equally if something is going poorly you want to adapt it and change it. But again I come back to it, and people often don't like us but it's about systems and structures that allow that to happen in a formalised and regular way. So I was just wondering whether you had a comment on that.

MS MOLLOY: So very good point and completely agree. We tend to do a lot of internal evaluations and we're biased to our structures and systems. What we've actually done with the human performance framework is we've engaged a researcher with over 20 years' experience from Griffith University who's currently going through the process of externally evaluating and reviewing each of our programs within that human performance framework. That will occur this year and we're taking two different approaches to it based on how well established those course structures already are, and we will then provide that feedback into Defence to be able to utilise that approach in relation to whether the systems in Townsville are working or not working, and then the recommendations in relation to whether they should be replicated elsewhere.

COMMISSIONER SPENCER: Robert, you covered the question I was going to ask. So it's the bright spots that we see and that's the question we often have. Do the bright spots ultimately become a bright system? So there are the evaluations you're talking about and research et cetera, but the appetite for that within Defence to think about, to encourage that kind of thinking, that kind of socialisation of learning, of practice, to get the opportunities to meet with your counterparts to really talk that through, to learn from each other.

MS MOLLOY: So every year, or say twice annually we have a conference which is with all of those personnel coming together who are

working in that health and wellbeing space. We've got one only in the next few weeks that we'll be attending. There is, I would say, a reluctance from Defence to streamline some good ideas at the moment, and it's a little bit of a culture of, you know, if you've got a region that's potentially progressing up here and you've got the rest of the region sitting here, there's a tendency to want to bring this region down so that everybody's on a level playing field, as opposed to bringing the rest of the organisation up to match the good work that's being done. And look, I think that comes down to resources. We have through what we're doing in North Queensland, we are double-hatting personnel to do that. We have a lot of very motivated individuals who believe in what they're doing and that's what's driven it, its very personality dependant. We have an excellent command structure in place with a lot of support and autonomy in doing such initiatives and I would suggest that that's replicated in part in some other areas but not so in others.

COMMISSIONER SPENCER: Thank you for that, that's very helpful.

COMMISSIONER FITZGERALD: Just one point of clarification. I should know this, given that we were out on your base, as you know. These programs that we've been talking about, under whose command are they? Are they under the joint health command or how are they coordinated?

MS MOLLOY: So they are - they're a 3rd Brigade led initiative, but we focus on the whole of the region, so it's a North Queensland approach. So we're supported by North Queensland units, not just the 3rd Brigade. Very well supported by joint health command who are integral to some of that service delivery, and we have a number of external providers and ESOs who also support programs.

COMMISSIONER FITZGERALD: And I know somebody is here from this area, but in relation to safety and injury prevention, how does that align with your group? Does that input into that? I don't quite understand the current structure but that's not the point. Is that part of the feedback group as well?

MS MOLLOY: So there's a number of initiatives that we have presented to higher command, so we actually presented to the Chief of Army Special Advisory Group last year in relation to our injury prevention trial that we would like to run in this region. It's been endorsed, it's not yet been resourced. So that is I know also referenced in the Productivity Commission report. We were anticipating that once the Chief said, "Make it happen", it would happen, but it doesn't quite happen that way.

COMMISSIONER FITZGERALD: Yes. We were talking to somebody very senior in the military, very senior, and I did make the point that we thought the only thing that worked in military was a command structure and he said, "If only".

MS MOLLOY: That's right.

COMMISSIONER FITZGERALD: I suspect that was probably true. Do you have any other comments?

COMMISSIONER SPENCER: No, that's it.

COMMISSIONER FITZGERALD: Thank you very much.

MS MOLLOY: Thank you.

COMMISSIONER FITZGERALD: That's much appreciated. Final opportunity? And we are running just now out of time but any final comments? Going, going, gone. Thank you very much. That concludes the public hearing in Brisbane. I indicated at the beginning that there may be a public hearing in Rockhampton or some other sort of consultation process up there, so that's fizzing. Just to repeat again, if you wish to put in a written submission, and that can just be a one pager, a letter or an email, we would ask you that you do that very promptly. The deadline for those have stopped but there is some flexibility. The second thing I'd say is the final report will go to government at the end of June so we'll meet that deadline, but we will be holding some informal consultations and maybe some particular roundtables around different jurisdictions if the need arises. So the process is by no means finished but if you want to input into it, now's the time to do that. So thank you very much.

ADJOURNED **[12.56 pm]**

Australian Government
Productivity Commission

PRODUCTIVITY COMMISSION

COMPENSATION AND REHABILITATION FOR VETERANS

MR R FITZGERALD Commissioner
MR R SPENCER, Commissioner

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TRAVELODGE HOTEL ROCKHAMPTON, 86 VICTORIA PARADE, ROCKHAMPTON ON THURSDAY 21 MARCH 2019 AT 9 AM

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COMMISSIONER FITZGERALD: Good morning, everybody. And thank you very much for attending. It's a joy to be up here in Rockhampton again. So today is the very last day of the public hearings for this particular inquiry, so we kept the good one until last up here. And we are pleased to be up here. This is, as you know, a public hearing to the Productivity Commission's inquiry into veteran's compensation and rehabilitation. So I'm Robert Fitzgerald. I'm the presiding commissioner and my colleague is Commissioner Richard Spencer.

So purposely, the round of hearings, the public hearings, is to facilitate public scrutiny of the Commission's work and to get comment and feedback into our draft report which we released in December. So the Commission's processes are very open. We make sure that you know what we're thinking and that's followed a very substantial period of consultation, both with older and younger veterans, on bases and off bases, right around Australia, prior to the draft and then following that, we do public hearings and some further consultations. So this is one inquiry which is very open and we welcome feedback, both positive and critical.

Following these hearings, we'll be working towards completing a final report and providing that to Government in June of this year, having considered all the evidence presented at these hearings and in submissions as well as other informal discussions. Participants and those who have registered their interest in the inquiry will automatically be advised of the final report's release by government and governments must release our report in full within 25 parliamentary sitting days after receiving that. And so that'll happen sometime in the middle of the year.

We like to conduct all hearings in a reasonably informal manner although some of you may say this is not, doesn't look very informal, does it. But we'll try to do our best with that. And I remind participants that a full transcript is being taken, hence a recorder on my right.

For these reasons, we don't take comments from the floor, but at the end of proceedings for the day, I'll provide an opportunity for any person wishing to make a brief presentation, a brief comment at the end of these proceedings and if you'd like to do so, please speak to Stewart who you would have met on the way in at the back of the room and we'll have a morning tea break just around 10.20.

Now, participants are not required to take an oath, but you are required under the Productivity Commission Act to be truthful in your remarks. Participants are welcome to comment on the issues raised by other people and in other submissions. The transcript of these hearings will be made

available on the Commission's website following the hearings and all of the written submissions except for those things that have to remain confidential are available on our website already, so you can go to the website and see what submissions have come in so far. There is a representative of Open Arms here present, if anybody would need their services; Karen Butler, and you can see Stewart if you need to contact Karen. And in case of a fire, there are two emergency exits located at each end of the hallway outside the conference room.

So I'd just like to, again, welcome you and thank you for your participation today. This is a very complex and detailed report. It's long and it has many recommendations. A couple of things I should say, during the day we'll clarify some misunderstandings. A lot of the submissions have misunderstood some of our recommendations and our reasoning. We'll help clarify some of those as we go through. But I just want to make a couple of points about it.

This is an inquiry that's looking for the future of the veteran's affairs system over the next 20 to 30 years. So we have no intentions of tinkering with the system for tomorrow. This is actually trying to say where do we want to be 10, 15, 20 years out and that's very important. So it's not about just trying to fix problems today, it's actually trying to say is this the best system for older and younger veterans going forward, and that's the difficult challenge. Easy to fix problems for tomorrow, very hard to come up with systems that again serve Veterans well into the future, given the changing nature of military service and military employment generally.

The second thing is again, there have been a number of misunderstandings in relation to some of our recommendations and as we go through this morning, we'll try and clarify some of those, but if, at the end of the hearings, you're still not sure about why we've said things, or you're not sure about some of our recommendations, you can contact the Commission. We're happy to have a chat over the phone about those things, or if you have further comments, you can get them in but submissions have formally closed. But if you do have comments you want to make, just send us an email and we'll consider that. But we do need to receive those very quickly.

As of after today, we do start a fairly heavy process of actually writing up the final report, so if you've got any comments, they have to come in very, very soon. But as I say, the formal submissions deadline has just about passed. So there's a slight change in the program today. Our first group wish to be put on a little bit later, so we'll do that to accommodate them. And we're going to start with Jack Parr.

MR PARR: Any seat? Yes.

COMMISSIONER FITZGERALD: Probably the second one along might be best.

MR PARR: This one?

COMMISSIONER FITZGERALD: Yes, that'd be better. If anyone is hard of hearing, sit up the front. You can bring your seat as close as you like to the witnesses. You won't intimidate them, but there's no – there's no amplification. These are simply microphones for the purposes of our friend on my right. So if you are hard of hearing, bring your seat as close forward, and I'd ask participants to speak as loudly as they can.

The procedure is that each participant will be given about 10 minutes to raise key issues they'd like us to hear and then Richard and I will spend about 10, 15 minutes or so just raising some questions and having a conversation. So we know that people could talk for a long time on this, but you are required to just make some brief opening comments and then we'll have a discussion. And as I say, if you have any further comments you want to make, just email them to us.

So you go by Jack, but I need you to give me your full name and any organisation that you represent.

MR PARR: Good morning, Richard. Good morning, Robert. My name is Alan Parr. Most call me Jack. Something to do with heavy lifting, I think. I'm a Vietnam veteran. I'm not representing any particular group here today.

COMMISSIONER FITZGERALD: That's fine.

MR PARR: Just Vietnam veterans.

COMMISSIONER FITZGERALD: So you're representing yourself?

MR PARR: Yes.

COMMISSIONER FITZGERALD: So if you could – Jack, if you could just give us 10 minutes of the key points that you'd like to make to us, that would be terrific.

MR PARR: I will – I'll have to condense what I had already prepared, so I might be jumping left and centre.

COMMISSIONER FITZGERALD: Sure.

MR PARR: Okay. I want to compliment the PC on your very comprehensive and thorough report. It's much too much for me to consume, so I started with the key points and I read the first couple of key points there and I picked out two words, fundamental reform. That's the one I want to focus on to start with. Then I looked further down the system, I saw the diagram of the current system - everybody's seen that. Okay. And then the proposed system. And I compared the two and I couldn't see much fundamental reform. I saw some changes, but not structural reform that there's a few things there. I'll talk to them. I'll address them as I go through.

Okay. Right. Now, the whole – from my understanding is, the whole force of this inquiry came out of the senate inquiry called the Constant Battle: Suicide by Veterans. Okay. So Recommendation 2 on paragraph 3.99 and paragraph 4.85, in that report, these were basically requests for the senate inquiry to the PC for a draft report.

The senate inquiry and this draft report came out of the issue of veteran suicide, as I mentioned before. Now, in that Senate report, there's the AIHW report in summary that says, on p. 16, 3.14, that "Between 2001 and 2015, there were 325 certified suicide deaths in the veteran cohort. Ninety were serving, 69 in the Reserve Forces, 166 in the ex-service, 303 men and 22 women. So my question to myself was, so how can changing the system significantly reduce these numbers? That's the thrust of what we're all about, I'm sure.

And from these numbers, you could probably derive that the greatest number of at risk veterans are for targeted attention, well, that's what – sorry, I'll rephrase that again. From these numbers, you could probably derive where the greatest number of at risk veterans for target attention would be. How then, are at risk veterans identified? I suggest they cannot be done by saying one group is more at risk than another group. That's because I believe that suicide is an individual phenomenon. It rests with a single person. Not with groups.

So the senate inquiry recommended the issue of the DVA White Card to all the veterans in transition. Those serving members who are going into transition to move out of the ADF, either into civilian life or into the Reserve Forces, and that is happening now. The Reserve Forces are currently receiving the White Card. Okay, now. I suspect that there might be an anomaly here. There's now two groups of White Card holders. The ones in transition and the ex-serving members or the old veterans who

carry the White Card. So there could be confusion there in the service community as to who's who.

But comparing a number of suicides from my numbers above, there are about the same number of suicides in the ex-service veterans, as in the ADF and Reserve Forces combined. Now, from what I can work out from those numbers, only a small percentage of those full time army personnel, service personnel, would be in transition at any one time. So there would still be a large number of serving members who did not get or do not get – that's all those who are not transitioning don't get a card. And I believe that there would still be a lot of veterans in that community who are at risk. Okay. So I am saying that we are missing this group of people, this cohort of people. So my proposal would be that every member of the Defence Force, serving member of the Defence Force should be issued with a card./ When they enlist they carry a card. Not necessarily a White Card, maybe a Blue Card, but it's a card with which they register with DVA. So immediately they join up and serve, they've got a – DVA's got a tag on them. And that has been one of the problems in the past; DVA couldn't find all the veterans around the place.
So that when these veterans – I'll call it a Blue Card to be distinctly talking about what I'm talking about – so at this stage, I would hope that every member in the Defence Force would have this Blue Card which has their DVA link. So at this stage, I would identify all veterans, all serving member veterans, all ex-members as being at risk.

The PC draft report has also not – I couldn't find it anywhere in the recommendations - adopted the senate recommendation 23 on p. 16 of their report and expanded on p. 25 and 26, re setting up the bureau of veterans advocates. I will now propose that such a unit in a broader form and using the notions I've developed above here, that those at risk notions – I believe this could be the key to a much improved model for veteran's welfare. Okay. All right. At this point in time, I'll just go for a little walkies and I'll get the Commissioner's copy of my model.

Excuse me for being proactive, sir.

COMMISSIONER FITZGERALD: That's fine. That's good.

MR PARR: Okay. I'd like to (indistinct words) if you look at my model, I have not thrown the baby out with the dish – bathwater. I have kept the Defence Forces on the left-hand side, the same as they were always were, except, I haven't put in a (indistinct) transition thing-o in there. I put the DVA over on the right-hand side with all the bodies that are in that and in the middle, I have put this veteran's advocates group of people which if you read the senate report, it expands on it and explains it in more detail.

It would contain professional advocates, ESO advocates, ESO welfare operators, Open Arms, Mates4Mates, all those organisations that support veteran's welfare. They could be in there. I believe that that unit should be independent of DVA, so they are not saddled with the bureaucracy of the DVA.

Sitting at the bottom of that group, veterans and veteran's families, medical and rehabilitation support and the – what they said there, the advocacy legal service. In that box I have put in there in red, two extra units: (1) is Outreach, (2) is Gateway. Okay. I'll just have to find where I've written them in my notes here. Okay. The Gateway Body, I believe should provide a primary gateway service for veteran's claims. Construct claims in a comprehensive and professional manner which in turn should ensure a high success rate with the DVA. Do all their work first hand, get – tick off all the tick boxes, and get a professionally done claim into DVA so that when DVA assessors get it, they've got all the information they need and they don't have to send it back and there'd be no argy-bargy.

Okay. I believe that that will ensure a greater success rate at the first round to start with. And this will then take some of the pressure off DVA and the VRB. And will lead to a less adversarial relationship between the veteran and DVA. To help achieve this, in future, there will be the veteran's eHealth service and the Defence Sentinel Records that will be very important in constructing those claims, because they will have the objective data, accurate and valid data. Okay. Secondly, the Outreach. And this is probably the most important function, especially in the prevention of self-harm. I'm talking about suicide. This section will be a trained group of counsellors whose task is to proactively contact veterans and veteran's families. Primarily by phone they will perform the task of what we now call caseworkers with their assigned veterans by regularly making contact to build up rapport, trust and confidentiality with the veteran. This will provide the veteran and veteran's family with a familiar contact person and a contact number in case of an issue that may arise, 24/7.

Thus, this will work in the reverse of crisis lines, like Lifeline and Beyond Blue that's required the client to phone them. This way it's around the other way. I realise that this will require a large and skilled workforce, but I believe it will have a positive effect on the welfare of veterans. The idea of this function, I derived from Operation Compass, prevention through connection. Now, I've got a website there, and it's a hashtag of check your mates. You might have come across it. Secondly, the model that I put with all the service organisations in that green box in the middle, perhaps I got my inspiration from the Oasis in Townsville for that, where all the service providers are linked together. Okay.

COMMISSIONER FITZGERALD: So you've got two minutes.

MR PARR: That's – two minutes?

COMMISSIONER FITZGERALD: Two minutes.

MR PARR: Okay. I have here, a list of points that this model satisfies and these points are all taken out of that and the senate inquiry. Okay. So, I've been given the windup signal so I will conclude my statement by saying something about myself.

I was a National Serviceman, conscripted in the seventh intake in 1967 and served in Vietnam in 1968. Most people know what a grunt is. A grunt is someone in the infantry core. All right. The role of the infantry core is to find the enemy, close with the enemy and destroy him. To do this in Vietnam, was we'd go on patrol in search of the VC on foot, through the jungle, bamboo, mountain, swamps and rice paddies, avoiding, likely ambush sites, being careful not to step on a mine or set off a booby trap. On our backs we carried our food, water, ammo and personal gear. I also had a radio and spare battery. Do you know what a shell scrape is? It's a hole in the ground, about 30 centimetres deep that you dig every night for personal protection. That I am here today to be able to talk to you is a testament that they are effective.

Do you know what a contact is? It's a firefight with the enemy. It could involve small, heavy arms, mortars and rockets. It's when the enemy is trying to kill you. And there are lots of incoming stuff. If it weren't – if you weren't there, you would never know what that stuff sounds like. When it's flying all around you. What it is like to have mortars and grenades exploding all around you and rockets shooting overhead, hoping they don't strike a tree. Many contacts in Vietnam started at a distance of 10 to 20 metres. At the same time, you're trying to stay alive and hopefully killing the enemy. Destroy the enemy, that's our mission. Maybe they are in a fortified bunker or in a tree. Sometimes it can last for hours or maybe over in seconds.

In a contact there's the smell of gunpowder, explosions of supporting artillery and mortars. Then, the gunships arrive and brass up the area and later attack aircraft to bust open the bunkers. If you're lucky you may get support by APCs and tanks. You know when some of your mates are wounded; you can hear their moans as life slips away or their screams of pain. You do what you can in the aftermath. You fix up the wounded, you cover the dead amongst the blood and the bodies and the body parts; the stench is overwhelming in the tropical heat. You wait for a dust off.

We who have laid bare in such actions share a special bond; an intangible that is sensed rather than seen. It is little understood by others. Many of our mates returned to Vietnam. In fact, I was there two nights ago. Van Morrison sings: "Hey, well, here it comes. Here comes the night." My wife has better nights in the spare bedroom. I know stand-down will come. That's when I'll be safe behind the wire, but until then, my duty is not done. I will continue to help support veterans and do whatever I can.

On special occasions we come together. We proudly assemble and march under our banner. With respect and reverence we read out the names of our fallen brothers. We still see their faces. We still hear their voices. We pledge that we will do everything possible until our dying day to ensure that their sacrifice and service to our great nation is remembered and honoured.

For me, personally – and I stress "personally" – this is being a veteran. Accordingly, I would assert that this is somewhat emphatically different to being in the ADF for one day. Lest we forget.

COMMISSIONER FITZGERALD: Thank you very much. Jack, we've got a series of your points that you've given to us, so we appreciate that. If I can just deal with a couple of issues briefly.

In relation to the White Card, my understanding is, and correct me if I'm wrong, that the White Card, now, will be given to anybody that served within the military if they ask for it. But I think it'll almost be automatic.

MR PARR: Okay.

COMMISSIONER FITZGERALD: Now, that's a measure, of course, that the government introduced and we are supportive of that measure for the reasons you've identified. But you've gone further to say that the White Card or a card – a "blue card" I think you describe – should be offered to people whilst they're serving. Is that correct?

MR PARR: That's correct, yes.

COMMISSIONER FITZGERALD: But why do you think it's necessary when serving given that, when you're in the ADF, you are provided with both physical and mental health services?

MR PARR: I believe that card will then access the Advocacy people directly, rather than going through the military and that is an issue that you guys have put into your draft report.

COMMISSIONER FITZGERALD: Sure.

MR PARR: - - - where there's a problem of the serving person going to the Defence people and saying, "I've got a problem".

COMMISSIONER FITZGERALD: Sure. The government, over time and recent times, and the DVA and Defence have been working to try to connect serving personnel with DVA earlier and, in part, the definition that the government developed, which is the one day in the military and you're a veteran, which is not our definition as you know; that's the government's definition. We work with that definition - was to try to do that.

Do you believe that from talking to people in the service and out of the service that there is a greater connectedness between DVA for serving personnel before they transition out? Are you aware of that?

MR PARR: I have no information to be able to answer that question.

COMMISSIONER FITZGERALD: Okay. Your model – and I'm sure Richard will have some questions about this – have a number of elements that we fully support; this veterans' advocate. It's not necessarily a standalone unit and we're very aware of Compass and Oasis and we were in Townsville last year and we looked at that model, and we were in Townsville two weeks ago, again, and had presentations at the public hearing.

Why do you think it's necessary, however, just fundamentally, to bring together all of these services in one body? What is it, do you think? That's missing at the present time that encourages you to this particular model.

MR PARR: Mainly coordination. So that when a veteran goes there, they go to a service point and, then, for what their needs are, they will be sent to the most appropriate component of that unit.

COMMISSIONER FITZGERALD: Yes. You've gone further, I think, than the model in Oasis and Compass in the sense that you actually see a number of the component parts, like, Open Arms, Mates4Mates or Soldier On; all those sorts of bodies been connected within that and some of those would be and some of those wouldn't be.

But just in terms of the well-being of veterans, what's your hopes that those sort of hubs or those sorts of coordinated services would deliver? What do you think would be the main outcome that they would achieve?

MR PARR: I think that the serving veterans in specific and this is the one that concerns me, see as an obvious contact point. Yes, and I think that they go to a one-stop-shop and they can be sorted at that stage, rather than trying to source left, right and centre what best suits them. They'll go to a consultant that will listen to their issue and, then, they will advise them the most appropriate path to take.

COMMISSIONER SPENCER: Jack, thanks very much for the diagram and also the other material. I just wanted to explore a little bit more the issue of the Bureau of Veterans' Advocates because quite rightly, you pointed out, we didn't have much to say about that in our draft report.

The reason for that and I think most people will be aware is Robert Cornall was doing a major study or review of Advocacy and that has just been released by the government, so we're actively looking at that and, hence, the interest in the model that you've put forward and also Robert's questions around that.

I just wanted to go to one issue though. You've mentioned underneath that area "Veterans and Veterans' families". Do you have any thoughts about this issue? We've heard quite a lot in the public hearings about, quite appropriately, the major focus is on veterans. But we've been reminded on a number of occasions that the family members need to be taken into account in all of these arrangements. Do you have any thoughts you want to share on that to help?

MR PARR: Yes, I believe that the partner and wife, or even children, are probably the people best suited or best positioned to see an issue arising. Whereas the veteran; he's probably saying, you know, "I'm bullet proof. There's nothing wrong with me." They're in denial, but others can see the problem and I've been through that.

COMMISSIONER SPENCER: Yes, okay.

MR PARR: And I think that if the families have that contact person that they can know that they can go and pick up a phone to say, "Hello, Fred, hello, Julie, look, I think we've got an issue here. Can you send someone out or can we have an appointment some time to talk through things?" it just would break down the barriers, if you like, to have a very quick entry and without prejudice.

COMMISSIONER SPENCER: Right, okay, no, thanks, Jack. And just on the issue of ESOs, we're going to have more to say about that in our final report because we have seen many great examples. You've referenced Oasis, Compass, up in Townsville which we think is a terrific model. But there are many other hubs that are starting to come to light from being explored around Australia. So we think that that's a very important part of the system as a whole. That there are roles that ESOs can play that government can't play. Some of the most vulnerable veterans don't reach out to government services. As you've rightly said, there needs to be outreach to them and we think many ESOs already do a great job around that but it could be supported to do even more. So we might have more to say about hubs in our final report.

Could I just go to the right-hand side of your diagram. I've noticed you've put the Australian War Memorial under the Department of Veterans' Affairs. My understanding is that's currently not the case; it sits independently. Is there a reason for including the War Memorial there or - - -

MR PARR: Yeah, I think I just copied it off your proposal. That's all.

COMMISSIONER SPENCER: Right, yes.

MR PARR: There's no great depth of thought in that one. Yes, I just put it in there to make sure it was there.

COMMISSIONER SPENCER: Okay, good, right, no, thanks (indistinct).

COMMISSIONER FITZGERALD: So can I just – a couple of questions. In your dot points you talk about there's a need for a less adversarial model of claims and reviews.

MR PARR: Yes.

COMMISSIONER FITZGERALD: Now, we've heard a lot about this. I know a lot of people today will tell us that we've got to keep the DVA and there's good reasons for that. But we also heard and see many inquiries that have been highly critical of the DVA over years. Do you have any particular view as to why the Department appears to be adversarial? Now, there are many good offices in that department and many experiences that are not. But why do you believe or do you have any reasons to answer why there is an adversarial model of claims at the present time?

MR PARR: It's only from what I hear from others. Me, personally, I have had no issues whatsoever and I have had total support and I give DVA 100 per cent every time.

COMMISSIONER FITZGERALD: Right.

MR PARR: And the - I'm in contact with a large group of veterans in my cohort and I would say by far the majority of those are very happy with DVA services. I think that it's – there are some horror stories, I know and I have no idea how those things happened.

COMMISSIONER FITZGERALD: Okay. That's fine. Just finally, in relation to the ESOs that Richard mentioned and where again you mentioned the (indistinct) model in part. What do you think the primary role of ESOs going forward will be? I mean we've got those that are dealing with older veterans. We know that young veterans won't join those groups but they'll join others. You've identified in your chart a number of new emerging groups. Do you have a particular view of what ESOs will look like or should look like going forward?

MR PARR: I support the current role of welfare officers in the ESOs. I think they do a tremendous job. They work as an outreach type of person being in contact with veterans and they know their local veterans. They know the ones that need assistance and help. They know the ones that are at risk. So I think they are very, very – they're boots on the ground in the community. They're the guys that are at the – at the front talking to veterans.

COMMISSIONER FITZGERALD: Okay. Do you have any final comment before we conclude? Just one. Otherwise you don't get any - - -

MR PARR: So – yes, well I think there's a number of my dot points there that will be covered by others and I think they have all the arguments and my arguments would not be dissimilar. So - - -

COMMISSIONER FITZGERALD: That's fine.

MR PARR: Yes, there is one. Joint Transition Command.

COMMISSIONER FITZGERALD: Yes.

MR PARR: Okay. I would put that in the bin. The core business of the military is to defend the country. They don't want to be distracted by these other things. They've got all the politically correct bloody cultural – you know, all the things I'm talking about. I don't have to list them.

Distractions. Distractions from their main aim and they don't want that. They want to get out there and defend the country and protect our borders.

COMMISSIONER FITZGERALD: Well we'll probably have comments about that during the day. Can I just make the comment – of course in New Zealand veterans' affairs is part of Defence in total, not just in relation to policy or transition and I'm not quite sure you could mount that argument in New Zealand. It's also not the case in a lot of the other countries. Australia has a very narrowly defined view of Defence and we hear that and we understand that and we know where they're coming from on that but it's not a universal model. Australia has a very narrow view of the defence force. Some of - others are explicit that part of their role is to in fact look after the wellbeing of their personnel for life.

That's not a concept here. We've put that into DVA. So I hear that comment. I would just simply say to you it's not a universal view amongst military forces around the world but it's very strong in the Australian culture and you'd know better than I, I don't have any understanding where that's come from but we hear it. So thanks for that. Okay. Thank you very much for that. That's good. Thanks for that. (Indistinct words).

MR PARR: Do you want a copy of my notes - - -

COMMISSIONER FITZGERALD: Yes, yes – no, that would be good.

MR PARR: I can – yes, or do you want me to – I'll sort that out.

COMMISSIONER FITZGERALD: That's good. So I understand, Brad - - -

UNIDENTIFIED SPEAKER: No, I'm moving on - - -

COMMISSIONER FITZGERALD: Who's coming next?

UNIDENTIFIED SPEAKER: David.

COMMISSIONER FITZGERALD: David Thomas is going to go next. Is that right? Sorry, about that. David, grab a seat. Probably the same one that Jack had.

MR THOMAS: Yes, my (indistinct) - - -

COMMISSIONER FITZGERALD: So, David, can you give your full name and if you represent an organisation.

MR THOMAS: Yes. My name is David Thomas, and like Jack I don't represent any organisation, but I have a strong connection with the veterans' community in Rockhampton. I'd like to thank the Commission for coming along here today and listening to the information that we can pass onto them. I'd also like to congratulate Jack on his detailed submission that he has presented.

COMMISSIONER FITZGERALD: Good.

MR THOMAS: It brings up a lot of issues.

COMMISSIONER FITZGERALD: So if you could give us 10 minutes of your key points and then we'll have a brief discussion.

MR THOMAS: Yes, well I've got – my first key point is what was the basis of the report initiated by the government and what was the terms of reference set. Now you've covered a lot of that in your address first up. You said – one of the major points that concerns me and it was raised by Jack that 50 year ago we come home from Vietnam and shortly after that the suicide rate within veterans was outrageous. We've come 50 years down the track and as Jack's figures show nothing has changed. So if nothing else if this Commission brings out is how to counteract that.

I'm not qualified to make a comment on how you stop people committing suicide because is it, as Jack indicated, a personal thing and I've been down that track many times but that is just something that it's an individual thing but if there were a system that could be put in place or people to be given the opportunity to talk to people that would be a step in the right direction. My second dot point, (indistinct) call it Defence personnel, veterans, regardless of the time and place served is not acceptable and not within the intent of that terminology. Now if you look at the terminology of a veteran regardless of if it's in the military on in the workplace, a veteran is somebody that spends a long time in a position.

I raised this with the Minister at our meeting in Yeppoon and he indicated that if you're in the military for one day you can be called a veteran. Now that's completely out of context with the word. I raised with him there when I went into recruit training in 1968 there was about 52 people in our platoon, and it was after a week there was four had been discharged, and they hadn't been discharged because of accidents in training, they were discharged because they never had the intellectual capacity to be able to handle the discipline and the army training and under that recommendation those people would be called veterans. They didn't have the capacity to be able to learn to train let alone serve overseas.

So they - in my estimate, those people would be called veterans and wrongly so. I consider that there should be a time, whether it be 10 or 20 years within the service that people then get the name of veteran. Sometimes it's not their fault if they don't serve overseas, that they put their hand up to serve overseas and they haven't done it but to give somebody the terminology of a veteran after one day is just outrageous, in my opinion.

The other – included responsibilities of work undertaken by DVA now to another agency would be backward step and veterans would suffer. The DVA core business is to look after veterans and that should be – that should - how it should remain. Now I say that – I worked in a government agency for a long period of time and in that time we've had numerous changes, restructures and everything that comes with that sort of thing. We've – we had engaged consultants. Other people outside the business to come up with these changes and it was always found that the best way to get improvement within an organisation is talk to people that do the work in the organisation.

I'm sure the Commission has spoken to people that work in DVA and have asked them what can be done to make the way they carry out their core business better and how can they better serve the veterans. Now you did indicate that in lots of other countries the veterans are looked after – the core business of veterans here under DVA are looked after by the military. Now that could be so but is it the same thing in that military as it is in Australia? For if – someone serving in the military goes to the military to get assistance, that could have adverse effects on their career within the military. So if that doesn't happen in those other areas well maybe fine, but as it stands now in the Department of Defence it could have adverse effects on their service.

The other thing that I have is comparing the work undertaken by the Defence Force with civilian occupations is beyond comprehension when considering workplace health and safety issues. I've worked in both areas and the difference is miles apart, because the Defence Force has a completely different working environment and needs demands to cater for these differences. Excuse me, I'll just have a drink of water. I'm not used to talking this much. People may argue with that.

The army - and I recognise we have with us today Lieutenant Colonel Byrnes, retired. That talks about the safety proportions in the army as it stands now and it's far different to what it was when I was in there in 1967/68, but to say that those - they are the same as the people in other occupations is totally different. I worked in a trade prior to the army and after I got out of the army in a fairly dangerous trade, carpentry, and even

in that you cannot compare what a soldier does to what a carpenter does for instance, and Jack highlighted that in his terminology of the carpentry. I think that - Defence is best served by their own standards rather than standards set by other people outside the Defence industry. That's what I have.

COMMISSIONER FITZGERALD: Thanks for your talking point that we have got. Can I just deal with a couple of issues, David. The definition of veteran is a government policy and one which we are not changing, but can I ask the question - I understand why you made the comments and many people have done that to us, and really that's a matter for government policy, but for us it comes - it hits the road in a different way. It's not about what you call people, it's about what you provide to people, what services. So are you opposed to the notion that a person that is injured in training in Rockhampton here for example should be compensated differently if they suffered the same injury when they arrived in Afghanistan, or is it that actually it's about the way in which we recognise the service as being different? We fully appreciate, absolutely appreciate that there is a difference from serving in war or non-war like environments and peacetime, but when you actually come to the injury young veterans are saying to us universally, across Australia on bases, "If I'm injured in training or I'm injured in war I should be compensated the same way." Older veterans are saying, "No, they're different", but is the difference only in the recognition, and we understand that, or is the difference is as you say we should actually pay them and compensate them differently?

MR THOMAS: No. No, they shouldn't be compensated differently. I think it's just in the recognition side of it, and I think that there needs to be some sort of a guideline or something set as at the time to get - if you're injured in training preparing for war treatment should be exactly the same as what it was if you're at war obviously.

COMMISSIONER FITZGERALD: Sure. So it's more about the recognition from you - - -

MR THOMAS: It's more about the recognition, yes.

COMMISSIONER FITZGERALD: Others have a slightly different view. Can I just take a couple - one other issue and then hand it over to Richard. This workers compensation issue, we absolutely appreciate it's different, but in 2011 the workers compensation - sorry, the workplace health & safety legislation that applies across Australia applies to the military in full force, with one exception, and that is in operational service. So since 2011 there has been a very substantial change in the

safety and injury profile within the military, and when we have spoken to people in Defence that's largely driven through that legislation, that regulation. So that already applies. So whilst it is different and there are elements that are different that sort of regulatory arrangement already sits in place, and some of our recommendations about how do we increase the incentives for the Defence Force to be even more safety conscious.

We recognise that there are injuries and injuries will occur in the Defence Force. There's no doubt about that, we understand that, and it's different from everywhere else, that's true, but do you think that there are learnings from workplace health & safety - there are learnings from workers compensation schemes - that could be built into the system without actually reducing the force capability, and that's really on behalf of military life, it's about force capability. Do you think it's - they're different, but they're not completely different in that sense.

MR THOMAS: I think you're trying to compare apples with oranges. I think that the core business of the military is very difficult to compare with outside - for instance if a battalion or engineer squadron was preparing for active service overseas and training and an injury occurred at that training the same process should be taken there at the training as it is when they're actually in combat. I think if you're going to train people for active service they need to be fully aware of what happens in that active service. You can't say in the exercise we're going to stop the exercise now because Jack Parr's been injured. When they come to active service if Jack Parr's injured they're not going to stop, and I think that's some of the issues that have to be addressed. I fully agree that if somebody's working in a base if you've got - well, I don't know if they have cooks in the army any more, but if you have the cooks in the army and workplace health & safety is not unlike what it is cooking in a restaurant for instance, but I think when you get into more combat areas there certainly is.

COMMISSIONER FITZGERALD: Sure, and there are some exemptions for operational service even to that regulation, but that's fine.

COMMISSIONER SPENCER: David, just a couple of questions. You mentioned in your dot points about our terms of reference, and Jack also mentioned that as well. Just to explain on that it did come out of *The Constant Battle* and the emphasis being on suicide and prevention of suicide, but the terms of reference I think as everybody understands goes far wider than that. In fact this is probably the most comprehensive review of the whole system that's happened for a long period of time.

As you know there have been multiple reviews looking at one aspect of the veteran support system, but this is a comprehensive review. But on that question of suicide prevention I just wanted to mention a couple of other items that people might like to be aware of. In addition to the work that we are doing on mental health, and we will have once again a lot more to say about that in the final report, the Productivity Commission is doing a whole of nation mental health review which will go over the next 12 to 18 months. So I think what's happening in a military context is also being reflected generally in the nation, a much greater awareness of the impact of mental health in the community, but we're very cognisant of the unique aspects of military service and how that plays up.

So Open Arms for example, we have heard a lot of good stories about how Open Arms is assisting, but also people saying what more can be focused on the needs of veterans and their families. I just wanted to - the issue, perhaps clarification around the Veteran Services Commission. This has been seen as us putting forward the DVA will no longer exist and there will be this body called Veteran Services Commission. We're looking at that issue again in terms of DVA's role, because our draft suggestion that policy go to Defence is not really supported by very few people. Most people don't see that at all for some of the reasons we have been discussing. But the idea behind the Veteran Services Commission, we see in other systems across Australia, it is a dedicated and unique system for the needs of veterans. That's why it's called a Veteran Services Commission, and to Robert's point we're looking to try - and I know DVA as well and people at the DVA looking at this - how do we find the best examples and the best practices from both here and around the world that can operate in the best interests of veterans.

Now here is something that's really stunned us. There was virtually no information that DVA could give us about the outcomes of their programs for the health and wellbeing of veterans. In any top performing civilian system that would be there immediately. You would know what's causing injuries, how to try and prevent them, how to rehabilitate quickly and how to actually provide the right kinds of services, and some very new ideas like consumer directed care giving voice to the veteran about what will meet their needs.

So in the Veteran Services Commission we say that as a vehicle to really try and bring a lot of that learning, discipline and outcomes focused to the work in the future, which has been missing. Now, we know the transformation program is under way in DVA, Veteran Centric Reform. That will achieve a lot of improvements and it should, it's a major investment. Early signs are very good, but even with that at this stage our feeling is we need to go further to have a fit-for-purpose system. As

Robert said it's going to be there for 20 or 30 years from now. So, David, just a quick final question. We talked with Jack about the ESO's role, and I would like to put the same question to you that Robert did. How do you see the role of ESO's in the future? We haven't said much about that in the draft and we want to say more about that in the final report.

MR THOMAS: I think one of the issues - well, not an issue, but one of the things that I think we should use as the guide you need to keep veterans together, to go to one place. Now, I can highlight that. I went - I did three months at the Toowoomba Mental Hospital and there was nine other people there with me, and they were all veterans. Now, we would never achieve the outcomes that we did if we were to have other people there, you know, with us that talked about things. We were happy to open up amongst our mates as opposed we wouldn't have been - we didn't know each other until we went to the hospital, but after two or three days we all understood what we were there for and we all understood how we all felt and we were very open with the doctors, with the health providers of what was the problems. I don't think you could achieve that if you had a mixture of other people.

If a veteran had a one point place of contact that would be good, because the one - in my situation the one point base of contact that I had was my GP, and I only had that because my wife went to them and complained about it, and he sent me off to other doctors. So I think that - yes, if somebody is there to be able - the family could go and talk with on different situations, because Jack's exactly right in what he said, everybody knows there's something wrong with you except yourself, and you won't accept that, but when you get professional advice from one person that's core business is to look after veterans it's different.

COMMISSIONER FITZGERALD: So one of the things we're trying to do in the final report is really look at the mental health system. So as Jack indicated earlier and you've supported, the white card is an important way of funding that. That's funding it, but actually what we're looking at in the final is the services that need to be provided. So various models like that and others are of particular interest to us. So right at the moment there does seem to be a gap in the type of mental health facilities or services available, for very soft entry - you know, soft community support, right through to much more acute needs. So we're just trying to understand that for the final report a little bit better, and it's a tricky area because we have got a mental health system that serves the whole community. The white card helps fund a veteran into that system, but we just don't think it quite works for veterans in the way that it probably should into the future. So it's a big issue.

MR THOMAS: When I got discharged, and I think it would probably be the same for veterans today, all our physical needs were checked - you know, you've got a bad back or you're deaf or whatever, but there was nothing with our mental checks, and I think if there's something there on discharge that the people get some counselling, and this is going to happen, or this could happen to you, are you aware of that, and this is your point of contact if that happens. The counselling - we see now that if police or firies go to an accident everybody comes back and get counselled. With discharged people out of the forces, and there's no — as far as I'm aware — there's no counselling provided. We're recognised at your death and we recognise all these other things, but that's minuscule compared to your mental health.

COMMISSIONER FITZGERALD: And we're trying to look at that. Can I just ask a question. The transitional arrangements are very important. There has been numerous inquiries into transition. Universally they have been critical of the transitioning so far undertaken, and a lot of our report is about transitioning, and most people are supportive of at least what it's attempting to do. Up here in Rockhampton do you have any involvement at all through the RSL or others with people transitioning out of the services here?

MR THOMAS: Yes. Not an official capacity, however if I can give you an example. I was at my psyche's about three or four months ago and this guy was from Afghanistan, come in with his wife who had been crying and a small child, and I went over to him and I said, "You're doing it tough. Has the doctor recommended that you do a PTSD course", and he said, "Yes", and his wife said, "No, he won't do it", and I said, "Mate, you do yourself a favour and do it." On Anzac Day for instance RSLs — where obviously young guys there — make it a point and go and talk with them, you know, and tell them that, you know, "Don't be afraid. If you're not feeling the best seek some help."

COMMISSIONER FITZGERALD: Good advice. Any final comments, David?

MR THOMAS: No. I just think the points that I've raised there I think most people feel fairly strongly about it, and I agree with Jack, the service I've had from DVA has been excellent. I've never had any problems. They look after us quite well. I know there are some horror stories out there, but there always will be.

COMMISSIONER FITZGERALD: All right, thank you very much.

MR THOMAS: Thank you.

COMMISSIONER FITZGERALD: Thanks very much, much appreciated. Now if I'm correct Mr Brad Bauer, is that right?

MR BAUER: This is my presentation.

COMMISSIONER FITZGERALD: Good. Thank you very much for this. So you've got - - -

MR BAUER: The first few pages is actually what I'm going to be presenting today.

COMMISSIONER FITZGERALD: That's fine.

MR BAUER: And the rest is - - -

COMMISSIONER FITZGERALD: No, that's terrific. Thank you.

MR BAUER: My name is Brad Bauer. Most of you guys know me. I'm a Vietnam veteran. I am not representing any group at this stage. However, I do belong to the TPI Association and also the RSL. I'm also a welfare officer and I also have been an area representative for the VVCS when it was operating at the time quite a few years ago.

I do apologise for a brief report, because I only just heard about it recently. For whatever reason I didn't get the message that this was actually happening, so I've had very little time to prepare. So please I do apologise for that, but I'm sure many other people will raise more issues than I can today.

Anyway I'll start with this; there's a document from the Federation of Australia, the Rehabilitation Appliance Service Review, and it was done in July 2018, and from that I recommend that the VEA home and garden maintenance to be reintroduced. It would appear from the document, the review, that the entitlement was removed sometime after 2012. Many of those issues are addressed in the fact sheet HCS01. In this document, the fact sheet, under the heading "Safety related home and garden maintenance where pruning grass, grass cutting or weeding can be done only where a hazard exists."

I suggest that it is a personal hazard for an aged veteran, particularly one with disabilities, to attempt to address some of these activities, particularly mine. It is government policy to try to keep aging population, veterans in this case, in their own home for as long as they are able with assistance.

This is one area that can assist in doing just that. As a welfare officer I come across this quite a lot of the time.

Going on, I refer to the key points in the Productivity Commission draft report 2018 and the following section, and I quote:

> *"This will require new governance and funding arrangements. A single ministry for Defence personnel and veterans should be established. A new independent statutory agency, the Veteran's Services Commission, should be created to administer and oversee the performance of the veterans' support system. DVA's policy responsibility should be transferred to the Department of Defence with a new veterans' policy group."*

I suggest that the Department of Veterans' Affairs be retained as the only agency dealing with veterans. It will need to be revamped to deal with the current issues facing veterans. However, that agency should be totally independent and not tied to the Department of Defence in any way. The reason for this is that the Department of Defence was their employer at the time when we incurred our injuries and subsequent problems arising from that employment. For that reason there should be no suggestion of the influence in any decision on the supply of the support, needs and entitlements of veterans. Consequently the Department of Veterans' Affairs will need the funding to implement those decisions.

The current system should be, and this is the next section, the current system should be simplified by continuing to make the system easier for clients to access. A complex system does not need to be complex for users. Rationalising benefits, harmonising across the acts, including a single pathway for reviews of decisions, a single test for the liability and common assessment processes, and moving to two, compensation and rehabilitation spends by July 2025.

Scheme 1 should largely cover an older cohort of veterans with operational service and injuries that occurred before 2004 based on a modified Veterans' Entitlement Act 1986, VEA. Scheme 2 should cover all other veterans based on a modified Military Rehabilitation and Compensation Act 2004, MRCA, and over time will become the dominant scheme. I agree that the system should be simplified. In my opinion, there should never have been additional and separate acts, MRCA and SRCA. All that needed to happen was to modify or add to the Veterans' Entitlement Act. There should never have been separate legislation for different conflicts because the injuries from war service are the same whatever the deployment. They are either physical or mental or combinations of both. Therefore treatment support entitlements should be

the same. The only difference today is that we have improved technology in every sphere of life. Consequently, there is no need for complex systems, just improved processes.

COMMISSIONER FITZGERALD: All right. Thank you very much, and thanks for your written submission and also your material behind that. Can I just deal with a couple of issues, just your very first one, the VEA home garden and maintenance system.

MR BAUER: Yes.

COMMISSIONER FITZGERALD: So thank you for that particular issue. We're trying to get uniformity across all there acts, DRCA, MRCA and VEA in the short term in relation to home services. As you may or may not be aware, they're different under different acts.

MR BAUER: Yes, some are the same and some aren't, yes.

COMMISSIONER FITZGERALD: Yes, and we can see no rationale for that at all. We think that these should apply well across all acts, but your point is a particular one that in relation to the current arrangements there's been a removal, as you've indicated, on particular home and garden maintenance, or a narrowing of who can be eligible for that.

MR BAUER: Yes.

COMMISSIONER FITZGERALD: So thank you for that. How has that played out for? Has that been directly affecting you or is it - - -

MR BAUER: Absolutely, at times, like probably most the guys here we have problems, physical and mental, so consequently you are unable to do it, so then you have to hire in people to do so, and it's also, it affects you because you feel that you cannot maintain your own residence. It is a mental thing as well. It's better for me personally, and maybe others, to be able to deal with your own situation, look after yourself, be as independent as possible, but it is no longer possible. As we age, as our problems get worse, and as our physical situation declines.

COMMISSIONER FITZGERALD: Right. In relation to the other aspects of the home services arrangements, do you access those as well?

MR BAUER: Yes, some of them.

COMMISSIONER FITZGERALD: Are you eligible for that?

MR BAUER: Yes.

COMMISSIONER FITZGERALD: And how does that work from your point of view?

MR BAUER: Very well.

COMMISSIONER FITZGERALD: And you're able to access the services by just contacting DVA?

MR BAUER: DVA and also we have an occupational services here today, Jo Couper, and I contact her, so the two combinations are working well for me.

COMMISSIONER FITZGERALD: That's good. Can I just deal with a couple of other very brief issues and then hand to Richard. You have raised the issue right at the end of your presentation about people being treated the same, irrespective of where the injuries occur. Is that correct?

MR BAUER: Yes.

COMMISSIONER FITZGERALD: And that's a view that's been particularly put by younger veterans, but it's not a view that's been put by some older veterans. Can I just understand why you think they should be treated the same and not differently as it has been in the past?

MR BAUER: Well, it's quite simple. You go to war, a few things happened to you, and you're either mentally affected by the trauma, you either get shot or hurt physically, and the combination, or you might step on an IED or whatever, so you've got physical injuries, mental injuries. It happens in every war, so why should anybody be treated differently whenever - whatever conflict you're in. So it's pretty simple to me.

COMMISSIONER FITZGERALD: And does your view extend to people being injured in non-warlike environments, or sorry, in peace time or, you know, yes, I'll just use the term peace time operations and war type operations.

MR BAUER: There's a difference there.

COMMISSIONER FITZGERALD: Yes.

MR BAUER: There is a difference in my opinion. If you're training in Australia to be a carpenter and you get injured, and if you're training to be in the military, you are training to kill. That's what you're trained to do.

It's an entirely different type of training. The recognition should be different. This is a - a civilian is, you do a job as a carpenter. A carpenter in the military is first the basic training is how to kill. Consequently, it has to be recognised as different.

COMMISSIONER FITZGERALD: Different from carpenters, but in relation to injury, if an injury happens on an Australian base or an injury happens on a base in Afghanistan or it happened in a peace-keeping mission in East Timor and whatever it might be, your view is that they should be treated differently or the same? I just want to be clear on your - the last paragraph.

MR BAUER: Well, it depends on the injury. It depends on the injury and what it is. The treatment of each injury has to be case by case.

COMMISSIONER FITZGERALD: Yes.

MR BAUER: Consequently, if you get a leg blown off or you got it cut off in an accident in Australia, I think it's probably a similar thing, except just remember, though, these people have put their lives on the line every day of the week when they're in a war zone.

COMMISSIONER FITZGERALD: Sure.

MR BAUER: And so that recognition has to be there, and compensation should be appropriate.

COMMISSIONER FITZGERALD: Brad, just to go back to this issue of the range of benefits you receive.

MR BAUER: Yes.

COMMISSIONER FITZGERALD: One of the things we've looked at is, what has been happening in other systems to support people with a disability, for example, or with particular needs, and there's been this notion of trying to get more choice to the individual about what they think is in their best interests, and that's at the heart of the National Disability Insurance Scheme because the words that get used are choice and control. So for that particular scheme, you have to have a permanent and significant disability, and then you are entitled to reasonable and necessary supports, but within the package, you get a lot of choice as to what kind of service would best meet your needs. So I'm just wondering about that because when I read about the home and garden maintenance program, it sounded very specific.

MR BAUER: Yes.

COMMISSIONER FITZGERALD: And you're saying as a veteran, "Well, you know, that's what would meet my needs. That's what I would like", so.

MR BAUER: That was one of the things, yes.

COMMISSIONER FITZGERALD: So do you think there is an opportunity here to try and enable the veteran to have some more flexibility or choice about, within a package that's approved by DVA or by ...

MR BAUER: I think that has some merit, yes.

COMMISSIONER FITZGERALD: And also it's been, community aged care, that happens as well.

MR BAUER: I know it well.

COMMISSIONER FITZGERALD: Yes, you get the package and then you can choose, you have much more control over - - -

MR BAUER: Yes, I know that package well.

COMMISSIONER FITZGERALD: Yes.

MR BAUER: Because I've dealt with aged veterans and also in my own family.

COMMISSIONER FITZGERALD: And does that - do you see that working well or what's your - - -

MR BAUER: I see it - look, the idea is well.

COMMISSIONER FITZGERALD: Yes.

MR BAUER: The implementation is something less to be desired. I'll tell you why. Because there's a bunch of providers out there are jumping on the band wagon and they're ripping this system off big time. And consequently 30 or 40 per cent has gone in administration costs straight away. It's a cost – the idea is terrific, but in the actual implementation is people are – it's a gravy train for them. And they're abusing the actual people they're providing for because they're using a lot of the money that should be actually used in providing the services.

COMMISSIONER SPENCER: So what do you think the answer is to that? More oversight? More regulation of those - - -

MR BAUER: Well, it has to be something, more oversight or regulation, because these charges are absolutely beyond - and in fact there should be an inquiry done on it.

COMMISSIONER SPENCER: So just coming back to the two scheme approach. I think you indicated back in 2004 when the MRCA was adopted, your preference would have been for the VEA to continue?

MR BAUER: Well, I can't see the problem. VEA was working quite well and there's a different conflict, as I understand it. And a different time and place. There's still a war. Why is something that's working no longer working? You have to add a different legislation. What ended up being with MRCA and SRCA was that it became complex and you (indistinct) recognised in your whole system. You didn't need to make it complex. It was simple. All you had to do was continue to do it. There's no need for complexity in these issues in my opinion. The law service, the injuries are such, you then deal with it, everybody the same.

COMMISSIONER SPENCER: So it's – I mean, to go back 15 years later and unravel that particular complex situation is, I don't think is going to be possible, so given we've ended up with these three pieces of legislation to try and at least both harmonise in the way that Robert said but also to what we say is to roll DRCA into MRCA to this two scheme approach, what are your views on that? It may be a second best solution from your point of view, but do you think it's a reasonable direction to go in?

MR BAUER: I would disagree that you can't unravel it. You're open to modification, and it's up to you guys to decide what those level and that modification will be and consequently, I think you should take out all of the complexity, all the rules that you – and these, it drives the advocates crazy as you know, take it all away, make it simple. And take 90 per cent of your legislation away and make very simple processes and I do believe you can unravel it. It can be changed.

COMMISSIONER SPENCER: Okay. And just one last question and the question we've explored earlier about the future roles of ESOs. Have you got any thoughts beyond what we've discussed already?

MR BAUER: Yes. Yes, I do. I'll give you – I'm glad you asked that question, because I do have a – and because I am a welfare officer and

(indistinct) represented the VVCS in the past. The difference between ESOs and any other organisation is the ESOs are manned by veterans; consequently there is a relationship between veterans that you won't get anywhere else with any other group. So we, as veterans, know what other veterans are going through. We can – we know how they're feeling, what's happening and what their needs are. That is certainly not, in my case, and I've had some horror stories with the Department of Veteran Affairs, some absolute idiots in there trying to tell me about my issues, when they know nothing about what's going on and abusing me at the same time. So the difference is somebody that has been there, done it, experienced it, consequently they're the people that need to assist other agencies, (indistinct) the Department of Veteran Affairs and Open Arms and any other organisation like that to deal with these issues.

COMMISSIONER FITZGERALD: Just going off from Richard, it's not possible – in 2004 the government of the day decided that there needed to be a new direction in relation to military compensation. And that's where, as you know, MRCA came from. But it wasn't just about the conflicts. It was actually a very different approach. One was a relatively passive system where you received life-long pensions. MRCA was designed to be a fairly proactive system, trying to encourage rehabilitation, people back doing work, if that was possible. So they're very different in their approach. Now, this is 2004, so clearly at that time, the governments of the day and the parliament of the day universally said that we needed a new approach, so I just wanted to test that with you. We understand VEA has elements we're told the veterans like. We've recommended VEA stay (indistinct) veterans. So we haven't said it should go as you well know, but MRCA was fundamentally different in character.

So can I just understand it, was it just that you thought this was unnecessarily complex, or did you actually fundamentally disagree with the new direction. Which is a much more proactive one. It's also about some lump sum payments. It's about giving more power to the veteran to make choices about their future, if they get a lump sum payment, that for example, so they're fundamentally different in character. So it's not - I understand it added complexity, that's absolutely true. But do you think that the approach that was adopted was a problem approach, or do you think that just could have been merged into the VEA?

MR BAUER: Well, I believe it should have been merged into the VEA, but the other part of what you're saying is there's nothing wrong with rehabilitation. If a veteran can be rehabilitated to whatever degree he can be. And I don't see why that's not incorporated in the VEA. I mean, what's wrong with that? What's wrong with rehabilitation except that one

of the problems with a career for a person in the military these days is if they identify that they've got a problem, it does affect their career and the rehabilitation part of it can be detrimental to them. However, there's nothing wrong with rehabilitation. Absolutely nothing wrong with it and it should be in every piece of legislation.

COMMISSIONER FITZGERALD: Okay. And the issue about lump sum payments, you may have no view (indistinct) about that. Under VEA, you can't have that, it's a life time pension. Under DRCA, you can and under MRCA – sorry, under MRCA you can have either a periodic payment or a lump sum and under DRCA it's only a lump sum payment. We're looking at all of that, sort of arrangements. But did you have any views about that or that wasn't of concern to you?

MR BAUER: It certainly wasn't – I haven't really looked at it, particularly, but from my opinion and being under the VEA system, I find the pension system very, very good.

COMMISSIONER FITZGERALD: Yes, we understand why people like that. All right. Any other final comment?

MR BAUER: No, not at this stage, I don't – unless you've got any other further questions.

COMMISSIONER FITZGERALD: No. That's terrific, Brad. Thank you very much.

MR BAUER: Okay.

COMMISSIONER FITZGERALD: Good thanks for that. Thanks for the material. And if you have any other thoughts the company (indistinct words).

MR BAUER: I will, I will.

COMMISSIONER FITZGERALD: Just quickly (indistinct words). We'll just have one more participant before morning tea. And I think that's Alan Sisley? Alan, if you can give us your full name and whether you're representing any organisation or just representing yourself?

MR SISLEY: My name's Alan Sisley. I'm not representing any other organisation except myself.

COMMISSIONER FITZGERALD: Good. So Alan, the same thing. If you can give us 10 minutes of your key points. You've given us a written

submission as I understand it, and I've just read that. So thank you very much for that, but if you can, as I said, like the others, 10 minutes to give us your key points.

MR SISLEY: Well, my background is like Jack. I'm a National Serviceman. I went to Vietnam, I was in the same battalion as Jack at the same time in Vietnam. When I read the Productivity Commission, well, I'll start off by saying, I fully endorse the TPI. I read the TPIs submission. I fully endorse what they've got in that. I'll go now to my points and as I – as they were saying, I'm going to reiterate what we've all heard so many blooming times unfortunately. I mean, who is a veteran? Most dictionaries describe a veteran as a person who has seen active service in the case of military or a person who has been in an occupation for a considerable time. I mean, we can take – extend that to, if you want to talk about vehicles, what a veteran vehicle is, what a classic vehicle is, but they all are undermined by that considerable amount of time. Referring to a military person with one or more days' service as a veteran, flaunts this definition and as such, if the term is to be used, should have a more realistic qualifying period.

A case in point, the old days you could go and get a driver's licence after one day, now you've got to do a minimum of 100 blooming hours. I mean, that doesn't – I mean, all I'm getting at here is they've extended a period before reason. And they've given a definition of how many hours you've got to do to get a licence.

This should also – a realistic definition is what I'm getting at. It applies to the licence – why shouldn't we apply it to what a veteran is? The commission's report in using this definition lowers the standard use since World War I and previous wars that distinguish those who served our country in peace time and those who have served our country during the conflict, giving rise to the question of whether this has been done to justify the amalgamation of all acts into one or to define the risk factor of the unique occupation as being the same in both circumstances and as such should be brought to the standard of civil health and compensation schemes. Either way, I don't agree with it.

Next point was "Abolition of DVA". The DVA needs some very seriously reforms is not disputed by those who have been associated in any way with it. It is a system that has been decaying since the government requirement for employment of people or, as I put it, migrants and inexperienced people with no military awareness within the public service system. That come in around 2005; the employment of the people who do not have any understanding of our culture nor our way of life, gave rise to the adoption of a matrix system of assessment which in no

way follows the reasonable hypothesis standard applicable to war-like operations as it would be impossible to cover the varying situations that pertain to any individual case with that type of system.

I mean my own personal dealings with DVA and, like, I wouldn't give you two bob for the people who work in DVA. I mean originally they told me I wasn't even in Vietnam; that I went for a 30-day visit. I've been through six VRBs and one AAT. The AAT didn't even bother telling me their results – the only way I found out was when DVA sent me a letter of demand to pay back money. That's the first time I heard about anything.

Through the whole process, the balance of probability principle in which I had to prove everything that I have, everything I had to ask for I had to get – if I didn't have a written paper there as to approve it, I was knocked back and denied. So, as I said, my opinion – I mean I consider DVA to be a good organisation, but unfortunately these matrix systems they seem to use on how they assess people, you cannot cover the complexities of veterans under a matrix system because there's too many variables.

Matters of repatriation, compensation and rehabilitation. The Commission accepted military service as being a unique occupation and identifies that almost every aspect of uniformed life comes with a risk. This in itself precludes the introduction of a health scheme similar to civilian counterparts, as this would detract from the ADF mission and aims.

You said yourselves before, we have views of the OH&S. I was still in the services when they brought it in; was the old weather station. If it got above say 36 degrees you weren't allowed to train. I mean if I'm sitting in a war and it's above 36 degrees, unfortunately enemy don't turn around and say, "Well, it's too hot, we're sitting down."

To adopt OH&S policies with the ADF would require the change of all requirements the Commission published as its reasons it considers it unique in the first place. I mean we can't just suspend the unit so we can go and investigate an OH&S incident like we do in civilian life. It wouldn't work in the military because that means you'd be in the middle of an exercise; it costs a fortune and if you're going to stop it to do an OH&S, it would be ridiculous.

If we consider each reason the Commission gave and apply OH&S to them, we would not be training our soldiers for the reality of an armed conflict and the deprivation of health and fitness associated with the conditions found on a battle field and how do we distinguish between the

repatriation compensation or rehabilitation matters associated with their return if we fail to train to meet their demands in the first place.

It would be a legal nightmare for – I should say, it would be a legal windfall for lawyers who practise in this type of legal matters and a nightmare for Defence to fight. I mean if you're not going to train the soldier in war conditions, you then send him to war and he gets a trauma out of it, you're leaving yourself open to legal action. Same as you are in OH&S; if they prove you've done something against OH&S the lawyers would jump on you.

We then must consider how we establish this health scheme and the commission propose to cover such matters. Is Defence to fund and/or run the scheme? If so, like any other insurance business, while in a peace-time situation it may not present too hard a proposition, as this use of OH&S principles would limit the number of claims and the only real problem would be if Defence was found to be at fault and sued by the respondent.

However, in a conflict period, depending on the method of payout that is instituted, it could prove to be a very financially damaging as, again, people will be put into situations that they are not necessarily trained for and, again, lawyers would have a field day.

The Commission, as proposed, the rehabilitation system as it (indistinct) to be a focus on well-being and rebuilding lives and its desire to get the serviceman back to a position where "as with all other government" – this is their quote – "as with all other" - - -

COMMISSIONER FITZGERALD: We're just going to run out of time. So, look, don't bother quoting us.

MR SISLEY: Okay, then.

COMMISSIONER FITZGERALD: If you want to come to your concluding points and, then, we'll have a conversation.

MR SISLEY: Well, you made the statement before, there, (indistinct) that what I was trying to get at, I had two sons still in the army. Now, the army brought in one of their – what do you call them – laws saying that if you go to a conflict situation, when you come back to Australia you had to be at the psych to get an analysis done.

Neither of my two sons who have been to Afghanistan, Middle East, neither of them and one who is still in the army – neither have ever had a

psych test. The other one got out of the army because, like me, PTSD hit him and he was going to – he had to get out because he couldn't stay there.

The system you have at the moment in DVA, as I say, is a reasonably good system. The people who are in it, and as I said to the Minister the other day when he brought up the point, when we came back from Vietnam, World War II soldiers didn't consider us worthy to be in the RSL. He also made the point that the World War II people who were in DVA didn't look kindly at any of our problems.

Unless you change that attitude in DVA, doesn't matter whether you call it DVA or whatever the new word is, unless you change that you are not going to succeed in anything you bring. You've got to change the attitude of the people in there.

You were talking, again, you brought up a couple of subjects with people here about how do we perceive things. When we went to the Minister the other day, I looked around the room. There was not post-1973 conflict bloke in the room.

COMMISSIONER FITZGERALD: Sure.

MR SISLEY: Because, like us, when we went into the RSLs, we were treated like poop – like shit. They feel the same, now, because they're talking to angry people. We're not angry, we're angry with what happened to us; we're angry with the fact that we never got, like the army even says to my son, "We will look after you by giving you a psych evaluation." They don't even bother doing it.

COMMISSIONER FITZGERALD: Okay, thank you.

MR SISLEY: That is, to me, what the problem is. Nothing wrong with DVA, it's the philosophy that's inside that organisation that is the problem.

COMMISSIONER FITZGERALD: So, look, thanks, again. Thanks for your written submission and there's a couple of points I'll raise. Can I just go back to this issue; just to clarify, again, the term "veteran" is the Commonwealth Government's term, not us.

MR SISLEY: I realise that, sir, yes.

COMMISSIONER FITZGERALD: So I just want to make that clear and we don't have a particular view about it. We have a particular view about how you treat veterans and that's our particular attention.

In the relation to the statement of principles, you've had all of your claims dealt with on the balance of probabilities. Is that what you were saying to us?

MR SISLEY: Well, there was – as I said, I had to prove that I was in Vietnam because they said I went for a 60-day visit.

COMMISSIONER FITZGERALD: Sure.

MR SISLEY: No national service soldier/private ever got a 60-day visit to Vietnam.

COMMISSIONER FITZGERALD: Sure, yes.

MR SISLEY: I mean when you get that from an organisation, I mean I have a letter from the assessor telling me that I've got PTSD, which I got in Vietnam. The probability that Vietnam was the cause of it is about all he said, but this one comes to me and says, "No, you didn't get it in Vietnam. You've got it, but you didn't get it in Vietnam.

MR FITZGERALD: Were you eventually – I don't want to go into the personal details unless you wish to, but were you eventually – was it eventually deemed that you were, in fact, - - - ?---

MR SISLEY: I eventually got my PTSD, they gave me - - -

MR FITZGERALD: As a service related injury?

MR SISLEY: Yeah, they gave me 90 per cent pension. They then turned around and I had a phone call from Brisbane who – one lady there said that they're fighting – that their two doctors that I didn't – have never seen, reckon I shouldn't get 80, they wanted to drop it back – well, it was 90, sorry – "they want to drop you back to 80". I then had a phone call from Adelaide telling me they want to drop it back to 70, another two doctors' assessment. I then had a phone call from Melbourne telling me they'd knocked me to what I originally had, 50 per cent. I went to the AAT and as I said, the only way I found out that I'd lost the case was when DVA sent me a letter of demand.

MR FITZGERALD: You've been through, I think you said in your statement, that you've been through six or more appeals with VRB and

one with the AAT. What are the learnings out of that for us? So we've made some recommendations about the VRB. We have said it should stay, but we think it should do a slightly different job, with the AAT in place. What do you think is the critical learning from your experience for us?

MR SISLEY: Well, the processes are there. I mean, when I went to my advocates they sat down, explained to me the process of the DVA and I thought "Yeah, that's a fair and meaningful process". The problem I found was from then on. When I went to the VRB they would come up with what they considered their opinion. You would then discuss that and put your points to that. You'd then go back and I'd go – you'd leave and then you come home. Well, the next time I got there was not anything about what we discussed at the VRB, it was their next set of things they found wrong.

Now, I don't know why, I mean, we prove what they say is wrong. The assessment I got back would be still saying no, because of these reasons. I mean, I don't know how you fix that system. To me, my only way is, as I suggested to the minister the other day, employ all these poor blokes that have got legs blown off, indeed who are aware of the situations, who understand what military service is. I mean, you discussed there before, a bloke breaks his leg and as I put in my submissions, if I break my leg out here, at Shoalwater Bay and I get it blown off in Afghanistan say, there is a difference about the compensation. Are you going to play the bloke from Vietnam or from Afghanistan a civil compensation and disregard the traumas that he went through because as you said, sir, it is not only a broken leg.

However, a broken leg in peace time is bloody different in getting it blown off or wounded in a battle. As Jack said, you're in a different situation. Whose payment method are you going to use, the health scheme like they do now, if I break it as a carpenter or whatever it is, the health scheme lays out how much money you pay for that leg. They don't take into consideration any trauma you might have got out of it. I mean, if you going to turn around and say that the leg is a leg, tell me how much you're paying first and you're going to forget the trauma over here.

MR FITZGERALD: I should just make the comment that under our proposals and under the current scheme, a person that is injured within the military irrespective of where the injury occurs, currently is paid higher than a normal workers' compensation and we agree with that. So we are not – we are not trying to drive down the payments and benefits to equate with ordinary workers' compensation. That is not our proposal. It never has been, never would be. We recognise that the scheme has a differential

which should be different.

The question is then, as you say, how do you apply it? But we are not recommending that may be paid the same rates as the ordinary person, at all. We are saying very clearly, there are elements of those workers' compensation schemes which actually are very good, and those elements should come in. But that's not about the benefit or the rates, and so thank you for raising that. I will just ask Richard.

COMMISSIONER SPENCER: Alan, I just want to explore with you a bit further, you know, your concerns and it has come up several times about occupational, health and safety, workplace health and safety and how does that impact on the primary role that the ADF has, and that is to prepare for war.

When we look at other schemes, I mean of the features of other schemes is to actually try and prevent unnecessary injury. Now, I visited New Zealand to look at their scheme and as Robert said earlier, their scheme has – their Veteran Affairs within Defence, so Defence does carry responsibility around the welfare of its serving members. So if you like, that's around the duty of care.

But also one way of looking at it is there's the duty to prepare and that's a big challenge for any military. What's the right balance between duty to prepare for warfare and duty of care in how you go about the New Zealand example was that their chief-medical officer said "When we have too many injuries and unnecessary injuries in training, I'm concerned about that". So that sounds very clear. But then he went on to say, "And when we have too few injuries, I'm really concerned about that as well". And that's this notion of to prepare, as several speakers this morning have said, there will be injuries. There's no doubt about it. But where do you strike the balance?

So it is really to come to back to this issue of the responsibility of Defence around that issue. But we've been surprised by a number of people who have spoken to us about having had injuries or having, as you recounted to us earlier, things that should have happened in Defence haven't happened. Who is responsible for that and who should be? Now, we tried to put in our draft, well, we put in our draft we think Defence carries some of that responsibility and people have said to us, "No, no, no, you can't do that". Two reasons that are usually given; one is because it comprises the duty to prepare. Well, other systems seem to be able to grapple with that.

The other one is, "We can't trust Defence, we don't trust Defence. I mean, we've had some veterans say to us "They broke us. I don't trust them to

have responsibility for this. It has to be with DVA. So I come back to this question now, Alan. It is a very difficult challenge that everybody has and the ADF certainly has it. But when you recount your own experience and that of your son, we grapple with this idea why Defence should not have more responsibility for the wellbeing of its serving members. Can you comment further on that for us,

MR SISLEY: I agree with you, it is the Defence responsibility. I mean, as the TPI Association said, take the old F-111. That was their responsibility, but accepting of it. If you leave it in their hands, I mean, somebody's got to get blame for that. Nobody wants the blame. Nobody wants to bloody put the finger at anybody. I agree with Jack's idea. If you have an organisation outside of Defence that you can go to, which we all assumed what DVA was, you're not talking to your bosses. You're talking to somebody who can give you advice on how you go about what you're trying to get. To say there is no stigma, if I went to my boss and said, "You're to blame because you didn't carry out enough – I was the safety officer at Shoalwater Bay. You didn't do enough safety". I mean, they had a – just off the thing – 155 artillery fired one night outside of the (indistinct) closure. Over the top of your shoulder of the base, jumbo jets flying 500 people in it. If that round had hit one of those planes there would have been a hell of a bloody thingo. The finger of blame then has to go somewhere. Defence doesn't like to be blamed for themselves.

So you've got to have an organisation that is outside the system that you can go to, put your complaint in. They then make a decision whether or not they're at fault and if they are, then that person who was at fault should be dealt with, but if you do it yourself and go to your boss and he knows that it's going to ruin his career, you're the one who's in more trouble than he is, because that's the nature of people.

COMMISSIONER SPENCER: So one of the ways we're trying to explore to close the loop on this, and really good systems, there's a lot of information captured about the consequences of injuries and why they happened, which helps inform how better to prevent them in the first place.

We know DVA is thinking about that already but certainly some of our recommendations go to really trying to capture that information and feed it back to Defence because nobody sets out to unnecessarily hurt anybody and we absolutely understand that, but it's often knowing what the consequences are of certain ways about going things that can be helpful to train appropriately and strike that right balance. And I just want to come back to something else because you have mentioned this and I think others have sort of said this and we've certainly had it in other hearings, and that

is the - this is about cost savings and concern about that, and I just want to say that the - if our draft recommendations go ahead in their current form, this will cost the government more, so it is not about cost savings.

The DRCA and MRCA, there are cost implications for that. There are a range of issues that have been looked at at the moment in terms of the financial consequences and we will have more to say about that in the final report. But we think the system for the future will need investment and investment will require the government to put more funds into the system as a whole, so I just wanted to give you that reassurance.

MR SISLEY: I used to be the union - I was - I used to work out at the airport out here. When they had closed things down we had brought in financial advisors. Now, the blokes who worked for civil aviation they were changing from the Commonwealth superannuation scheme to one of these internal government whatever the department schemes. Now our consultant - and that was instead of a pension you get a lump sum. Now the two, the three consultants who come and spoke to the people out here all said the same thing, "Don't go to the new scheme because if you get a lump sum then you live with it. This - you spend - this costs you this much a year. The lump sum will disappear within 15 to 20 years, so if you say that it's going to cost the department more money, it will only cost them on whether or not they make compulsory lump sums or a pension. That is the only way of - - -

COMMISSIONER FITZGERALD: So just to clarify. Our recommendations absolutely don't make lump sums compulsory. It's your choice.

MR SISLEY: Sure.

COMMISSIONER FITZGERALD: And our view is about that now. The question is whether or not you believe individual veterans should have the right to exercise a choice.

MR SISLEY: (Indistinct).

COMMISSIONER FITZGERALD: Exercise choice.

MR SISLEY: Choice, yeah.

COMMISSIONER FITZGERALD: So, in VEA you have no choice, it's a pension and we're recommending VEA stays. But - but, we are also saying that in relation to MRCA and DRCA it should be a choice that the veteran has; that is a lump sum or a periodic payment. Now the question

is for government is do you or do you not give individuals choice? And in every other scheme they have choice, or they have a lump sum payment. So we say there's an option, can I take either, not forced to, and that's different to what's there at the moment. So that's a very big question because some people will make poor choices, they will not do well with their money, others will do very well with their money. But if you just put yourself in the place of government, should governments be saying to veterans who are 30, 35 and 40, "We will make the decision for you", and throughout the Productivity Commission that's a hard thing because most of us have choice, so why should veterans have no choice? And so what we're trying to look at is what's the right balance? But to say, no, government will make up its mind that you can't have a lump sum, that's a big call. Equally, saying you have to a pension, that's a big call. So, we're just trying to work it out. That's where we're at.

But the point that Richard was making is this scheme will cost more. Not less. So all the submissions that have said this is about cost saving by the Productivity Commission could not be more incorrect. It will actually cost more because we're actually improving some of the benefits, particularly for those that have been injured in peace time so at the end of the day a whole range of veterans will be better off. So that's part of the scheme. For the very reason we said before, we don't - we're not trying to numb the start to a workers compensation scheme but we are very clear about the good things in workers compensation schemes and we should be able to bring those into the system. But we thank you for your point there about that.

Can I just ask the last question about your sons. We have heard this a lot. Before discharge, most military are entitled to and are required to undertake some sort of medical check and some psychological testing. You have indicated in relation - was it both sons or one son, that didn't happen?

MR SISLEY: When they come back from - from the - - -

COMMISSIONER FITZGERALD: They were supposed to have that as well.

MR SISLEY: They were supposed to get it then. They never had it. When my youngest son got out in Darwin, he was - nothing was done until he went and saw one of the - to do with the military come round and seen him a month later and said, "You're entitled to this, this, this and this". He then went and got them done. He was not told that before he got out.

COMMISSIONER FITZGERALD: We've heard that many, many times so thank you for that story. One of the transition things - the issues in relation to transition are meant to try and reduce the risk of that occurring and we have heard that it's absent.

MR SISLEY: I even - as I said, my older son was on a driving course because he was APC and they had to go and - a commander of this APC and it was one of the captains who - a female captain who picked him up on his anger, for his PTSD for want of another way of putting it, and she asked him had he been psyched and he said no. And she said, "Well I'll have to do something about it", but still nothing was done about it. I mean they were aware of it. The lady, the captain had - she talked - brought him and spoke to him about it but nothing - and that's where, I'd say all the time, the military system doesn't like the finger getting point back at them, so they don't follow up on these things, they push them aside and hopefully it'll go away, and most of the time it does because we get frustrated and we say, "Well bugger it, what's the use". I mean I wouldn't go back to DVA again.

COMMISSIONER FITZGERALD: We're aware of that.

MR SISLEY: Because I know it's not going to go anywhere.

COMMISSIONER FITZGERALD: Well thanks very much for that, Alan. Is there any final comment that you'd like to make before we - - -

MR SISLEY: No, sir, no. As I said, I agree with what the blokes have said to you so far. I mean as I said to the new secretary the other day down there, if you don't fix your internal problem as far as your own staffing problems - I mean civil - if you want to go and go look at civil aviation. You don't, even as a military person in there, I couldn't - every three months somebody come in and check that I was doing what the department said the way you were doing it. There's no set reason in DVA. That lady who wrote to me and told me that I had PTSD and didn't get it from Vietnam, how that assessment was ever written, allowed to be written and passed and nothing done about it later, when she had no qualifications at all to make that statement, there's a problem you've got in the system. And if you don't fix that problem, these people aren't going to stop being angry and you blokes aren't going to come to, as you said, external organisation, they're not going to come to the RSL - they're talking to us angry people, and that's not - and that's not going to help your system doesn't matter how you change it, if nobody is going to come to it.

COMMISSIONER FITZGERALD: All right, thanks very much Alan. We will now break for 15 minutes. Morning tea is straight across in the

room on the other side of the hallway, so if you just make your way there, there's morning tea, but we will resume at 11 o'clock precisely. Thank you very much.

SHORT ADJOURNMENT **[10.48 am]**

RESUMED **[11.03 am]**

COMMISSIONER FITZGERALD: Okay, we will resume. I thank you for that short break. If you need to get any water or that just get up and wander. We are moving now to the Central Queensland TPI Association. If you could three gentlemen give your full name and the organisation that you represent. Thank you.

MR JOYCE: My name's Keith Joyce, I'm involved with the TPI Association. I'm a Level 4 advocate under the old advocacy scheme, and together with these two gentlemen and a number of others who couldn't be here today we operated in an organisation called the Central Queensland Veterans Support Centre.

COMMISSIONER FITZGERALD: Terrific. So just stop there for a moment, I will come back to you. If you can give your name.

MR BREWER: Neil Brewer, I'm the secretary of the CQ TPI Association.

COMMISSIONER FITZGERALD: That's terrific, and the last one?

MR HEALEY: Daniel Healey, and I'm a member of CQ TPI Association.

COMMISSIONER FITZGERALD: Okay, thanks very much. Back to you, Keith.

MR JOYCE: Okay. I'd just like to make the point that when we got together on this it was some time ago, but I haven't been able to make all the meetings. We did advocacy alone, we're not involved - we're not an ESO as such, or we were not, and we just looked after the advocacy and pension claims. Welfare - well, I'm not a welfare officer, that's not my calling, and then in the period of 2002 to 2007 we processed around about 300 applications for pension, and I mention this because of the advocacy

people, or the advocates that we represent, have a fair cross section of ideas that they gleaned from veterans in the process of preparing the cases.

I was very lucky to have these fellows prepare most of the cases that I presented to the VRB and to the AAT. I thought I'd make that point because these fellows may be speaking from personal experience, but more particularly the experiences that they gleaned from other individuals who have made claims to the Department.

Having done that one of the main contentions we have is the use of the term "veteran". We seem to have heard it fairly often this morning. Our main thrust is we believe that the very last Australian war veteran deserves nothing less than the very best of treatment and compensation provided to any and all of his or her predecessors. To neglect or fail to do so is a betrayal of the principles and standards of care for war veterans in Australian history.

We feel that it's being weakened by the use of the term, and we're not in any way being derogatory to those who have volunteered and only served one day, but we believe there is a very definite difference between peacetime service and operational war time service, and in that regard we come to the balance of proof and the reasonable hypothesis statements of principles.

I have noticed a comment by someone that the SOPs have been continually changed. Well, I didn't see anything wrong with that. What it indicates is that they are able to absorb what comes out or what's presented to the likes of the VRB and the AAT, and make changes accordingly. We fully support that old system, because earlier on we discussed treating everyone the same as veterans, and immediately came to mind the balance of probabilities and the reasonable hypothesis. Now, if you apply those you can't treat everyone the same objectively because of the way the balance of probabilities work and the statements of the reasonable hypothesis work. In the reasonable hypothesis of course he has to be given the benefit of the doubt as well as the conditions under which they operate.

I never served with any battalions, Australian battalions. The only battalion I served with was the 3rd Battalion of the Fifth (indistinct) Regiment, and then worked by myself with a reconnaissance company. So I can't do any comparisons with that. These fellows are much more adept at that side than I am. But we would just like to make the point that if the new veterans, the later veterans I should say perhaps, feel that they are advantaged by the system that is in place at the moment we don't wish to say they're wrong. We fully support what they accept or they're

prepared to accept, but there is one very important point that needs to be pointed out to them, and that is, as a personal example, I'm 73. When I got out of the army I didn't claim anything. I didn't claim anything for 30 years.

Now, if I got a lump sum payment at that particular time, in the last 10 years I've had numerous operations and treatments in hospitals, the best of treatment, I'm not complaining about any of that, but if with those lump sum payments and they'd go 30, 40 years down the track, as I did, and a lot of people here have, they come to getting that treatment. If they've taken a lump sum of money, that might not be available to them. So taking your point earlier, sir, about the choice, I think in exercising the choice of a lump sum payment they need to be very carefully advised as to what the implications of that are. If they want to accept it after that, well, that's up to them, their choice.

I don't have anything further, sir.

COMMISSIONER FITZGERALD: Good.

MR BREWER: I'm basically going to address the statement of principles.

COMMISSIONER FITZGERALD: Sure.

MR BREWER: Mainly because to me it's the ideal way of differentiating between a war veteran and a non-war veteran. Specifically what he's talking about, this veteran thing, I think it's a generic term and I can live with that, but a war veteran works under the risk hypotheses and a non-veteran, a non-war veteran goes under probabilities.

Now, there's a significant difference, and you can isolate the difference, because a non-veteran, a non-war veteran will in 99 per cent of the cases have a paper trail. I'll give you an example. If a digger is playing football, damages his knee, that - he'll immediately get checked. He'll get an RAP. There'll be an instant report. Paper trail will be there.

Same, another soldier on operations, we'll use Vietnam because that's my experience, is out on patrol, trips over, twists his knee, he's given an Aspirin by the platoon medic and said, "Get on with it, son. Stop being a wuss". That's never recorded anywhere. Therefore, the big difference is the paper trail and the non-paper trail which is why the benefit of the doubt must be kept in and must be emphasised for war veterans. That's why I think there's an absolute requirement that there are two different

standards of proof, and what we've currently got, or what the VEA have got is, it does have the two standards of proof.

That's really what I was emphasising on SOPs. I think SOPs, they set the basis. They give - everybody works off the same sheet of paper, the same level. Non-war veterans have their set of SOPs, and the war veterans have their set of SOPs, and it gives a baseline for everybody to work to. By that, I mean, is that you can identify exactly where - when a person's crook enough that they can be given some sort of compensation. So I believe it's a good system and it works, and I don't think we should combine them. They should be kept, because of the paper trail. That's the crucial think, I believe, and nobody seems to have mentioned that.

Now, I believe DVA does a great job. I wouldn't like to see DVA change and go underneath the fence. I just reiterate what I've said about it. My experience with DVA, as I was a level 3 advocate under the old system, was always positive and were always helpful. Sure, there's problems. Al Sisley is the classic example. Things get screwed, but he would be in the 5 per cent that doesn't do too well, so I think DVA does a great job and is in a good position.

Next one was, oh, yes, that's the abolition of DVA, okay. Transition's been covered. The abolition of the Gold Card, we definitely don't support that at all. I think the Gold Card is, it's earned. People who get the Gold Card, earn the Gold Card, and that should continue. We shouldn't change that.

Workplace health and safety, I - you've got it in our submission, but I'd like to just read it out. We don't agree with it. That contemporaneous workplace health and safety legislation should be applied to peace time military forces, especially whilst in training for war or operational service which often applies to many the majority of the time. Therefore, you've actually said it, and it's been said here before, workplace health and safety, from my experience, because I was one of the people that helped introduce the legislation into the army in 1992, and we had the choice not to go along with it.

The CDF at the time, General Graveson, decided that we will go with the civilian thing which I think was a big mistake because we are unique in the way we do our training. We train for war. We don't train for peace and therefore we must be as realistic as possible. Our officers and NCOs are trained to take the least amount of - to do risk assessments because they don't want to lose their people. So it's not as if it has to be legislated. You don't want your people to be killed or injured while you're training, and the same as in war. That's what we're trained to do. To actually try to

legislate something like that is beyond me. I don't think it's necessary. Okay, that's - yes, that's what I've got. Over to you now, mate.

MR HEALEY: You guys are probably going to be sick of hearing this this morning, but I'd just like to support some of the previous speakers on their comments around who is a veteran, and I know that you guys probably can't do anything about it per se, except voice our concerns about the use of the terminology as to who is a veteran.

I thought Jack articulated the thing very well. I mean, I served in Vietnam with the 3rd Cavalry Regiment, and we did lots of things. One of them was ready reaction in Nui Dat and I think I was posted to 1 Troop, 3 Cav. In the first two weeks I was in 1 Troop, eight out of 14 nights I got reacted to a contact and I can remember sitting at the gates waiting to pick up mini team and listening to the conversation on the radio going on between, I was the troop leader's driver so he was communicating with the infantry unit where we were going out to assist.

Every time the infantry unit spoke, all you could hear was continuous non-stop gun fire, and I can remember sitting there thinking, "Why on god's green earth am I going out there to join in this bloody contact", and thinking to myself, "Will I see the sun come up in the morning?", and I sat in lots of ambushes as well, and I used to think the same thing, "Will I see the sun in the morning?".

So somebody who hasn't been on operational service doesn't really know what it's like to be in a contact. I think it's disrespectful to veterans. I think somebody pointed out, you know, veterans have been identified since World War I as somebody that's seen operational war service. I think it's disrespectful that, using the terminology in your report here, that a round table of Australians, veterans and ministers, "Ministers agreed that a veteran would be defined as anyone who served at least one day in the ADF". Well, by doing that, what they're saying, as far as I'm concerned, is that a war veteran is the equivalent of somebody who's been in the service for one day, and in the overall review that's going on here, by bringing everyone down to that same common denominator, is everyone going to be treated at that lower level denominator? I could go on about it all day, but I think I've said the piece there.

A few other things to do with DVA. I agree with Neil. I've always had good interaction with DVA when I was an advocate, and I personally think that putting the responsibility for rehabilitation and compensation under Defence is a bit akin to putting the fox in charge of the hen house, and again, from my own personal experience, I can tell you from right early in recruit training. Anyone who continually went to the RAP and

got a chit for going off sick for the day or whatever was soon identified as a malingerer and generally given a hard time by NCOs and others. And I think if you put Defence in charge of rehab, it would make people in the service reluctant to put in a claim for any injuries, I think. I think by having DVA administer compensation rehabilitation, you've got an organisation that's seen as being separate to Defence, at arm's length, I suppose from Defence, and people feel they will have their claims treated with some degree of confidentiality. I heard there were some speakers spoke previously. It might have been yourself, Robert, who was asking about did they think that injury caused in peace time should be the same as injury in war time. And my memory as an advocate was that if you made a claim, and you went and had medical examination and claim filled out by the medical doctor or specialist or whoever, ultimately you're rewarded impairment points and, predicated on the impairment points, determine what compensation you would be paid.

I, personally, think that you know, there's also been conversation around the difficulty with claims and people having difficulty getting quick response to claims. I think it became more difficult when SRCA and MRCA came in. I mean, I've made claims under the VEA as well as SRCA and MRCA and the VEA is far more easier to navigate and probably get a quick response to. I mean SRCA, MRCA relies on a paper trail predominantly. And sometimes that's hard to come by. But I think the impairment point system, I think that worked quite well. I can't see why you should walk away from that. SoPs were always, I mean, we relied on SoPs when somebody was making the claim to determine what their condition, how they lined up with the SOP. And the RMA, I thought, did a great job, so.

MR BREWER: Can I just add one little bit (indistinct)?

COMMISSIONER FITZGERALD: Yes, briefly.

MR BREWER: The previous speaker mentioned rehabilitation and you asked him about it and I fully agree with it, rehabilitation, which is what MRCA does, but I'd also add the caveat that rehabilitation must be with compensation if the rehab doesn't – is not possible, because that's one of the real problems. Like, PTSD is still currently incurable. Therefore, you can't rehabilitate some people completely at this stage. (Indistinct) say, I don't know what's going to happen in the medical thing, so people need to be compensated for that and that's (indistinct words) we always do. I just wanted to make that point.

COMMISSIONER FITZGERALD: Okay. Thank you very much. Thanks Keith, Neil and Daniel.

MR HEALEY: Can I just make one more point?

COMMISSIONER FITZGERALD: Sure.

MR HEALEY: I'm just aware of the time. But in relation to the Gold Card. The Gold Card is a recognition to the holder of the card of his or her sacrifice to Australia and recognises significant impact of the conditions as a result of service and it's not a prize as I think somebody was trying to point out, some comment in your report from somebody in the RSL. From memory, you've got to be, I think, have 70 per cent impairment to be eligible for a Gold Card or turn – have turned 70, you know, be a returned serviceman and have turned 70. And I don't see why that should change.

COMMISSIONER FITZGERALD: Well, look, just a couple of things that I can – thanks for that, Daniel. So obviously we've heard our comment about the term veteran, that's not ours, that's governments. We work within that. Just a couple of things. The peace time and operational aspects, we understand the difference, I mean, we've heard from so many people over the whole 12 months in relation to that, but the point that I was trying to raise with one of the participants earlier - is it about recognition or is it about compensation and should they be different? That's the question for us. Going forward – going forward. So I think everyone in this room recognises that the contribution and the circumstances of people going to war is different from peace time. Absolutely. The question is, how does that get recognised and that is the challenge I think we're facing.

So can I come to the SoPs? We think the SoPs should apply to all three acts so we absolutely agree with you. We think it should stay absolutely. The question for us is whether or not there should be one test. That's the question. You've indicated very clearly, you think the two tests should stay and that may well be the case, but one of the things we're looking at is whether the test should in fact be the reasonable hypothesis test across the board. So we haven't come to a conclusion that it's the balance of probabilities, we've simply raised the issue. So at the moment, there's modelling being done by government if we're looking at that. So would you have a different view if we recommended that the reasonable hypothesis test, the very lowest was the one that would apply across all, that's operational and non-operational, injuries? Would that worry you?

MR HEALEY: It wouldn't worry me at all, because it's a positive step that's going the right way. And what is – you know, the benefit of the

doubt is obviously going to be applied to every case. Or should be applied to every case.

COMMISSIONER FITZGERALD: That's right.

MR HEALEY: I had no problem (indistinct) I would definitely argue I think if it was the other way around.

COMMISSIONER FITZGERALD: Sure.

MR BREWER: The way that (indistinct).

COMMISSIONER FITZGERALD: So can I just understand this, Neil and it's trying to understand where people are coming from. If we were to recommend one test in the SoPs and it was the reasonable hypothesis one, you logically say that's fine. But what I want to get to is that would effectively remove the distinction between peace time or operational or non-operation and so this is where we're struggling.

Is it that you really want to keep that distinction or do you only want to keep that distinction if we were to adopt the higher test? The harder test?

MR BREWER: Exactly, that's my personal opinion.

COMMISSIONER FITZGERALD: No, no, that's – well - - -

MR BREWER: It's that I can't see there'd be a problem if everybody gets – of the same level. I'd still have problems with the term veteran being used as a one day person.

COMMISSIONER FITZGERALD: No, no, that's fine.

MR BREWER: But I understand where you're coming from, yes.

COMMISSIONER FITZGERALD: Can I just deal with a couple of other things, then? The Gold Card, if I can, the hard edge stuff. We're not recommending the abolition of the Gold Card, as you know. We are recommending that those that are currently entitled continue to be entitled. There's no question about that, where we have no intentions of removing Gold Cards from anybody and we didn't propose that in the report. We did say it shouldn't be extended to new categories. New cohorts of people. So as you know, from time to time, the government gets requests to extend the coverage of the Gold Card to a new group. And we're not very keen on that. But can I just ask this question. We understand why people want the Gold Card, but one of the things we find is the Gold Card is a

payment system. It's a way by which you can access services. And that's all it does. Now, I know why you want it and I understand it, and we're not recommending that it disappear for those that currently have it. Absolutely not.

But we are concerned that that's not enough, that we actually have to look at the health and medical system to actually look at the services that are being delivered. And I was wondering whether you've had any experience up here in the Rockhampton environment as to people being able to and not able to access services in a physical, you know, medical services or mental health services. So just from the local perspective, are you able to access services given the Gold Card or the White Card or are there gaps in services up here in Rockhampton that you're aware of?

MR JOYCE: Sir, from my experience, the – I've had to go to Brisbane for certain treatments that were not available in Rockhampton. Kidney transplant for instance and some other matters of various scans that I had to have. They're not available here in Rockhampton.

COMMISSIONER FITZGERALD: That's just because they're not available. It's not because of the (indistinct). Sorry, I'll just put that into context. We've been looking at the prices that deviate pay, health practitioners, medicos and mental health workers and there are variations and some people have said to us that the fact that the DVA pays a lower price means that some health practitioners won't provide services to veterans while reluctant to do so. So it's in that sort of context. I can understand in some rural areas and regional areas the services are just there, but have you found any problems at all (indistinct) about accessing.

MR BREWER: We do have GPs that won't – don't recognise the Gold Card in Rocky and surrounding areas. So you do have to shop around to find one that's accepted, same with the dentist. And even some specialist ones that we do have won't – just won't – don't want to do it – know about of course exactly if you said about the lower cost, that's – they want to make more money. They're greedy. That's the way I look at it, so, yes, there is a problem. It's not insurmountable, but there is a problem there.

COMMISSIONER FITZGERALD: All right, and we're with you with that. In relation to mental health service - you may not have any experience with that – but are you able to access services that are in the town or in the region?

MR BREWER: It's fairly limited here. We do have it and there are some good practitioners. The best one died just recently which is not real good for a lot of us. But I think he went mad because of all our

complaints to him. But there are some very good psychiatrists and psychologists here, but there aren't enough of them.

But that seems to be the biggest problem and I think most of the guys here would probably agree that it is difficult to get sometimes – unless you can get on to somebody because they all want to seem to retire after they've earnt a bit of money, they sort of shoot through.

COMMISSIONER FITZGERALD: It's not a terrible aspiration I have to say. Can I ask one question and, then, Richard, no doubt, will have just a couple? Just in relation to the Defence Force; we hear you loud and clear that you don't want Veterans' Affairs under Defence, although we never recommended that. We only recommended that the policy go under Defence.

MR BREWER: Yes.

COMMISSIONER FITZGERALD: We didn't recommend the administrational scheme go under Defence. But putting that aside - - -

MR BREWER: Right, I misunderstood that.

COMMISSIONER FITZGERALD: No, that's fine and everybody else has. So you're perfectly fine.

MR BREWER: Yes.

COMMISSIONER FITZGERALD: It's our problem. But anyway we've heard very clear the ESO community by and large opposes the recommendation of putting policy within the Defence. But I do want to just deal with this issue about workplace safety. As you said, you were instrumental in the early 1990s of implementing that. It's been very formalised since 2011.

MR BREWER: Yes.

COMMISSIONER FITZGERALD: It is the way of the world and Defence have been saying to us that it's had a positive impact on the production of unnecessary injuries.

Now, it is true that as we've gone around a lot of bases, individuals might say to us, "It's softened up the training; it's dumbed down those aspects." But by in large when we talk to those a little higher up the ranks, they say that they work within it.

So it wasn't our recommendation to introduce it. It's been there and it is the law of the land. So I'm just wondering whether or not experience might indicate that some of the concerns you and others have had are able to be dealt with within the military system. I know at the time there were lots of concerns; we know that. But do you think it's possible that the Defence actually is working around the sorts of complications that are brought in?

MR BREWER: They are trying to, but as I said earlier on, we are trained for war. That's what our whole role is.

COMMISSIONER FITZGERALD: Yes.

MR BREWER: And you can't make compromises and that's what's happening now. That's what the Defence has to do to meet the legislation. And when you make compromises when you're training that has a great potential for people to die when we go out into operations – and that's my concern and it was my concern while putting in – you know, to helping introduce the bloody legislation. And we were ignored and we didn't have to go the way we went.

COMMISSIONER FITZGERALD: And you would've gone a different way?

MR BREWER: Yes, and we could've gone – and that's always been a concern.

COMMISSIONER FITZGERALD: That's all right, thank you.

COMMISSIONER SPENCER: Can I just ask a couple of questions around the transition issue? Because we've heard a lot from serving members and also, recently, discharged members about their experience through transition.

So as you know, we've got a particular recommendation around a Joint Transition Command which would be sitting in Defence and it would be for a period of time before the member discharges and for a period of time afterwards.

The current situation is that it's unclear where responsibility rests for that period. There are some very good pilots underway for cooperation between Defence and DVA to overcome that. But it's been put to us it is such a critical period. Many members transition well – get on with the rest of their lives – and that's terrific. But for those that are really vulnerable and really struggling, that's a key time.

So our structural change/recommendation is around this Joint Transition Command. So I'm just interested in your thoughts about that and how you think that could assist because, as advocates, you've often no doubt dealt with people who are in that transition process. So you're observation and transition periods would be very helpful how that's best done.

MR BREWER: Well, yes, I think the transition command is probably what we need in the future. It's going to help. It can't detract from anything so it's got to be positive – it has to be a positive and I think it would actually help, particularly some of the more vulnerable veterans and, you know, I guess the makeup of it and that sort of stuff is going into the nitty gritty because obviously you'll have to have psychologists and psychiatrists and bloody physical people and all that sort of stuff that would have to be involved. And how it's done, whether it's done by people still in the military or are they out of the military, then, that's the sort of question. But I think it's got to be a positive. I mean I just can't see it not being.

MR JOYCE: I have a nephew who is a major in the army and he contacted me late last year in regard to a claim he wants to put in and he was quite specific about saying he didn't want it to go through the military system. Now, you might say if you heard that from a digger, that's understandable. But this fella's a major and he's been in quite a number of years. He's to get out shortly, so I guess he's looking at his future planning.

But there is a conflict of interest in the military's job and the job of those who, by whatever name, are responsible for looking after veterans after they get out of the service and I don't know how they're going to get around that.

COMMISSIONER SPENCER: We hear quite often people are saying that as much as possible claims information about employment prospects, a whole range of things should be done before the person actually discharges to assist them. Generally speaking, from your experience, would that be helpful that there's more of that before the member discharges?

MR JOYCE: If it's obvious at the time that they are going to discharge, yes, that'd be appropriate. But some of them are only thinking about it and they don't want the hierarchy to know and that's understandable.

COMMISSIONER SPENCER: Right. We've heard quite a few stories about frustrations around superannuation and benefits under superannuation and dealing with Commonwealth Superannuation Corporation. Have you heard similar stories or is that a great difficulty?

MR BREWER: Absolutely. Well, one of the problems is the old system which was a DFRDB system which quite a few here are involved in and MSBS. MSBS won't allow you to draw until you're 55. Now, under DFRDB you could get it up to 20 years which was a real asset to people getting out of the military. So you could join at 17; at 37 you could go out with a pension. Whilst it wasn't a large pension, it was still a pension that you could get and you could get another job. And that got stopped when MSBS came in. You've got to be 55 or if you're fortunate like me - they made me redundant - I could get it that way. But that's a big worry with a lot of people.

Most of the guys who were under DFRDB are all out, now - or all the people would be out, so they're all on MSBS. But nobody can get out at 20 years and get another employment with a little bit of extra pension to keep them going. To me, it's always met with a problem and a lot of people pointed it out to me.

COMMISSIONER SPENCER: Look, just one last general question given, you know, your long experience in different organisations; the future roles of ESOs. Your thoughts about that as to what that should look like and I just want to preface that with a couple of comments.

It's very much up to ESOs as to what they choose to do and how they do it. I mean it's part of a civil society and it's a terrific part of civil society. But from government's point of view it's how you leverage that capacity and those resources and that can happen in many different ways.

So, well, we actually understand the vital role that ESOs play, the potential they play and even greater role in the future around particularly supporting veterans being sometimes a soft entry point to the connections they need, the networks they need, the services they need and that work will continue whatever government does. But is there an opportunity here for government to really be supportive or to leverage the work of ESOs in that future?

MR JOYCE: My experience with the ESOs, sir, is that most of the leaders of the ESOs haven't got a clue about repatriation matters. They are, if you like, the ESO's politicians; the popular fellas that get elected but they don't really know the sort of work that us fellows do, and as a result when proposals are put by government they look around the table to

see how many is voting "Yes" and how many is voting "No", and that's about the extent of their experience.

COMMISSIONER SPENCER: So if governments were more focused on what services would benefit veterans and who can best provide those services and make available funding to organisations to provide those services, is that a better model, because that's about services and what's in the best interests of the veteran?

MR JOYCE: Our experience is that that would be a better model, and had the funding continued I have no doubt our organisation would have continued too.

COMMISSIONER SPENCER: Good. Thank you.

COMMISSIONER FITZGERALD: Is there final comment before we conclude? We are very grateful for your detailed submission, as we have been from your other associations, the TPI Associations throughout Australia, and you have raised a number of issues which are all worthy of further discussion, but time is against us, and I thank you for that. Is there any final comment?

MR JOYCE: Sir, you mentioned the payment made by government for medical services. Just something I picked up in the blood - not donation - you give blood for examination - pathology, that's it - and one of the nurses said to me she hadn't been in that particular section at all, and she asked, "Is this paid by DVA or charged to DVA or is it charged to the Health Department?" She said, "DVA" - this is one of the more senior nurses - she said, "We charge it to DVA because they pay more." I didn't make any comment, I just (indistinct), and that was only a matter of three or four weeks ago. So I just wondered, you know, we received the undertaking that when the repatriation general hospitals were transferred to the State health systems it would not be to the detriment of veterans. Well, I think veterans who are getting these services should have a think about whether they are getting the service we used to get. I don't believe we are.

COMMISSIONER FITZGERALD: We will be looking at some of those issues specifically in the final report. Thanks very much Keith, Neil and Daniel, we appreciate that. Josephine Couper, please. Do you want to just move to the second seat. So that's great. Josephine, I think you know the drill, so if you could give your full name and any organisation that you represent.

MS COUPER: Sure. Good morning, everyone, I'm Josephine Couper, I'm representing myself.

COMMISSIONER FITZGERALD: If you could just turn one of the microphones towards you.

MS COUPER: That one?

COMMISSIONER FITZGERALD: That's fine. That's for our friend over there. Good. So again just ten minutes to give us your key points.

MS COUPER: Josephine Couper, occupational therapist, representing myself. Just to give you a bit of background information I'm a private provider, so I'm in private practice, but I purely work for Department of Veterans Affairs. I've been doing this for 15 years now. I only became aware of this thanks to Brian last week I think, he sent me an email, so apologies for the brevity of my information, but I have come to it late.

So essentially I have been doing this for 15 years as I said. I provide assessment and interventions basically through what's called RAP or the Rehabilitation Appliances Program. I also refer clients to other veteran services like Veterans Home Care and Veterans Nursing Care. So before I - I suppose I've got three issues that I wanted to raise, and they're areas of need that I have identified just from my clinical practice, but before I get to that I just did want to say that I feel very privileged to work with the veteran community, and I do believe that Allied health professionals are very well equipped under the current scheme to provide effective services for veterans for the benefit of veterans. So I do think particularly the RAP program is excellent. It's a comprehensive program, and I've worked in other areas in health and I can certainly see the benefits of this program to the client group.

So just to - there's three points which I have submitted the email about. The first is transport. So under DVA for my client group they're covered for medical travel, which is great, and that's very beneficial to the veterans. However I do see that there is a need for some transport assistance for those who have retired from driving, so probably the older veterans that I see, and this is where there's a bit of a disparity between services through veterans and just the aged services that are available.

So for example if I have got a client that's getting services through Blue Care if they're getting it through Veterans Home Care they can't access transport for shopping, whereas if they're a non-DVA client they can access through My Aged Care assistance for shopping. That's not precluding the veteran then going through My Aged Care, but it doubles

up on a lot of processes where it would be much simpler if Veterans Home Care could say, yes, we can take you shopping. Not a big area, but for those people who need it, it would make a big difference.

The second is, which Brad touched on earlier, is mowing and garden maintenance. So as veterans age many experience difficulty in managing their garden and mowing, and this would have to be the biggest thing, the biggest complaint I have from the clients that I see, is that there's not a lot of help with them in managing this area.

Out of interest though, and I think there is some discrepancy here, because I do have a 66 year old veteran who has a gold card, but has approval through what was SRCA, DRCA. So he actually is fully funded for his mowing and garden maintenance at 66 years old. I've got a 98 year old veteran under VEA who I can't get any help with that. So I think there's some areas there that need addressing.

So that was the second point, and the third is the Coordinated Veterans Care program. So this is an excellent program. I'm not sure if many of the vets here are aware of it. There's a practice that I work with in Mapoon and they have a designated practice nurse who runs the program for the GP clinic, and essentially she sees the veterans or war widows on about every six weeks and she basically coordinates any Allied health needs that they have. She links them into Veterans Home Care, Veterans Nursing, refers them to the podiatrist, the exercise physiologist, and when I say "she" she organises through the GP because they need the referrals, but I think it's a really valuable system because she's almost like a case manager for the veteran and it works really well. Clients that I see that are under this program appear to me to be getting the better health care service than those who may not. It's not a criticism it's just saying I think we need to look at this program and perhaps see how we can encourage more practices to take it on board or let veterans know that that program is available. So, yes, they were the three main points that I have.

COMMISSIONER FITZGERALD: Thanks very much, Josephine, and we are very grateful for some of these points you make. Can I just understand the transport one. You say the DVA provides transport for medical travel, but the concern that you've got is the gap where a person loses the ability to drive and that means that they no longer have community access.

MS COUPER: Yes.

COMMISSIONER FITZGERALD: So does anybody under the DVA multiple Acts access, what, community access type transport, or it's just not available across the board?

MS COUPER: They are able through Veterans Home Care to get non-assisted shopping. So they can get some shopping done, but they're not allowed to go with them. Whereas if they did that under what's called the Commonwealth Home Support Program they would be able to go with the lady from Blue Care. It's not to say they can't get access under My Aged Care, but it's just another system they then have to go through when they're already in the veteran system. Then they have to send out a new assessor to get them approved through My Aged Care just because Veterans Home Care can't take them shopping.

COMMISSIONER FITZGERALD: So can I just talk about this. Our view is that irrespective of what Act you're under, VEA, MRCA, DRCA or our two scheme approach, these sorts of things should be common across the whole lot.

MS COUPER: Sure.

COMMISSIONER FITZGERALD: It shouldn't make any difference.

MS COUPER: Sure.

COMMISSIONER FITZGERALD: In relation to home care and transport and garden maintenance and everything else. Now, there may be reasons why that's not practical, but at the moment, we'd see no logic in the system. And frankly, it wouldn't cost a huge amount to fix that. But is there a system that you look at, given that you operate in the (indistinct words) system and all that sort of stuff, that you'd say that's a system that should be replicated in the veteran's space? So you deal across different approaches and there's difference NDIS approaches, age care approaches, veteran's approaches. Australia's not short of approaches.

MS COUPER: Yes.

COMMISSIONER FITZGERALD: But is there one that you say this would work best in the veteran's space?

MS COUPER: Look, you know, I think the My Aged Care is in theory a good practice, but it's also quite confusing for the community and for the elderly to negotiate. I think, generally, the veteran's services are good. There's a few gaps, but I do think they need to be more flexible. You know, so I think, like a home care package type system would work under

veterans very well, rather than just saying we can give you an hour and a half per fortnight, just specifically for this as she said before, what do you need? If we allocate two hours or whatever it is per fortnight, what do you need help with rather than their prescriptive - - -

COMMISSIONER FITZGERALD: What's the downside in that being implemented? So Richard raised the issue about consumer directed care, I'd have to say this is a very odd – this is a very odd inquiry because we've done lots of human service inquiring into disability, aging, child care, all sorts of it. In most of those, the whole notion of empowering consumers to make choice is powerful. Except for the veterans space where nobody talks about it.

MS COUPER: Yes.

COMMISSIONER FITZGERALD: Give us benefits but don't empower us.

MS COUPER: Yes.

COMMISSIONER FITZGERALD: Don't give us choice. Tell us what we need. Very odd. So we're trying to say well, maybe there's a better way of doing that. But is there any downside to introducing a more flexible home care arrangement, such that might exist in other services?

MS COUPER: Look, I suppose one downside, and it was touched on before, is I have seen under the home care packages, where a bulk amount of funding is given to a client if they choose to either run at themselves, or give it to an NGO to manage for them. Is there – those administrative costs tend to be quite large and I have had veterans who have been – who are getting assistance through veteran's nursing and veteran's home care through an agency who also provides packages. And they may be asked to go onto a package, receive the same amount of care but it will actually cost them more money. But the service provider is probably better off, so I think there are some risks there. Yes. That I have seen happen in terms of, yes, how that's operated – organised and operated, yes.

COMMISSIONER FITZGERALD: Josephine, just on that theme, are you involved in the NDIS at all?

MS COUPER: I haven't, no. I'm purely doing DVA. I have some awareness of – yes.

COMMISSIONER FITZGERALD: Right. Okay. Because, yes, this is a similar issue in NDIS of course, and so that's been grappled with at the

moment and there's a quality in safety commission that's been established last year to try and regulate providers to - - -

MS COUPER: Yes.

COMMISSIONER FITZGERALD: So do you hear, if you hear about how that is going? That effort to make sure that there is appropriate administration, but it doesn't become frankly a provider of (indistinct)?

MS COUPER: Look, I've certainly spoken to other therapists who've been working in the area and again, it's – I think it's been a difficult process and I think it's – yes, it's perhaps for them it's a difficult system to work in and very much paper driven in terms of reports, et cetera, but yes, I certainly haven't gone there yet. Because I've been just too busy at this stage, just with the DVA work. Yeah.

COMMISSIONER FITZGERALD: Okay.

COMMISSIONER SPENCER: And Josephine, your comments about coordinated veteran's care is really interesting because the – there's a theme here about the health care home model that the Federal Department of Health is exploring as well to try and get past this fee for activity and the (indistinct) 15 minutes to get the benefits that you described with an almost and as you say a case management person.

MS COUPER: Yes.

COMMISSIONER FITZGERALD: So you reference that particular practice on the Capricorn Coast. Are you aware of others in this region or?

MS COUPER: Look, not to the same extent. And you know, there may be other surgeries that perhaps are doing it but on a smaller scale. As I said, this practice is employed a full time practice nurse who goes around and you know, just talking to other allied health professionals that are also providing veteran's services, they would be in agreement that it's a much better system there. Because unfortunately, I get calls from a lot of veterans and I need to say "Well, you need to go to your GP and get a referral, and it's – in this day and age, there are still GPs that don't know how to refer to Allied Health Professionals. Whereas in this system, the nurse, and it doesn't necessarily have to be a nurse, but the nurse is there and we'll say, well, this is what we need", and go back to the GP and say, "Let's do A, B, and C," and the person's connected then to who they need to see.

COMMISSIONER SPENCER: No, well, thanks Josephine. That's interesting to hear how well that's working at the – on the front lines of these sorts of programs. I'm not sure, it's my ignorance, but I think the – there – it's been rolled out to a certain extent, but I think it is quite limited at this stage, so we should look at whether, you know, the success today, it actually should be replicated in many more places.

MS COUPER: Places, yes.

COMMISSIONER SPENCER: That is the case at the moment, but that's very helpful to understand how that works.

COMMISSIONER FITZGERALD: I think we have made some comments in the draft report about the coordinated veteran care program. We were quite supportive of it because it has that coordination function, by its very name.

MS COUPER: Yes.

COMMISSIONER FITZGERALD: Can I just ask this question, if a medical centre – does the medical centre have to apply to DVA in order to become part of the program? Is that how it operates? Or do you not know?

MS COUPER: I don't think they have to apply, but my understanding is they enrol the veteran in the program and then there's obviously so much funding per year to run that program within the practice. Yeah.

COMMISSIONER FITZGERALD: But you wouldn't be able to have a dedicated nurse practitioner unless you had multiple clients, would you?

MS COUPER: That's correct. Although, you could have part time.

COMMISSIONER FITZGERALD: Part time.

MS COUPER: Yes, certainly.

COMMISSIONER FITZGERALD: Just a final question for you. We've heard and we've raised it earlier today, about the pricing or the payment structures that have been paid to health practitioners including Allied Health workers and we've had lots of representation from various Allied Health workers in every single hearing we've had. Do you have any particular comment about the way in which therapists are remunerated and/or supervised in relation to DVA?

MS COUPER: Look, I am aware that, you know, in terms of your general payments, if I was doing an assessment for Suncorp or another non-Medicare provider, I would be certainly be renumerated at a greater level. But there are also advantages to the program. I find it great, because I don't have to charge the client. I charge Medicare, which is lovely. So I'm not having to chase up accounts, et cetera, from my point of view. Yeah, and look, I found the supervision that we have – OT advisers, based in Brisbane and I talked to them regularly. And that's really helpful, so I can talk through cases and I get advice and check on things with them.

COMMISSIONER FITZGERALD: So can I just ask this question. It was put to us by a group of Allied Health Workers the other day, who were quite supportive of the arrangements, except when we came to the outcomes area that DVA is one of the very few agencies that has no idea of its outcomes in terms of people's benefit, well-being. It's quite unusual. And largely, that's because it's benefit driven, rather than outcomes driven.

MS COUPER: Yes.

COMMISSIONER FITZGERALD: So we were a bit surprised by that. But they actually say we collect the data, but DVA doesn't want it. So they would say at a practitioner level, we know the outcomes for clients, but they said to us, and again, DVA may come back to us and say this is not true. They said that DVA just doesn't want that information. Is that largely true?

MS COUPER: Well, it is largely true. Yes. They do – we do take feedback for what we call major modifications. So the only time, like, if I prescribe an over-toilet aid for a client, pretty much, I can't tell straight away, does it help them get on and off the toilet, you know, it's fairly evident,. But I do keep that information because I talk about, in my clinical notes, transfers and mobility and all of that. Really, the only time we provide feedback to the department is for major modifications, so if we have a stair lift put in or a bathroom modification, we do sit down with the client then and say on a scale of one to five, how much has this increased your safety in this area? So there is for major modification, there is some feedback there.

COMMISSIONER FITZGERALD: But not generally?

MS COUPER: Not generally.

COMMISSIONER FITZGERALD: No, okay. That's fine. Is there any other final comment that you'd like to make, Josephine?

MS COUPER: No. Thank you for your time.

COMMISSIONER FITZGERALD: That's terrific. Thank you very much. Yes, we've had lots of input from (indistinct words).

MS COUPER: That's good.

COMMISSIONER FITZGERALD: It's been good.

MS COUPER: Thank you so much.

COMMISSIONER FITZGERALD: And on my list, I have Christopher Campbell, is that correct? Christopher. For those that are interested in what time we'll finish. We'll finish between one and 1.30. It's not – we won't be taking a lunch break. It just depends on how many people want to speak at the end of this, but that's around the time we're aiming for. But we want to be flexible. Christopher, if you can give your full name and any organisation that you represent?

MR CAMPBELL: Christopher Campbell. I am not with any organisation, just here on my own. It's a – mainly to talk on the subject of the sports – the exercise program that's run by DVA.

COMMISSIONER FITZGERALD: Yes, that's fine. So you just pause for a second there. So if you can give us 10 minutes of the key points that'd be terrific.

MR CAMPBELL: Yes. Basically the program that DVA runs is to help the mobility of all veterans and there's some contention that the program's going to be reduced and that we will have to have a doctor's recommendation every 12 visits which becomes very inconvenient for the veteran and also quite expensive for DVA.

We basically believe that the exercise program 1) keeps us very fit and able to run our lives. I know from my own perspective that I was at a point of nearly in a wheelchair. I was suffering with PTSD and also my wife was having trouble caring for me. I also had an alcohol problem.

Now, since I've been on the exercise program for two years, I'm able to do most things for myself and it's greatly beneficial to everyone that I know that does the program. So I guess the – I mean there's not a lot in

it. It's just basically an exercise program that they run and it's to keep us fit and healthy to have a decent quality of life.

So I've known a lot of veterans over the time that become recluses and stay at home. This program actually gets you out of the home, helps to socialise people. Probably doesn't matter whether they're World War II, Vietnam Vets or Afghanistan Vets, they all mix. So it's beneficial in that respect also that they can share views and things from their past and probably help them in their day-to-day lives.

Basically that's pretty much it.

COMMISSIONER FITZGERALD: Thanks very much. Chris, can I just go back a little bit just so that I understand this? You've had claims in through DVA?

MR CAMPBELL: I have, yes, and (indistinct) yes.

COMMISSIONER FITZGERALD: And you're a Gold Card recipient?

MR CAMPBELL: Yes.

COMMISSIONER FITZGERALD: So these particular exercises, physiology sessions that you're doing, are you paying them through the Gold Card or are they being paid for as a separate program?

MR CAMPBELL: It's a separate program and it's paid for by DVA.

COMMISSIONER FITZGERALD: Right.

MR CAMPBELL: You can also claim the transport to and from the exercise program. Pretty much it's got to be with an exercise physiologist though, it can't be just with a gym or someone at a gym. It's got to be a professional person.

COMMISSIONER FITZGERALD: And how long have you been accessing that service for?

MR CAMPBELL: Two years, now.

COMMISSIONER FITZGERALD: Is it open-ended or – you've mentioned before there's proposed some changes where you have to go back to a doctor after a number of services. Is that what you're referring to?

MR CAMPBELL: That's what I'm referring to, there. They're changing it. I think there's been a bit of manipulation of the system and people are trying to make a little bit more money out of it and I think that that's where it's surfaced that DVA's found out about it and they want to limit the service and they want more control over the service I think, yes.

COMMISSIONER FITZGERALD: Are the services provided by what sort of organisation?

MR CAMPBELL: Well, the lady that I go to she runs Activate Health in Yeppoon and a number of Vets go along there.

COMMISSIONER FITZGERALD: Right.

MR CAMPBELL: I know that four or five of us have lost an enormous amount of weight, so that's been beneficial for us. I myself, I mean it's got me out of heading into a wheelchair as well as probably being an alcoholic and living on the streets. I know my wife's a lot happier, now, I mean she – that's the other thing with this program is that some of the exercise physiologists allow the wife to go along as well.

Now, my wife was suffering, both her hips were nearly wrecked from caring for me and she got to the stage where she had to have both hips replaced. Well, by the fact that we were going to the exercise physiologist helped her greatly, she's now living a much better quality of life, as well as I am.

COMMISSIONER SPENCER: Chris, I guess one of the questions that DVA would be looking at is this for a defined period of time to get you back to good health more in a rehabilitation type role or is it ongoing? I mean I sense in what you're saying that you'd like this to be ongoing.

MR CAMPBELL: Yes.

COMMISSIONER SPENCER: But do you get a sense from DVA, their view is it's for a period of time, you know, so your personal story there are issues that need to be addressed. This program helps you that there's a finish point. Do you think that's reasonable that at a certain point - - -

MR CAMPBELL: Well, the Minister did say to us the other day at Yeppoon that it was ongoing and we could go for three days a week for as long as we wanted. But they wanted us to go and have this doctor's review after 12 visits. Well, it just seems to be a waste to me to be going for a doctor's visit. I mean the exercise physiologist – she gives feedback to the GP. All it is is it's costing them another visit to the doctor, as well

as the inconvenience for us. I mean we go enough to the doctors and it's an inconvenience to go along just to say to the doctor, "Well, I need a review," and I mean, well, I don't know what that costs, but it's whatever the Medicare fee is - every 12 visits. Well, every 12 visits is only one month of going to the exercise physiologist.

COMMISSIONER SPENCER: So what do you think the GP will be asked to do to say that there's further improvement to be made around your health and, therefore it should continue or - - -

MR CAMPBELL: Well, that's what we're asking him to do a report to go to DVA to say that we need to continue the exercise.

COMMISSIONER SPENCER: Yes.

MR CAMPBELL: I mean other than that, unless your health deteriorated or something like that they'd probably want to know. I don't know, but as from the other lady saying that they don't really worry about reports from anybody so I mean the exercise physiologist, as long as you're attending, it's doing you the world of good and it's maintaining your health and your quality of life.

COMMISSIONER SPENCER: And, Chris, you mentioned that there's very much a collegial sense amongst the group that goes; that you are together. So do you think there are benefits that come from the program that you're there together, you can talk about other issues?

MR CAMPBELL: Most definitely.

COMMISSIONER SPENCER: And that does happen?

MR CAMPBELL: Yes, and the information I've gathered just by going along to the sessions, just talking to the other guys that I didn't know we were entitled to, I've now just the other day found out about the TPI organisation; I've joined that. So now I'm networking broader, finding out more details about what we're entitled to, things that guys might be doing in the community and getting involved. So to me, I think that's gathering knowledge and any knowledge you gather's got to be a good thing.

COMMISSIONER SPENCER: Right.

MR CAMPBELL: Yes.

COMMISSIONER SPENCER: Chris, are there any other programs from DVA that you've been involved in, you've had experience of in terms of assisting your health?

MR CAMPBELL: No, this is the first actual – an exercise program that I've been involved with.

COMMISSIONER SPENCER: Sorry, you may have said this already, but how long have you been involved in this program?

MR CAMPBELL: Well, it's probably over two years, but I'd say two years, yes. But I was; I was at the point of diabetes.

COMMISSIONER SPENCER: And how did you hear about it?

MR CAMPBELL: When I did my first visit to the psychologist she said that I had two weeks to give up the grog or she'd make sure I did, and she said, "I want you to go along to this program." I spoke to my GP about it and he put me on a plan which included this exercise physiologist and she told me about the program.

COMMISSIONER SPENCER: Right, well, look, thanks very much, Chris. And I think it's an interesting example of how the system can best respond to particular needs. But also I think it illustrates, as you said, the social connections are an important in a sense an additional benefit.

MR CAMPBELL: Most definitely, yes.

COMMISSIONER SPENCER: And it comes back to something else we've been talking about today and that is the notion of veterans' hubs and where there can be points where veterans can get together. It may be around a specific need like this, but it gives you an opportunity to explore what else is available and where else might I be able to get sort of further assistance or social contact. So that's part of why – you know to go back to something you talked about much earlier, Oasis and Compass and those models are very interesting because it is often a connecting point to assist veterans to get the services they need. So thanks very much Chris.

MR CAMPBELL: No worries.

COMMISSIONER SPENCER: Any final comments you'd like to make?

MR CAMPBELL: Sorry?

COMMISSIONER SPENCER: Any final comments you'd like to make?

MR CAMPBELL: Just one other thing I'd like to say is that I – my father-in-law, he was an ex-vet as well, fought in Korea and was in the occupational forces of Japan. They gave him a gold card but never gave him ever a pension. Now, I find it very difficult to accept that you would tell someone you're entitled to a gold card but not to the pension, and he struggled all his life, not getting the services that he should have been getting. It wasn't until I married his daughter that he even found out about his gold card. And they never bothered to further that.

Now, they had been VAN officers at the time and those VAN officers were supposed to deliver services to these people and failed to do so. Never informed people of what they were supposed to be doing. So when you say the DVA doesn't follow up on things, I find that very difficult to swallow too, because the – in this day and age we have a quality assurance, and in quality assurance you have indicators that indictors whether your service is working or not. Now, I know the DVA services aren't working because my father-in-law No.1, didn't get a pension and my son, when he got out of the army, he went to Afghanistan, he never got any services as well.

Now, he was suffering greatly with PTSD and attempted to commit suicide, and even after the suicide nobody wanted to know. Nobody came near him. I took him to Dr Steele in Rockhampton who was a psychiatrist and luckily I did because she was the one that got him back on track.

So what's going on – you know, you say put DVA into Defence, and I find the same thing that the fox is in charge of the henhouse, and we really need for our children that are coming that are going into the services, we need them to be looked after when they come out of the services, because I know from my experience when I got out, it was just walk out the gate.

My father-in-law just walked out the gate and my son. There was no follow-up. I mean, these guys, especially my son, he was trained to kill and he'd just come out of an operational service and three weeks – within three weeks he was committing suicide. So there's got to be something wrong. His mate committed suicide, so I mean, the indicators are there. It's not working and there's something – I mean I found DVA very good to deal with, and they are in a great deal of areas, but when it comes to discharge, if Defence was looking after – well, if it is Defence that's looking after it, then that's where it falls down.

And the other thing on that subject also is that when you join up, you go along to the recruiting centre. They sign you up. You go and have your haircuts and the next thing, you walk into a room, you put up your right hand and you swear an allegiance to the Australian people. Well, that's where it's wrong. If those people were go and do their recruit training first, if they fail that recruit training, they should not have to swear in, but if you complete that training then you swear that allegiance.

When these gentlemen said that a person that's done one day's training is entitled to a gold card, I have to agree with them. Why should I person like that get a gold card? But that wouldn't happen if that allegiance was sworn after they finished their recruit training.

COMMISSIONER SPENCER: I don't think they're entitled to a gold card but there may be circumstances where that happens.

MR FITZGERALD: Yes.

MR FITZGERALD: But just you're more general point is, without question, without doubt the very biggest area of concern in relation to this whole exercise has been around transition and we have to do much, much better. There's been lots of inquiries. There's lots of good initiatives, but it doesn't come together. And so we try to look at a structural approach but at the end of the day, what happened to your son shouldn't happen, and frankly there's no need for it to happen. So we've all got a common cause in this room, and that is to make transition much better. How you do it, a bit tricky? But you are absolutely right, and your son and others shouldn't be in that circumstances.

And as somebody said this morning, this whole inquiry started off as suicide prevention. So we see it as a whole range of things that comes together to make it, you know, less likely that a person's going to be suicidal and you've highlighted part of that problem. There's lots of others, but that's part of it. So thank you for that.

MR FITZGERALD: Thank you.

COMMISSIONER SPENCER: Thanks very much, Chris. Appreciate it.

MR CAMPBELL: Pleasure. Thanks.

COMMISSIONER FITZGERALD: Dr Ken O'Brien. So, Ken, if you could give us your full name and the name of any organisation that you represent.

DR O'BRIEN: Okay, thank you. My name is Ken O'Brien and I'm here representing myself and – well, the entire veteran community.

COMMISSIONER FITZGERALD: That's fine. We have the name of your service. Are you representing that service?

DR O'BRIEN: No, well, that service does come on board with me; more than normal post-traumatic stress disorder support services.

COMMISSIONER FITZGERALD: But you're representing yourself?

DR O'BRIEN: Correct.

COMMISSIONER FITZGERALD: Okay.

DR O'BRIEN: That's my service.

COMMISSIONER FITZGERALD: That's your organisation. That's fine. So you know the process.

DR O'BRIEN: Yes.

COMMISSIONER FITZGERALD: If you can give us 10 to 15 minutes and then we'll have a short discussion.

DR O'BRIEN: All right, well, one of the troubles with being the last person speak is that my head isn't - - -

COMMISSIONER FITZGERALD: Almost last.

DR O'BRIEN: Almost last, thank you – is that my head is now swimming with all this information that's come on and I'm wanting to provide additional evidence or even rebut some of the comments, but in 10 minutes can't do that.

I will very quickly touch on this because it's not actually part of the scope of this particular reason we are here. But that whole term of "veteran" comes back again and I do have a solution that I can propose during discussion time for that that remains fateful to the experience of military communities.

Now, one of the things that's become aware is that a culture is developed and identified by the language it uses to describe itself so that it can relate to other cultures, and one of those fundamental core language is

terminology that we use. Now, I've heard this afternoon that there is a lot of debate around the terminology of veteran. My concern is, whether the outcome of this Productivity Commission is going to be faithful to the people with the lived experience within the military culture, when they themselves don't rest with the definition of that term.

Today, I'm sitting here and I'm surprised to hear that I can call myself a veteran and it doesn't sit well with me because the ethics within my culture don't agree with the definition of that terminology derived by people outside that culture. That's like marriage guidance counselling from someone who hasn't been married.

What I propose is that the Commission suggests to its superiors that we go back to the coal face and say, "How do you define a veteran?" I believe there are three tiers; a veteran, a returned serviceman and an ex-servicemen, but I can go into that in more detail. So, again, my concern is how faithful will the outcomes be if we can't even be faithful to the definition of the term which underlies and underpins this entire study.

Onto suicide. Now, I've worked extensively within the military community over 35 years. I was born into a military family. My father's a Vietnam veteran. He was exposed to Agent Orange. I have a son with Spina Bifida and a daughter with emotional dysregulation issues and my father has post-traumatic stress disorder and so do I.

As there are people in this room that can commend to, I have served the veteran community for all of my life, not just that which I could claim 35 years of academic study and work and practice and volunteer work. Suicide in military communities should not be treated the same as suicide in non-military communities. Currently, suicide is treated as a mental health issue and medicalised. You go to a hospital and you'll find this.

Now, a lot of civilian suicide attempts are not due to mental ill health. They might be financial, they could be cultural, they could be economic, they could be age-related because they're a burden on their family in the way they are. We are seeing a large number of this happening.

Now, I do believe that we need to step back from the medicalisation of suicide and look at this in a broader picture. In presenting that broader picture - and please understand that four days ago I was only coming along today as a participant to listen to you, and in the evening of four days ago I get a phone call from Kevin that says "Could you write something down and submit it. So it's been a bit of a rushed job. I had about 18 hours to do that, so I'm going to give you the best I can.

Very quickly, based on a lot of the experience I've had over the last 35 years working with the veteran community on a professional level, a lot of the anecdotal evidence I've accumulated supports a lot of what's been said here today. But I want to step back from individual aspects of their struggles with DVA, which has saved a lot of lives, it's a system that has worked for many people in the past, probably worked for the majority. I did hear something about 5 per cent of people it didn't work for. So all in all it's better to have it and not need it than to need it and not have it. But I do believe that DVA and whoever succeeds in receiving the next instalment of what we call DVA should focus more on measuring the outcomes of treatments, not on their participation rates about whether you turned up to the OT or the doctor or that, but actually what has it done for you. Now, this is similar to the NDIS system, where if it works, you'll – sorry, you'll go along to a practitioner who works for you. Now, we all saw that with the late patron – not patrons, sorry, but the benefactor for the Vietnam Veterans' Association of Australia. And we all know who he is locally, and he passed away recently, who gave his time selflessly, and his physical property selflessly, to military families. Very highly respected. And it wasn't about money to him.

Now, that's the culture I'm talking about. And if we can install that or promote that by walking to those practitioners that support us, voting with our feet, then like the NDIS system, and hopefully the Productivity Commission could take that as a recommendation, that these practitioners who wish to serve us will be nominated by us. Does that make sense? No? One thing I've learnt growing up here is that reputation is a lot, goodwill is a lot. In a practice, if you're a practitioner, word of mouth spreads very quickly amongst the veteran community, and if someone says "Go see Bruce, he's good," then Bruce will get business. If someone says "Don't see Bruce, he's a waste of time," Bruce will lose business. That make sense? That's what I'm hoping that we can have here so that practitioners and the veteran community can be better served with more meaningful and culturally-relevant services that actually have outputs that can be then measured and presented to DVA.

Now, we've already talked about a veteran-directed approach rather than a personal-centred approach, which is currently used by civilian community-based organisations, where the veteran is not put in the seat in the middle of the group and the group discusses what they feel is best for him or her, but where the veteran themselves is able to determine what they feel they need. However, moving on a little bit – I'm going to jump around a bit here, is a whole-of-family assessment and review. Rather than just looking at the veteran and taking data from the veteran's experience, I do believe that the assessment needs to incorporate the whole of family. Not only their current partner, but even a previous

partner, because they may have children to that previous partner, and those children can carry a genetic predisposition or anomaly to certain behaviours, whether it be due to Vietnam exposure to Agent Orange, or whether it be to Post-Traumatic Stress Disorder or other situations that they experienced, be it in Vietnam or Afghanistan or Timor, or anywhere else Australian servicemen and women have been deployed.

A whole of family assessment will have very, very far reaching beneficial outcomes. Now, I hold in my hand here – some of you may be family with this. It's the Vietnam Veteran's Family Study. I was the central member on the concatenative form of that. I went down to Canberra and they asked me questions, and they hammered me. I tried to get off that because I had my own suicidal ideation. They talked me out of it and put me back on it. Page 11 paragraph 2 quite clearly states that children – sons and daughters in Vietnam veterans – and let's extend that out to all military families - are almost twice as likely as the sons and daughters of other families of being diagnosed with depression or being diagnosed or treated with anxiety and making plans for attempting suicide. It's there in black and white. So if the DVA are claiming they don't have the data and don't have the statistics, they're not reading their own paper.

I was – when I was contacted four days ago, I was asked to step back from a personal approach to this and say "What can DVA do better? How can we develop a better system?" As I said, it's the system that works for most people, but is it going to continue to work, and we have to have that best practice and continual improvement approach here. So with that whole of family approach, I do believe that we need to look at employment incentives for employers, which includes some form of a widespread education about the value of the qualities of military service it has to the employment place. How we can assist with bottom line operational efficiency, minimising costs and risks, absenteeism – and there's one thing a veteran is used to, or ex-servicemen, is turning up on time, if not before time.

Now, I have a 17-year-old daughter who started her first job yesterday and didn't want to go back today because she didn't like it, okay? Employers who understand the value of military service will then also invest more time in retaining their employees who come from a military background, not just the military servicemen themselves but their immediate families, because there is value to growing up in a military family. Children are raised differently to non-military family children. There are rules and regulations to follow, everything from washing the dishes in a particular order and making your bed before you leave your bedroom – which we try to do, right down to your ethics in the workplace and how you interact in general society. These have implications at school, they have implications

in the classroom and in the playground. A child who is raised in a dysfunctional family situation will have a dysfunctional education, will then become a dysfunctional adolescent, and likely become a dysfunctional adult. So we talked about duty of care and we talked about duty of preparedness to care.

MR SPENCER: Duty of care and duty to prepare.

DR O'BRIEN: Duty to prepare, I believe that extends out to the veteran and their families as well. Now, I know that there's good supports while that person is wearing the uniform in service of Australia, but again it's been reiterated, it doesn't happen once they walk out the gate. That's a failure of the duty to care, but it's also a failure of the duty to prepare.

MR SPENCER: It's usually in a slightly different context. The duty to prepare being the duty to prepare for warfare.

DR O'BRIEN: Okay.

MR SPENCER: You're using a slightly different context, but I think a very interesting one, that is, what's going to come next in your experience or your life as a result of your service.

DR O'BRIEN: Yes, now, I'm not saying that the Department of Defence needs to be responsible for children and grandchildren's inability to socially interact, but I do believe that there needs to be an education of health practitioners to be more aware of that, particularly those that may not come from Australia, to understand that the military culture within this country is unique, the military culture is unique, and that military service is unique. That often the comorbid and secondly emotional and psychological difficulties and challenges associated with a physical impairment occurred, whether it be within peacetime or peacekeeping service is different to those of a wartime service, the psychological impacts are different as well.

And these need to be considered when mental health programs are being developed and implemented within our society, and the people to educate that to are the practitioners. A simple tick and flick where it's – when a person presents to the practitioner for the first time and says "Yes, I am from a military family history," as I said, a culture is based on the history of the lived experience and languages they derive to promote or express – like, everyone in the military speaks English, but ours is a different format. It's not understood by people who haven't served. Same as an ex-serviceman, me, who has never been deployed overseas into a war situation may not understand your experiences, and you're trying to

explain that to me using the same language base that I'm understanding, English.

Sometimes it's difficult to get your point across. Same with general practitioners, same with schools and the same with employers. And I do believe a very simple, rapid and cost-effective way in the long-term to invest – and we're talking about – you've mentioned the term invest a few times here today, to invest in this community and long-term minimise the detrimental costs and multigenerational impacts is by an educational program.

MR SPENCER: Ken, just another couple of minutes, and then we'll have a conversation about a number of these issues that you're raising.

DR O'BRIEN: Yes, so I've touched on genetics. Now, epigenetics is another aspect of the genetic and medical paradigm which has been covered in the intergenerational study, and a lot of my research I've devoted over 30 years into the epigenetics of Post-Traumatic Stress Disorder and how it manifests in multiple generations, piggybacks on testosterone and we call it things like autism, Asperger's, bipolar, ADHD, conduct disorders, depression, anxiety and schizophrenia, just to list a few.

Now this, because it's new scientific evidence to come out of the community, and mostly internationally or sourced from an international research centre, a lot of our practitioners, particularly those in rural towns and back woods centres like Rockhampton, where silos are predominantly evident within our practice frameworks, are slow to pick up on. And there's a lot of rejection, where children and grandchildren of Vietnam veterans, or even nieces with poly-ovarian cysts and other cancers that are not explainable. People with lung cancer who have never smoked, people with these reproductive disorders and being considered – what is it when you can't reproduce, the term escapes me – when you're impotent, based purely on something that doesn't have an explanation. Where did this come from? Oh by the way my father was a Vietnam veteran exposed to Agent Orange, or my father is an Afghanistan veteran, or an Iraq veteran who saw some dust and breathed something yellow in once before I was born. So these need to be considered with our health framework for long term investment into the health and wellbeing of Australia's military families.

Finally – I'm going on and on and on, but the issue of suicide. If you incorporate this whole of culture approach, based on how the people with the lived experiences define the culture, then you'll have a far more appropriate and meaningful outcomes for long term benefits, and it will

benefit the governments because it won't be as costly in the long term, and the outcomes will be positive because they were derived by the people for the people, which is the underlying philosophy of a government.

MR SPENCER: All right, thanks Ken. Look, thanks for your – and put together at short notice, so it's a terrific paper raising a whole series of issues. Look, a couple of overarching things that I take from your comments and reading your paper is that it's often the interface between universal system that we have in this country to treat and respond to certain conditions and injuries versus the military-specific nature or origin of those injuries or illnesses, and what is the appropriate response. And that's one of the challenges which you rightly say, is how do you combine both those – and you've given some very good examples how that can come about through GPs having better knowledge, through lived experience – people with lived experience being actually at the front end of some of the services and responses that are needed, so absolutely. So look, I think the – a couple of things I come back to. You've referenced the NDIS – and this has come up a bit earlier today about the notion of empowerment, and how that is not without its challenges, but being introduced into a range of human services. So from your paper and what you said this morning, that's an important aspect for you, is it, to have the veteran more in the centre, as you said, not being talked about, but actually included in the conversation and the family being part of that?

DR O'BRIEN: Absolutely, but even – you specifically used the term "consumer-directed" earlier today.

MR SPENCER: Yes.

DR O'BRIEN: I agree with that, veteran-directed. And I've been advocating this for a couple of years, which has just fallen on deaf ears in the local community, because they're funded to give a consumer-focused – or a consumer-centred – again, you could have a deaf and dumb person sitting in the centre of the room without the capacity to contribute to their own health plan and still called consumer centred. That's not consumer-centred, that disempowers a person. So a veteran who is trained, who is hardened, who is selected to be above average from the civilian mainstream, to disempower them under the same approach is to re-disable them, or to deeper the level of disability by disempowerment. To put them in the director's chair, piloting their own claim to good health, where they are making decisions based – now again, the family must be at the epicentre, not just the veteran. Because as was also raised, quite often the veterans are ignorant to health issues that they may be contributing to that their partner and children are aware of.

MR SPENCER: Yes.

DR O'BRIEN: Dementia is one of the classic examples.

MR SPENCER: So Ken, just a question on that, because broadly-speaking we're very supportive of that approach, and hopefully – I doubt you've had a chance to read the 800 pages of our draft report.

DR O'BRIEN: A few of them, but no, not the whole thing.

MR SPENCER: Hopefully the overview, so – but look, you'll get a sense of where we're going. So from what you have been hearing and looking at in our draft report, in your view do we need to go further on some of these issues, or are we going in the right direction? Do you have any thoughts to assist us on that?

DR O'BRIEN: A bit of both.

MR SPENCER: Yes.

DR O'BRIEN: There are some good directions – and I give a lot of credit to the intentions that we've learned on previous mistakes. So I mean, before the DVA – I wasn't around then, so I don't know – I'm not qualified to pass judgment on what the services were before the DVA and whether they were appropriate and faithful to the experience of military service, and returning to an indifferent civilian culture. But I do know that yes, we are on the right track. Any advance in – any track that saves lives and improves health has got to be a good track to be on. I feel that we can still learn from failings of both individuals from ESO organisations and from the community as a whole. And thank you for this opportunity for us to voice our concerns.

And again – and sorry, just to eddy in a little bit – area there, we're talking about who's responsible for this. You're saying it's the Defence response – no, we are. The people in this room are responsible for bringing you the information so you can inform policy change. That's why we call it an informed decision. Where do you get your information from? It's us. So it's our responsibility to turn up to these things to give you that information. Now, that's why I've taken the time out of my day today. You know, I could be earning $200 an hour, or even more, but I don't, because my passion as the son of a Vietnam veteran, having served and having a child with a recognised condition that may or may not have been from my father's exposure to Agent Orange, I have a duty of care to my family, and I have a duty of care to my culture and community to be here.

So thank you for the opportunity to present. I kind of – bugger it, it was at the last. Because like I said, my head's full of so much stuff right now.

MR SPENCER: Yes.

DR O'BRIEN: There is neurological evidence, there is measurable evidence, that the impact of military service-related trauma is different to civilian trauma, where it might be a one-off event. So moving on from that, what – we're in the right path, but there are some areas that need to be improved on, and I would strongly urge you to focus more on looking into the expressions, the language and the lived experience, because that is where the evidence is collected from for evidence-based research and evidence-based practice. The evidence is here in the room. The evidence is in this study, and the Australian Institute of Health and Welfare's statistics, while slightly old, the information is there. That's why I'm shocked to hear the DVA don't know what's going on. It's right here, and there are six volumes of this. If we listen to the people and ask what they want, we do our best to give it to them. I know not everybody's problems will be answered by this, and it may create additional problems that didn't emerge before, but it's best practice and it's continual evolution, and it's working to improve the mistakes we've made before. So yes and no.

MR SPENCER: So Ken, we're working towards a model – and it's in draft at this stage, so it may be moderated in the final report, but I think it does pick up on some of the elements you're talking about, and that is very clear research about what works and what doesn't and why. You're adding into that a cultural context and lived experience, which we know increasingly is an important perspective in mental health. So the veteran's lived experience and the input of that is really important.

DR O'BRIEN: Absolutely.

MR SPENCER: So in terms of a structure – so we're looking at structures and systems, and what structures and systems best respond to that input. Because we can have input through one inquiry, but this has to be a continuous evolution of research, thinking, experience, lived experience. Future warfare will be different from what is being experienced in this room today. So that's one of the reasons why we have looked for a structure that can be open to and influenced by and respond to expertise and learning and thinking. What struck us is that the system at the moment is a fairly closed system. So some of the things you're referencing that are happening in other parts of society in other systems don't seem to enter into this system. So we have a sense, as Robert referred to a number of inquiries before – things are happening elsewhere which are improving and helping to get better outcomes, but we don't tend

to see it here. So when you look at the structural response that we're talking about, a veterans' services commission that's set up to have the expertise, more commissioning around research, more data and information about outcomes that feedback to both prevention, rehabilitation and ongoing health and well-being needs, is that going, once again, in the right direction? I mean I understand you're saying there needs to be more of that and you're making a very strong argument about the cultural input, but is that starting to go in the direction for the future that we need?

DR O'BRIEN: Yes – summarised, yes. It's in the right direction.

COMMISSIONER SPENCER: Yes.

DR O'BRIEN: The failure to incorporate the cultural and lived experience aspects undermines the foundations of the validity of the data being produced. As I've just clearly stated, the definition of veteran is not one that's agreed to by veterans.

COMMISSIONER FITZGERALD: Yes, look, we agree with the general thrust about what you're talking about. I must say that the lived experience of veterans, this is a system where veterans inform it a lot. They certainly influence policy more than any other inquiry I've ever been. It's the only place where people say the department's owned by a cohort – veterans and when we look at it, however, much of it doesn't work in favour of veterans' outcomes despite people saying DVA's wonderful, it doesn't focus on outcomes; it doesn't focus on about achieving long-term improvements in well-being and health. It funds health services; it provides benefits.

So why do you think that is? Why do we have a system that is very influenced by veterans? The ESORTs and the ESOs are dominant, they have great influence over ministers, they have been able to stop changes happening or encourage changes to happen. But like Richard said, it hasn't been about getting better outcomes. It's about getting better benefits, and NDIS and age care is not just about funding, it's actually about services. So where is this disconnect?

See veterans themselves, and I appreciate, the need for that sort of approach. I'm really just trying to – and I mean I know veterans here do because they're sitting here – but why do we have this disconnect in the veterans' space?

DR O'BRIEN: Because there's a breakdown in the filtering or the interpretation by people without leading experience who make the

decisions. There is a breakdown in the way that we are forced to articulate on a common language to people who don't have lived experience, who may not have worn the boots, who may not have worn the battle scars so to speak, and it's not a fault of the system per se but it's a fault, perhaps, of all systems where those without lived experience misinterpret the meanings of the messages we're trying to give you or give the people who make those decisions.

The way I propose – and this is just off the fly – is that we have more people with those blown up legs – that gentleman's not here now – but with those battle-worn scars that are part of a, shall I say right now, a consultative advisory forum - - -

COMMISSIONER FITZGERALD: Sure.

DR O'BRIEN: - - - that before any policy is enacted that it goes through them first to see will it be relevant; will it be meaningful on the coal face when they hit the ground. Are they going to be detrimental to veterans and their families or and the community whole or is it going to assist them?

Now, that may be where – well, instead of having captains and pen pushers and other people that haven't been shot at and seen their mates blown up or seen the violence of warfare, where those people are not left solely to being the decision makers. There is actually a filtering process that goes through that enables us the opportunity to make sure our messages are understood at the goal post.

COMMISSIONER FITZGERALD: Well, we agree with the outcome; that is to get the right information to the table. But that's also got to be good research and evidence-based when it's prepared – expertise.

DR O'BRIEN: And that's empowering health professionals as well.

COMMISSIONER FITZGERALD: And we came to look at certain models (indistinct) can I just deal with one last issue and only very briefly? You've warned us against medicalising or a medicalised model in relation to suicide prevention.

DR O'BRIEN: Can I reframe that? You choose the word "warned"; I choose the word "advised".

COMMISSIONER FITZGERALD: That's fine. But we've heard this in this space. So what is the fundamental difference? We understand social determinacies of mental health and health generally. We

understand what you said that suicide and suicide ideation and what have you can arise from a multitude of different factors; many interconnected, some less so. So what do you think is the fundamental approach that we should be taking in relation to mental health but, in particular, suicide prevention which you say, you know, should not be a medicalised model. What's the fundamental shift you would recommend to us?

DR O'BRIEN: My recommendation is based on a lot of anecdotal evidence I've heard from the veteran community, from a lot of suicide interventions I've given and my own attempts to take my own life. It is about all that I've said before, about being understood because a military person that's been trained to think in a particular way to optimise available resources to achieve their mission or the outcome that they intend to, before they call Lifeline, which is almost a dishonourable thing to do, will have exhausted all available resources to achieve it.

So if they do make that call or if they do call Open Arms or if they do call DVA, it's because they have expended their final reservoir of resources that they have. This is not a call for help. This is not, "Please, we'll put you on hold." This is urgent, now, need help before I take myself out and maybe others around me," because that's what I'm trained to do.

When the brain is in a crisis situation like that it goes into survival mode and if it means that it will blow itself up to take out more enemies around it, it will do so and it cannot function, particularly in the male brain – but that's a topic for a different discussion – that when it's under significant threat it will do that. The brain will optimise for that default; to survive.

We're not seeing this in the decision making process. This information's not being filtered down because it's not being regarded as military-specific. I'm presenting that to you, today.

Suicide is needed to be taken seriously in the military context. Not in a civilian context by civilian-trained or civilian qualified practitioners who may not have that cultural understanding. Bruce did; which is why we would all applaud him for what he did in this local community. He has saved more veterans, their spouses and their children; he was my mentor for 16 and a half years. He saved my life and so I'd like it well known that we need a legacy here for Bruce.

COMMISSIONER FITZGERALD: Any final comments, Ken? I know you've got lots and we've got your paper and you're at liberty to send us more.

DR O'BRIEN: I'm extremely passionate about this.

COMMISSIONER FITZGERALD: But any very final brief - - -

DR O'BRIEN: Okay, look, I think I've reiterated on that. I don't need to summarise it. But a more structured approach within the system that validates, gives voice to and acknowledges the voices of the people who have experienced it. To allow them the capacity to be part of that decision-making process is going to give far more long-term beneficial outcomes and minimise the risk on our nation for those that defend its sovereignty and its borders and their families for generations to come.

How many veterans here in the room have got sons or nieces and nephews that serve in our defence?

VOICE: Lots.

DR O'BRIEN: Yes? I heard one person say earlier. Right? There is quite often multi-generational service as families, as there are multi-generational issues with that service. Again, we need to listen to the people.

COMMISSIONER FITZGERALD: Good, thank you very much. And, again, thank you for your paper. Look, thanks very much, we'll be in touch.

DR O'BRIEN: Yes.

COMMISSIONER FITZGERALD: I said that we would invite people to make brief statements at the end of this and one person so far has put their name forward. But as this person presents, if you want to make a final comment, if you haven't already presented, then, this is your opportunity. So is it Terry?

MR KERLIN: Yes.

COMMISSIONER FITZGERALD: Please, so introduce yourself.

MR KERLIN: Terry Kerlin. I'm representing myself. I just want to submit a few views of my own.

COMMISSIONER FITZGERALD: Please.

MR KERLIN: I'm a Vietnam veteran. I was in the armed services for 15 years. I volunteered for national service when it first came out in 1965, and when the battalion got their warning order to go overseas, I extended

that two years to three years to do service with the battalion because I was a corporal section commander at the time and to pull out then, would be like a rat deserting the sinking ship.

So I did my tour of duty with the battalion, came back and then I served for a further 12 years in the reserves. But my main point that I'd like to bring up is the education of our health professionals. I don't have the answer to this, maybe it could be through the university training, but they need to know something about how a veteran thinks, or what he's been through.

I can give you a couple of examples, personal examples. When I did go for a hearing test, the audiologist said to me "What can you put your hearing loss down to?" which was about 50 per cent loss. And I said "The associated combat noises, artillery, machine gun fire, explosions," and he said "Didn't you wear earmuffs?" I sort of – I was like a stunned mullet, I didn't know what to say to him, but I said "You need to have your ears open to give orders and to hear orders," I said "Earmuffs weren't a choice at all," and that was my experience with him. And the other experience was when I was referred to a psychiatrist – I have PTSD. The chap's name – I'll mention his name, [redacted]. I saw him and instead of sort of addressing the things like the out of character behaviour, which is a symptom of Post-Traumatic Stress Disorder, or the drinking problems – I didn't think it was a problem, it was only when I couldn't get it was a problem. But he was more interested in asking me do I love my mother and father. I mean, that had nothing to do with the whole reason I was there for, and this is where – I walked out of that particular appointment, I then contacted the Vietnam Veteran's Counselling Service after that, and they are a marvellous group, and I think there should be more groups like that around, that an ex-serviceman can go to. We had mates from (indistinct), and others that slip my mind at the moment, but I think the Vietnam Veteran's Counselling Service – it's not only available to Vietnam veterans, it's available to all veterans. And I just think that we need to educate our health professionals a bit more. That's all.

MR FITZGERALD: Can I just – we've heard – we're looking at the mental health space, and Open Arms is a very important part of that, and we are supportive of that, and you've had a good experience through that. But the other part of it of course is the general mental health space, you know, psychologists, psychiatrists and counsellors more generally. So this issue about education, education in military aspects of their clients they're seeing like yourself, that's what you're talking about. In the township like Rockhampton, do you know whether or not that happens? Do you know that there's any sort of – do any ESOs in this township

actually put on any sort of educative program for allied health workers, medicos, others at all?

MR KERLIN: It was mentioned by doctor – over here. Bruce Hackett, he used to look after veterans real well. And he sort of put me on to the – probably the right people.

MR FITZGERALD: The right people. Because in South Australia I think it is, Richard, in South Australia they have a very strong research approach to some of these issues associated with one of the hospitals down there, and part of their program is to educate health professionals in the general community around those sorts of veterans' issues. So taking up your point, we've seen a little bit of that. Not a lot, but we've seen a little bit of that.

MR KERLIN: Yes, but I think it should come, you know, through their early training.

MR SPENCER: Terry, I'll just mention on other issues, in that you mentioned you were in the reserves for 12 years. And the comment has been made – we've heard it in several hearings that our report doesn't have a lot to say about reservists or their particular situation or what happens to them on discharge. So we will have more to say about that in our final report. I just wanted to acknowledge that since you were in the reserves for 12 years. But you may just want to – having done three years, as I understand it, in the service and then 12 years in the reserve, what was your experience of moving between the two and when you finally left the reserves?

MR KERLIN: Yes, I found that – going from full time service to part time service wasn't a problem. It's when I got out. Things sort of didn't start to fall in a heap until after I sort of left the military scene.

MR SPENCER: Yes, and it's been suggested – not suggested, we've been advised to have more – to focus more on that for people leaving the reserves, and we do that as well.

MR KERLIN: Yes.

MR SPENCER: Okay, any other comments?

MR KERLIN: No, that's it.

MR SPENCER: That's all right, thank you very much. Thanks Terry.

MR FITZGERALD: Thanks Terry. So are there any other persons who have been in here this morning who would like to make a final comment if you haven't already presented? Going, going, sure? Gone. All that I have to do is to firstly thank you for participating today, and thank you generally for all those that have participated in other hearings right across Australia. There's been very large numbers and lots of people having participated as members of the audience, and that's been terrifically helpful. Again, if you need to put in a final comment to us, please do so as soon as you possibly can. It can just be by way of an email. So people after these sorts of sessions sometimes think of a particular issue they want us to think about, so that's it. And finally again – and the final report will go to the government in the last week of June. It's up to the government as to when it releases it, but it must be released by the government within 25 parliamentary sitting days, but you will see the products of our final report. Otherwise, this concludes our public hearings. Yes?

UNIDENTIFIED SPEAKER: I just have one question. You're proposing a veteran's commission. Can you explain the different between the Department and the Commission?

MR FITZGERALD: Yes, well I can do that just on the record for the moment. One of things that's happened is that government departments are under the control of a minister directly, and the Secretary is appointed by the minister, and they operate within departmental approaches. All governments around Australia, the nine governments of Australia, in relation to issues like compensation, workers' compensation, accident compensation, have all moved away from a departmental model.

They've all moved to a commission, or what's called a statutory authority, whereby it is somewhat independent, but it still reports to a minister, but it has its own board of directors, the CEO may or may not be appointed by that particular organisation, but it operates in a very different structure, and all governments have moved to that model, because the departmental model is not a good model for administering these sorts of schemes.

What Richard's been saying however is there are real advances in having a statutory authority. You get a different culture, you get a very outcomes-focused organisation, the organisation is absolutely required to meet very strong KPIs. But the whole approach, the way in which you engage staff is quite different. So there's not a single compensation scheme left in a Department, except for Veteran's Affairs. So when we looked at this we tried to say – it wasn't coming from saying DVA is doing a bad job, what we have said is what is the best way forward? And

the best way forward for the administration of a scheme is, we think, in a statutory authority.

The next question then becomes, well what do you do with policy and other bits and pieces? And so we looked at that separately, and we heard your comments about that. There is – there was a view, we thought, policy would be better integrated into Defence for the reasons we've set out, but that hasn't been a view that's been accepted by here or anywhere else with a few exceptions. So the notion of a statutory authority is a very normal way to administer compensation schemes, Comcare is an example of that. The Victorian Traffic Accident Authority is another one. They're all over the place.

But departments are subject to particular pressures and particular ways of operating that are not present when you look at a statutory authority. Statutory authorities have particular benefits, and I can assure you our Productivity Commission is a statutory authority, I was commissioner of another commission in New South Wales, I've lived and breathed them, I know their advantages over departments. So that's a very short way of saying we've been trained to grapple with what's the best to deal with these elements. And our view up until now has been a statutory authority in relation to administration might be the way forward.

But then you've got to deal with all the other issues. I should say however, statutory authorities are responsible to the minister. Veterans don't lose access to the ministry, in fact we're increasing that. We're talking about a ministerial advisory council. You don't lose the capacity to influence policy, because policy sits in the department. So policy sits there, not in the statutory authority.

So if you're worried about payments, benefits, entitlements, that's absolutely within the department, and absolutely the responsibility of the minister. That doesn't go to the statutory authority, ever. Just the same as Comcare, policy is set by government, it administers the scheme. So if the concern is that if we had a statutory authority you would lose influence over policy, that was never our intention, never. But we did put forward an alternative model about where that should be, and we've listened to you very carefully about that. Any other final comments, Richard?

All right, we will now permanently, we'll just bring the hearing to a conclusion, thank you very much.

ADJOURNED