



# National President's Newsletter No 4 of 2015



## 1. 2015/2016 Budget – Department of Veterans' Affairs

The allocation for the Department made public when the Federal Budget was delivered in Parliament on Tuesday 12 May 2015 is \$12.1B. This sum is comprised of \$6.5B for income support and compensation and \$5.5B for health services. These fiscal allocations will support 316,000 clients with that number diminishing to 301,000 at the end of the fiscal year.

In releasing the Budget the Government made the following points:

- a. The allocation of \$12.1B is down from \$12.3B last year reflecting the decreasing number of clients as the WW2 contingent pass.
- b. Approximately 98% of the allocation funds income support and compensation and health services for veterans
- c. \$88.7M is allocated for commemorations with a further \$17.5M to be contributed by the Department of Defence in FY 2015-16 for the construction of the Sir John Monash centre at Villers-Bretonneux
- d. \$0.2M is allocated in this FY and \$0.7M over the forward estimates to enhance the Veterans' Vocational Rehabilitation Scheme
- e. \$0.9M has been provided in 2015-16 to align the Military Rehabilitation and Compensation Act appeals process with the Veterans Entitlements Act appeals process
- f. \$3.7M is provided to extend the current trial for In-Hon Telehealth for Veterans to 31 December 2016.
- g. \$2.5m per year for the next 4 years has been provided to increase the number of Case Coordinators, who are able to provide a one on one tailored package of support to veterans with complex needs, including mental health. The RSL unequivocally endorses this allocation of funds.

The Government announced that it is not proceeding with the measure to pause indexation of income test eligibility thresholds for three years as was announced in the 2014-15 Budget. Nor is it proceeding with the measure to reset the deeming thresholds to \$30,000 (single person) and \$50,000 (couple) announced in 2014-15 Budget. Deeming thresholds will remain at \$48,000 (single person) and \$79,600 (couple) in financial assets and will continue to be indexed by CPI each September.

It was also announced that there would be a continuation of the indexation pause for dental and allied health provider fees. The pause will be extended from 1 July 2016 to 30 June 2018 aligning with indexation arrangements for Medicare and DVA medical services at the 2014-15 Mid-Year Economic Fiscal Outlook. This measure is expected to provide net savings of \$69.6M over the forward estimated with DVA reviewing dental and allied health arrangements with the aim of ensuring these continue to meet the current and future needs of the veteran community.

The RSL National Veterans' Affairs Advisor John Hodges has sought advice from DVA about this facet of the Budget and has been informed that DVA do not anticipate any impact on veteran entitlements as arrangements with Providers have not changed. However, this needs to be closely monitored and the RSL National Veterans' Affairs Committee will ensure any diminution or deterioration of expected services is identified and brought to the attention of the National Board and the Department.

RSL members will recall that on 29 August 2014 a lengthy submission was forwarded to the Prime Minister listing the issues the League regarded as important for consideration in the framing of this Budget. That document listed the items Sub Branches, Districts, State Branches and the National Veterans' Advisory Committee put forward and showed, as usual, the priority given to each. The following shows the status of the RSL top priority submissions:

### **1. Disability Pension**

That the Government revoke the decision contained in the DVA Federal Budget 2014-2015 Budget Papers, which backdates the disability pension paid under the Veterans' Entitlement Act 1986 (VEA) from the date of claim and not the 3 months prior to the date of effect (Section 20).

*The legislation to give effect to this measure (Social Services and Other Legislation Amendment (2014 Budget Measures No. 4) Bill 2014) was passed by the House of Representatives but has not been passed by the Senate.*

### **2. Pension Indexation**

That the Government revoke the decision contained in the DVA Federal Budget 2014-2015 Budget Papers which uses the Consumer Price Index, and not the Male Total Average Weekly Earnings and the Pensioner and Beneficiary Living Cost Index for the indexation from 1 July 2017 of the Service & Age Pension, Income Support Supplement, Disability Pension, War Widow(er) Pension and equivalent MRCA payments.

*The Government accepted the advice of the RSL on this matter and has decided not to proceed with changes to pension indexation announced in the 2014-15 Budget.*

### **3. Seniors Supplement**

That the Government revoke the decision contained in the DVA Federal Budget 2014-2015 Budget Papers which ceases the Seniors Supplement to Gold Card and Commonwealth Seniors Health Card holders on 26<sup>th</sup> June 2014.

*The legislation to give effect to this measure (Social Services and Other Legislation Amendment (Seniors Supplement Cessation) Bill 2014) was passed by the House of Representatives but has not been passed by the Senate.*

#### **4. Carer Support**

That the Department of Veterans' Affairs initiate changes to the Veterans' Entitlement Act and the Military Rehabilitation & Compensation Act to adequately provide social, financial and emotional support to the Carers of Younger (Contemporary) Veterans.

*There was no mention of this in the Budget. The RSL will continue to pursue this matter.*

#### **5. Veterans' Disability Pensions Rates**

That all rates for Veterans' Disability Pensions be adjusted by the same increment that was granted at the time for the Single Rate of Service Pension in the 2009 Budget which was by 2.7% increase of Male Total Average Weekly Earnings (MTAWE).

*There was no mention of this in the Budget. The RSL will continue to advocate this change.*

#### **6. Income Support Payments**

That the Government legislate that the following payments to Veterans are administered and paid by DVA on behalf of the Department of Human Services:

- a) Carers Allowance;
- b) Newstart Allowance; and
- c) Disability Support Pension

*We understand that the Department of Veterans' Affairs and the Department of Human Services are considering this proposal.*

#### **7. Home Respite Care**

That DVA increase the allocated hours of in-home respite care and provide a more flexible approach to granting of overnight respite as the present arrangements do not permit the Carer to have sufficient time away from the Veteran to be beneficial to the Carer's wellbeing.

*There was no mention of this in the Budget. The RSL will continue to press for this change.*

#### **8. Additional Resources for the improved Management of Mental Health**

That the Government provides additional resources for the improved management of the mental health issues of the serving and ex-serving personnel and their families.

*The Government has instigated a Senate Inquiry by the Foreign Affairs, Defence and Trade References Committee into the mental health of ADF serving personnel. The committee's focus is on the mental health support, evaluation and counselling services provided by Defence and DVA, and the identification and disclosure policies of the ADF in relation to mental ill-health and PTSD. The*

*RSL, through the National Veterans' Affairs Committee (NVAC), will be forwarding a submission to this inquiry. The full Terms of Reference are available on the Parliament House website.*

## **2. Outcomes from 18 May 2015 RSL National Board Meeting**

As mentioned in my newsletter No 3 of 2015, the Board considered the most recent revision of the RSL National Constitution and decided that after a few additional small amendments it would be circulated to all Branches and Sub Branches for final review and comment. The Board believes this document is now near to completion and will be most grateful for any comment or suggestion any RSL member wishes to forward. The expectation is that members' comments will be taken into account in time for a final version to be put to the RSL National Conference in September for adoption.

Another important matter agreed by the Board was the appointment of an RSL National Communications Manager. The Chief Executive Officer will now take action to recruit this person through the normal processes. At the same time, and to expedite the much needed improvements in the way RSL National communicates internally and externally, a contract will be let with an Australian firm to develop a social media strategy. This will entail researching, establishing and optimizing the digital and social media communication channels of the RSL.

A further issue decided by the Board was to agree a plan for the commemoration and celebration of the 70<sup>th</sup> anniversary of Victory in the Pacific Day. The Minister for Veterans' Affairs Senator the Honourable Michael Ronaldson has sought RSL assistance in marking this significant commemorative occasion. The Chief Executive Officer is consulting with all State Branches about the plan and further advice about what is intended will be made known in the near future.

Rear Admiral Ken Doolan AO RAN (Retd)  
22 May 2015