



COMMONWEALTH OF AUSTRALIA

Proof Committee Hansard

SENATE

FOREIGN AFFAIRS, DEFENCE AND TRADE LEGISLATION
COMMITTEE

Estimates

(Public)

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FOREIGN AFFAIRS, DEFENCE AND TRADE LEGISLATION COMMITTEE

Wednesday, 15 November 2023

Members in attendance: Senators Chandler, Ciccone, Davey, Fawcett, Lambie and Shoebridge

DEFENCE PORTFOLIO

In Attendance

Senator McAllister, Assistant Minister for Climate Change and Energy

Department of Veterans' Affairs

Ms Alison Frame, Secretary

Ms Teena Blewitt PSM, Chief Operating Officer and Deputy Secretary, Client Benefits

Ms Alison McLaren, Deputy Secretary, Veteran, Family and Stakeholder Experience

Mr Andrew Kefford PSM, Deputy Secretary Policy and Programs

Mr Mark Brewer, Acting Deputy President

Mr Alex Caroly, Acting First Assistant Secretary, Claims Process Improvement Division

Ms Natasha Cole, First Assistant Secretary, Client Benefits Division

Ms Katrina Jocusen, Acting First Assistant Secretary, Chief People Officer Division

Mr Glen Casson, First Assistant Secretary, Finance, Technology and Insights Division

Ms Liane Pettitt, Acting First Assistant Secretary, Ministerial, Engagement and Communications Division

Mr Luke Brown, Acting First Assistant Secretary, Royal Commission Implementation Division

Ms Veronica Hancock, First Assistant Secretary, Policy and Research Division

Mr David Pullen, Acting First Assistant Secretary, Program Delivery

Ms Kerrie Martain, Assistant Secretary, Coordinated Client Support

Ms Peta Langeveld, Acting Chief Counsel, Chief Audit Executive and Chief Risk Officer

Professor Jenny Firman AM, Chief Health Officer

Ms Donna Thomas, Assistant Secretary, Commemorations

Ms Yvette Sims, Assistant Secretary, Portfolio Management Branch

Ms Laura Sham, Assistant Secretary, Chief Information Officer

Mr Dylan Kurtz, Assistant Secretary, Health and Wellbeing Branch

Mr Simon Hill, Assistant Secretary, Legislative Reform Branch

Ms Laura Winkler, Assistant Secretary, Legal Advice and Legislation Branch

Ms Christina Raymond, Acting Assistant Secretary, Royal Commission Taskforce

Ms Sarah Kennedy, Assistant Secretary, Client Programs

Mr Michael Burvill, Acting Assistant Secretary, Clinical Operations

Repatriation Commission

Mr Kahlil Fegan DSC, AM, Repatriation Commissioner

Committee met at 19:01

CHAIR (Senator Ciccone): Good evening everyone. I declare open this meeting of the Senate Foreign Affairs, Defence and Trade Legislation Committee. The Senate has referred to the committee the particulars of the proposed expenditure for 2023-24 and related documents for the Foreign Affairs and Trade, and Defence portfolios. The committee may also examine the annual reports of departments and agencies appearing before it. The committee has set 15 December of this year as the date for the return of answers to questions taken on notice.

Under standing order 26, the committee must take all evidence in public session, and this includes answers to questions on notice. I remind all witnesses that in giving evidence to the committee they are protected by parliamentary privilege. It is unlawful for anyone to threaten or disadvantage a witness on account of evidence given to a committee, and such action may be treated by the Senate as contempt. It's also a contempt to give false or misleading evidence to the committee.

The Senate resolved, in 1999, the following test of relevance for questions at estimates hearings: any questions going to the operations or financial positions of departments and agencies which are seeking funds in the estimates are relevant questions for the purpose of estimates hearings. I further remind officers that the Senate has resolved there are no areas in connection with the expenditure of public funds where any person has a discretion to withhold details or explanations from the parliament or its committees, unless the parliament has expressly provided otherwise. The Senate has resolved that an officer of a department of the Commonwealth should not be

asked to give opinions on matters of policy and shall be given reasonable opportunity to refer questions asked to superior officers or to a minister. This resolution prohibits only questions asking for opinions on matters of policy and does not preclude questions asking for explanations of policies or factual questions about when and how policies were adopted.

I draw the attention of witnesses to an order of the Senate of 13 May 2009 specifying the process by which a claim of public interest immunity should be raised, which will be incorporated into the *Hansard*.

The extract read as follows—

Public interest immunity claims

That the Senate—

(a) notes that ministers and officers have continued to refuse to provide information to Senate committees without properly raising claims of public interest immunity as required by past resolutions of the Senate;

(b) reaffirms the principles of past resolutions of the Senate by this order, to provide ministers and officers with guidance as to the proper process for raising public interest immunity claims and to consolidate those past resolutions of the Senate;

(c) orders that the following operate as an order of continuing effect:

(1) If:

(a) a Senate committee, or a senator in the course of proceedings of a committee, requests information or a document from a Commonwealth department or agency; and

(b) an officer of the department or agency to whom the request is directed believes that it may not be in the public interest to disclose the information or document to the committee, the officer shall state to the committee the ground on which the officer believes that it may not be in the public interest to disclose the information or document to the committee, and specify the harm to the public interest that could result from the disclosure of the information or document.

(2) If, after receiving the officer's statement under paragraph (1), the committee or the senator requests the officer to refer the question of the disclosure of the information or document to a responsible minister, the officer shall refer that question to the minister.

(3) If a minister, on a reference by an officer under paragraph (2), concludes that it would not be in the public interest to disclose the information or document to the committee, the minister shall provide to the committee a statement of the ground for that conclusion, specifying the harm to the public interest that could result from the disclosure of the information or document.

(4) A minister, in a statement under paragraph (3), shall indicate whether the harm to the public interest that could result from the disclosure of the information or document to the committee could result only from the publication of the information or document by the committee, or could result, equally or in part, from the disclosure of the information or document to the committee as in camera evidence.

(5) If, after considering a statement by a minister provided under paragraph (3), the committee concludes that the statement does not sufficiently justify the withholding of the information or document from the committee, the committee shall report the matter to the Senate.

(6) A decision by a committee not to report a matter to the Senate under paragraph (5) does not prevent a senator from raising the matter in the Senate in accordance with other procedures of the Senate.

(7) A statement that information or a document is not published, or is confidential, or consists of advice to, or internal deliberations of, government, in the absence of specification of the harm to the public interest that could result from the disclosure of the information or document, is not a statement that meets the requirements of paragraph (1) or (4).

(8) If a minister concludes that a statement under paragraph (3) should more appropriately be made by the head of an agency, by reason of the independence of that agency from ministerial direction or control, the minister shall inform the committee of that conclusion and the reason for that conclusion, and shall refer the matter to the head of the agency, who shall then be required to provide a statement in accordance with paragraph (3).

(d) requires the Procedure Committee to review the operation of this order and report to the Senate by 20 August 2009.

(13 May 2009 J.1941)

(Extract, Senate Standing Orders)

CHAIR: Witnesses are specifically reminded that a statement claiming that information or a document is confidential or consists of advice to government is not a statement that meets the requirements of the 2009 order. Instead, witnesses are required to provide some specific indication of the harm to the public interest that could result from the disclosure of the information or the document.

I remind senators and witnesses in the hearing room that microphones remain live unless I instruct otherwise, for example, at suspension or adjournment. I remind all senators that we continue to work at implementing the *Set the standards* report, and, as chair, I'll ensure that proceedings are conducted in an orderly, respectful and courteous way. I ask members of the media to follow the established media guidelines and the instructions of the

committee secretariat. I remind everyone in the gallery that they are not permitted to speak or interfere with the proceedings or with witnesses at any point during the hearing. Witnesses and senators who are seeking to table documents during the committee's hearing are requested to provide an electronic copy of those documents to the secretariat so they can be circulated electronically during the hearing.

Department of Veterans' Affairs

[19:04]

CHAIR: I now welcome Senator the Hon. Jenny McAllister, representing the Minister for Veterans' Affairs; Ms Alison Frame, Secretary of the Department of Veterans' Affairs; and officers of the department. Minister, do you or the secretary wish to make an opening statement?

Senator McAllister: I don't.

Ms Frame: I do. I wish to make a brief opening statement to update the committee on key areas of progress since the last Senate estimates in May. Eliminating the claims backlog continues to be a top priority for DVA. We are doing everything we can to process claims as quickly as possible and get support to where it's needed. Of the almost 41,800 claims in the backlog, as reported in the interim report of the Royal Commission into Defence and Veteran Suicide, all have now either been determined or allocated for processing, with more than 78 per cent determined or completed. In other words, almost four in five of these claims have now been finalised. The total claims backlog as at 31 October was 16,723. This is a reduction of 28,503 claims from its highest point when it reached 45,226 claims in September 2022. In October alone, 5,192 claims were moved out of the backlog and are now being processed; plus, just over 9,000 claims were finalised in a record month for DVA.

At the same time as we are processing more claims than ever before, the number of new lodgements has increased rapidly. In October, a high of over 7,700 lodgements was received by DVA, which is an increase of 39 per cent from October 2022. We are now close to managing a 'business as usual' level of initial liability and incapacity claims. That is to say that the backlog of claims in the queue to be allocated for processing in these two areas is almost gone. Claims are received by DVA every day. There will always be some claims in the queue waiting to be allocated to an officer for processing, and we are aiming to do this for new claims within two weeks. For example, the department receives, on average, about 2,500 initial liability claims every two weeks, and our aim is to move these to being processed within two weeks once an initial assessment is undertaken for eligibility, other relevant claims applications the veterans may have and applicant welfare.

These are necessary first steps in an application prior to a claim being formally assessed. We're now at a point where initial liability claims received from September 2023 that are eligible under MRCA have already been allocated. We remain on track to eliminate the backlog of initial liability claims by the end of this calendar year at the latest. As of 31 October 2023, the initial liability backlog stood at 4,743. This is a reduction of 31,269 claims from its highest point when it reached 36,012 claims in July 2022.

In addition, we are also on schedule to clear the incapacity claims backlog earlier than March 2024. As at 31 October 2023, the incapacity backlog stood at 69. This momentum in reducing numbers in the backlog has continued and increased into November, and further significant reductions will be published when finalised in early December. We are making every effort to eliminate the permanent impairment backlog; we're currently prioritising claims from non-serving veterans in this space, which make up approximately 70 per cent of all claims. The number of permanent impairment claims is increasing as initial liability claims are determined and some veterans then lodge additional claims. Our efforts are now focused on allocating and processing these claims. We're still aiming to meet the target date of 31 March 2024 for the clearing of permanent impairment claims.

As you know, the Australian government provided \$233.9 million over four years in the October 2022-23 budget to employ 500 additional frontline staff to process claims. A further \$64.1 million was allocated in the recent May budget to maintain a suitably sized and skilled workforce to meet demand. DVA has now recruited an additional 500 ASL, or average staffing level, and I'm pleased to report that, as at 31 October 2023, there were 1,073 full-time equivalent staff directly processing claims. This represents an increase of almost 530 full-time equivalent staff or a near doubling of the workforce directly processing claims and clearing the backlog since 30 June 2022. The continuing decline in the claims backlog highlights the positive impact these staff are making. I would like to thank our claims processing staff for supporting our efforts to reduce the claims backlog.

Our efforts to improve productivity through the introduction of claims support officers, increased training and improvements to the MyService platform are also working. Output per trained delegate reached a record high of 25.8 determinations per month in October 2023, 37 per cent higher than a year ago. The department continues to be very focused on implementing the recommendations of the interim report of the Royal Commission into

Defence and Veteran Suicide. In addition to the actions already outlined to eliminate the claims backlog, we are focused on delivering business improvements to better support the veteran community, such as the standardisation of forms and improvements to MyService. We are continuing to progress the simplification and harmonisation of veterans legislation, modernising our IT systems and improving our modelling capabilities so we can better plan for the future. An update on the implementation of the recommendations of the interim report of the royal commission as at 30 June 2023 is available on the DVA website.

I would like to acknowledge the tireless efforts of DVA staff in all of this work. While there is still much to do, the progress we've made would not have been possible without their dedication and commitment to serving those who have selflessly served our nation. Senators, I hope this update has been useful and I anticipate you'll have some follow-up questions.

CHAIR: Thanks a lot, Secretary. Are you happy to provide us with an electronic version or a hard copy we could circulate?

Ms Frame: Certainly.

CHAIR: Okay. Senator Fawcett, you have the call.

Senator FAWCETT: Thank you, Ms Frame, for your opening statement and the basis of statistics and figures. It's very encouraging, but I am always somewhat sceptical about statistics that go to process. I'm more concerned about outcome. Could you just talk about allocated, finalised, processed and assessed claims. You've given us some figures for reductions, and I think you said there was a 32,000 decrease from the peak. If we take that 32,000 that's been decreased, can you give us a feel for—do you measure outcomes? If you have 1,000 claims that are lodged and assessed—allocated, assessed and finalised—how many of that thousand actually result in the veteran receiving the support they've asked for, and how many are denied?

Ms Frame: We measure outcomes in terms of determination. So, when I gave that figure on 78 per cent of that original backlog having been determined, that means a decision has been made. We do have acceptance data, effectively, for different claim types. So, for MRCA IL and other claim types, we have data about acceptance rates, which are very high and are continuing to increase. If you wanted to ask about any particular type of payment, we can give you the data on acceptance rates—which is effectively what you're looking at there, isn't it? You're asking me about acceptance versus rejection of the claim.

Senator FAWCETT: Yes, it's acceptance rates, because that's a measure of how simple our forms are, how good our case management is and how well we educate veterans and their advocates as to how to fill out and engage with DVA. Clearly, if all of that is good, they won't be applying for things that they're not eligible for. So I'm looking at that as a measure of the health of the system in terms of meeting veteran need.

Ms Frame: Certainly, Senator. I might ask Mr Caroly if he can provide some more detail about different acceptance rates across claim types.

Mr Caroly: In terms of acceptance rates, the acceptance rates have been increasing over time. I'll present some statistics around the increase in acceptance rates. In 2023-24, the financial year to date, the acceptance rate for initial liability conditions was 85.9 per cent; in terms of permanent impairment claims, the acceptance rate was 88.7 per cent; and in terms of incapacity claims, the acceptance rate was 96.6 per cent.

It's probably worthwhile to think about these numbers in their historical context. In the data that I've got here from five years ago, in 2019-20, the acceptance rate for initial liability conditions was around the same, at 85.8 per cent. In 2016-17, the acceptance rate was 73.3 per cent for initial liability conditions. So it has been improving over time, and there's a greater proportion of claimants who are being accepted for their conditions.

In terms of permanent impairment claims, five years ago—in 2019-20—the acceptance rate was 83.3 per cent. That has moved up to 88.7 per cent in the financial year to date. In 2016-17, that rate was 59.7 per cent—much lower than it is today. So we are seeing an increase in the acceptance rates across initial liability, permanent impairment and incapacity claims. Incapacity claims are presently at 96.6 per cent. Five years ago they were at 69.0 per cent. In 2016-17, they were lower, but they were at 90.4 per cent.

Senator FAWCETT: That's positive, but it's still a fairly stubborn 14 per cent, or thereabouts, of initial liability claims that are not accepted.

Unidentified speaker: That's right.

Senator FAWCETT: Do you have data on why it was that they weren't eligible? Did they apply for the wrong thing? What were the causes, and how do we close that gap so that veterans' expectations are met by outcomes, as opposed to expectations—they might be false expectations—that drive culture and attitude towards DVA in the sense of a lack of support?

Mr Caroly: Some of the reasons for the lower acceptance rates—for example in DRCA and VA claims—reflect the increasing age of the claimants and some of the time elapsed since ADF service, so there's a difficulty in accessing some of the information from when first diagnoses occurred. MRCA and DRCA incapacity acceptance rates, for example, have fluctuated a little bit over the last five years. But, in terms of the incapacity claims, the acceptance rate, which I mentioned was at 96.6 per cent, is much higher because they've gone through the process of ILPI and then through to incapacity. Someone here might be able to give you some further information.

Ms Frame: Ms Cole might have some more information about the rejections and the analysis of that number and what might be some of the groups and reasons—

Senator FAWCETT: I'm particularly interested in the cases where there is a deficit of data or evidence. There was some discussion in previous interactions with DVA about basically giving the veteran the benefit of the doubt, but then, if subsequent investigation proved they weren't eligible, negotiating a clawback, if you like, rather than having a veteran waiting a long time. That's an old scenario that was discussed. I'm wondering how that is dealt with now, in those situations where data hasn't been digitised by Defence or where health records aren't available.

Ms Cole: The reasons why claims are rejected vary a bit, depending on the claim type. In the initial liability space, there are two primary reasons why a claim would be rejected. The first is no diagnosis. A person may have put in a claim for a condition that they don't end up with a diagnosis for. Often they actually end up with a different diagnosis, and that gets accepted rather than what they initially thought they might've had. The second reason why claims get rejected at the initial liability stage is generally that there isn't a link to service. Sometimes that can be due to the time frame, as described by my colleague. If there is a very long period between service, for example, and the injury appearing, it gets harder to actually link that injury or illness back to the initial service. Those are the two major reasons in IL.

In permanent impairment, the most common reason a claim won't be approved is because the level of impairment that's assessed is under the required number of points. You have to have a certain number of points in the permanent impairment space to warrant a payment. Sometimes a person will come in with an accepted condition, but the permanent impairment caused by that condition is not yet sufficient to actually trigger a payment, although it may be in another year, or another two or three years, in the case of degenerative conditions or illnesses. We have a reassessment process for those kinds of claims.

In the DRCA, in particular, there are a number of claim types or condition types—under the legislation, there are three in particular—that do not acquire impairment points for the purposes of payment. Those conditions include things like tinnitus, for example, and they're subject to restrictions within the legislation. So, while we might accept it at the initial liability stage, which means that treatment can be provided, we aren't able, under the legislation, to make payment. In relation to your question, we do actually provide information to the client in those circumstances, acknowledging that it is impossible, in a sense, for us to be able to give them a permanent impairment payment for those specific conditions. But sometimes they still choose to apply.

Senator FAWCETT: Can I ask you to take on notice the reasons why claims were not awarded or were rejected—however you want to determine that—against those figures that were provided about the good percentage increase. I would like to see the figures for now versus that first set of figures, because you compared against a baseline, so we can see if that statistic is closing, because that goes a long way towards a veteran's perception as to whether or not they're being supported. The better education et cetera we can get at the start, hopefully the fewer of those rejections there'll be. Can I follow up one other thing around your opening—

Senator DAVEY: Can I add to that? While you're taking that on notice, can you also take on notice the acceptance rate of each of the last five financial years?

Senator LAMBIE: Do you think you could also take on notice all those people stuck in every one of those zones right now? Can we have the numbers of those, too?

Ms Cole: Sorry, Senator Lambie, are you asking for the number of people affected in each of those percentages?

Senator LAMBIE: Yes, that are affected and sitting in there right now.

Ms Cole: We can do that for you.

Senator FAWCETT: Ms Frame, I think you said 500 people, 500 ASL, have been recruited?

Ms Frame: That's correct.

Senator FAWCETT: If I go back to the last estimates, you stated:

At the last estimates hearing, in February we advised that by the end of June 2023 we planned to have an additional 350 FTE staff on board and engaged in claims-processing activities, and ... 55 Services Australia secondees, as outlined— as part of boosting your workforce. Does that 500 include that 350?

Ms Frame: That's right, yes.

Senator FAWCETT: Do you still have secondees?

Ms Frame: We do, yes.

Senator FAWCETT: How many do you have now?

Ms Frame: I might ask Mr Caroly to answer.

Mr Caroly: We have 97 secondees at the moment.

Senator FAWCETT: From Services Australia?

Mr Caroly: That's right. The number has changed, as it would on a weekly basis, but currently it's 97.

Senator FAWCETT: Do you have any staff who are contracted on short-term hire?

Mr Caroly: We do have some labour hire staff as well. We currently have, as of the end of October, 181 labour hire staff. That's out of a total pool of claims processing officers of 1,073.

Senator FAWCETT: That's the figure you gave us earlier, Ms Frame, the 1,073?

Mr Caroly: That's correct.

Ms Frame: The total—that's right, yes.

Senator FAWCETT: I'll go back to the previous estimates and the budget papers. I'm looking here at page 104 of the budget paper:

... payments related to the Military Rehabilitation Compensation Acts, which are expected to increase by \$1.1 billion in 2023-24 and \$4.8 billion over 4 years from 2023-24 to 2026-27, largely due to increased staff levels resulting in more claims processed and higher payments to veterans.

That was your forecast back then. How are you tracking on that, year to date?

Ms Blewitt: What budget paper is that in? Is that the October, or is it the May—?

Senator FAWCETT: It's page 104, I think it's from May. It's Budget Paper No. 1, statement 3, page 104.

Ms Blewitt: We would be updating that in the next budget because it's a demand driven appropriation. Each budget economic update, as you would imagine, we would do our revisions. I don't have the data for where we're at at the moment, but in the MYEFO we'll be updating any adjustments to that.

Senator FAWCETT: Right. So, in terms of your preparation from the MYEFO budget submission, you're not tracking whether you are on track to hit that \$1.1 billion in 2023-24 or the \$4.8 billion over the forwards?

Ms Blewitt: Yes, we would track that. I don't have it. I'll just check with the CFO.

Mr Casson: Yes, we are tracking this year to spend that \$1.1 billion of additional funding.

Senator FAWCETT: So we can expect—

Ms Blewitt: Any adjustments will be reported in the next economic update. But, yes, we do track that.

Senator FAWCETT: Have you actually made requests for additional funding? Are you preparing to make requests for additional funding in MYEFO for the \$4.8 million over the forwards?

Senator McAllister: Senator, I think you know that announcements associated with the budget go through an ordinary process involving the cabinet. So the government will consider the government's budget position at the budget and make announcements at the relevant point in time.

Senator FAWCETT: Minister, you know that the opposition will always seek to get a scoop out of estimates if we can.

Senator McAllister: I do know that, Senator Fawcett.

Ms Blewitt: The other key point is that—sorry if I didn't mention it—it is a demand driven program, so we don't need to seek additional funding. What we do in every economic update is, as you pointed out, monitor it. We will report any adjustments that need to be made in the context of that particular economic update, and then it will be reported. It's a special appropriation and demand driven, so it's not about asking for funding. It's just about updating the figures.

Senator FAWCETT: I have one more question before I hand over to colleagues. It's not related to your opening statement this time but about closing out business that should have been closed by now. In 1973, Senator

Willesee, who was the Special Minister of State, introduced a motion in the Senate, which was passed, that said that governments will respond to Senate committee reports within three months. Every government since then has said that that is the practice that we will follow. In May this year, the references committee tabled a report into adaptive sports for veterans, and we have not yet had a response from the government. Can you tell us what the status is of the response?

Ms Frame: I might need to take some advice on that and find out who is best placed to respond. I don't have the answer immediately at hand.

Senator FAWCETT: Minister, is it in the minister's in-tray? Has it been delivered by the department?

Senator McAllister: I think Ms Frame has indicated she will see what information can be provided to you.

Ms Frame: We're trying to find out who might have some more information about that. Is it possible to come back to that one at all? We would be happy to assist you this evening if we can, but I cannot immediately identify who is best placed.

Senator FAWCETT: I'm happy for you to come back later, and when you do I have a few other questions on it.

Senator LAMBIE: I have some questions on access to and the availability of DVA services. What time do the DVA call centres open?

Ms Frame: Do you mean 1800 VETERAN? Open Arms is obviously—

Senator LAMBIE: No—all of them. Let's go through them. What time do your offices open?

Ms Frame: The VAN, the Veteran Access Network, opens at nine o'clock. I'm going to get the right person to the table who can talk through all these relevant details with you. Open Arms is obviously a 24/7 facility. There are different services, so we'll have to delineate them separately.

Ms McLaren: The face-to-face services at the DVA VAN are open from 8.30 am to 4.30 pm Monday to Friday. Does that answer your question about VAN?

Senator LAMBIE: That's the VAN. What did you say? Was it 8.30 am until—

Ms McLaren: 4.30 pm.

Senator LAMBIE: Is that for the offices as well?

Ms McLaren: Yes—the face-to-face locations.

Senator LAMBIE: What happens when you've got other folders? For example, for people who have got contacts in Western Australia and can't get through until 11.30 am because of the time zone, what happens then?

Ms McLaren: It's 8.30 am to 4.30 pm across all time zones. If you're in WA and you call at 8.30 am WA time, they will pick up.

Senator LAMBIE: What I'm saying to you is that they have to wait. If they're over this side, they can't make their call until 10.30 am or 11.30 am.

Ms McLaren: No, it's 8.30 am to 4.30 pm where you are.

Senator LAMBIE: Do we still not have folders scattered around Australia, where certain states are doing certain things and we've got folders here, there and everywhere, or have we cleared that mess up? Depending on what our inquiry is about, they'll say, 'No, sorry, that part of that is in New South Wales, and that part of that is in Western Australia.'

Ms McLaren: It may be that we may need to return a call, but, if you call at 8:30 am in WA or 8.30 am in New South Wales, there will be someone at the Veteran Access Network to answer that call.

Senator LAMBIE: Are there any out-of-hours contact numbers for DVA, say for emergency treatment or something covered by DVA or something on a weekend?

Ms McLaren: Open Arms is 24/7. That would cover the emergency care that you're referring to.

Senator LAMBIE: Okay. So that emergency site, if they'd need to go to hospital and that needs to be sorted, they sort all that there and then? That hotline does it?

Mr Kefford: Open Arms has both a triage service and the accessibility of psychologists on a 24/7 basis. In relation to hospital treatments and other treatments, there's also the Pharmaceutical Advisory Centre, which relates to access to PBS items out of hours, and that's also 24/7.

Senator LAMBIE: Okay. They can ring that number and if it's out of hours or the weekend and they need treatment or they need a psychologist, that will be pretty much arranged there and then?

Mr Kefford: If someone telephones Open Arms and needs professional assistance, they will receive it 24/7, yes.

Senator LAMBIE: What do your numbers look like on that? Could you please provide to the committee the number of calls going into that hotline for the last 12 months?

Mr Kefford: Happy to take that on notice, Senator.

Senator LAMBIE: Are they itemised—for example, if they want a psychologist or they need treatment or they're ringing up in despair?

Mr Kefford: Happy to categorise the calls as best we can for you as part of taking that on notice, yes.

Senator LAMBIE: How many staff members are responsible for managing the DVA call centres in the financial years of 2020-21, 2021-22, and 2022-23? Do you have those numbers?

Ms Frame: I'm not sure. We might even have them this evening, the VAN numbers. We certainly have the current staffing numbers.

Ms McLaren: I have the current staffing numbers for VAN. Between June 2023 and September 2023, there has been an increase in FTE scheduled to answer calls in the VAN, up from 49.7 full-time equivalent staff in June to 57.5 full-time equivalent staff in September.

Senator LAMBIE: Okay. Do you have the ones for the other financial years?

Ms McLaren: I'd have to take that on notice.

Senator LAMBIE: Can you take that on notice? Can you also tell me whether, for your emergency number, your out-of-hours one, there's been more staff put on that over the last 12 months?

Ms Frame: We can take that on notice. You're referring to Open Arms there?

Senator LAMBIE: Yes, I am.

Ms Frame: Okay.

Senator LAMBIE: Are all those calls being taken? Are they being taken as they're coming in, or are they having to leave a message and wait for staff to get back to them?

Mr Kefford: We'd need to give you the breakdown of that on notice. I'll ask Mr Burvill to assist.

Mr Burvill: We have 64 staff currently in our 24/7 call centre. Our wait times for calls are eight seconds. All calls are taken. Currently, we're taking 11,000 calls a month over a 24-hour period.

Senator LAMBIE: Wow.

Mr Burvill: Approximately 38 per cent of those calls are in the after-hours space. During the after-hours space, we regularly engage with the state based services in terms of welfare checks and emergency services and so on. There's no recorded message; all calls are answered almost immediately.

Senator LAMBIE: Does the call centre have all the external service organisations to pass out to them, a list of all the advocates from the pension office right through, so they can be given those numbers as well?

Mr Burvill: We have a range of services available, and often they're state based, in terms of each region having different services available, and we have knowledge of those. We don't have lists of advocates to provide to clients after hours, but they're available, obviously, during the week during business hours.

Senator LAMBIE: Why don't you have access to those after-hours numbers?

Mr Burvill: Typically, clients are ringing in distress. They're not, from my experience, requesting advocates after hours.

Senator LAMBIE: Do you contact the advocates during hours to see if they want assistance? Most of them rather a veteran at their front door.

Mr Burvill: Apologies. When a call is taken during the evening, each day at 9 am all calls are screened for follow-up. So, if there was a request for an advocate, that will be referred to the respective business area in DVA more broadly, and that will be followed up with that client.

Senator LAMBIE: When was the last time DVA updated their advocacy list?

Ms Frame: I'll need to confirm that one for you; we might have that information available for you this evening. I'll just find out if I can get that for you.

Senator LAMBIE: Great. When was the last time DVA rang every single one of them to make sure that they were still working in this space?

Ms Frame: We'll find out for you.

Mr Kefford: We do have—in terms of the telephone call, not so much. But, in terms of the number of active advocates, there are 636 at the moment. So it's not a large list, and that list is maintained.

Senator LAMBIE: Maintained how?

Mr Kefford: It's a function of both the continuation of training and professional development, as well as our engagement across the department in Ms Cole's area and elsewhere.

Senator LAMBIE: Who contacts them within the department? Do you do checks on them? How often do you ring those advocates and contact them personally—not just look at figures that are coming in? When was the last time someone in DVA actually made a phone call to all of them?

Mr Kefford: It would depend. Some individuals who act as advocates I've spoken to today.

Senator LAMBIE: I'm not asking you for you individual ones; I'm asking you for the whole list of the—how many?—600 and something. When was the last time somebody from DVA rang every single one of them to check and make sure that they were okay?

Mr Kefford: I'd have to take that on notice.

Senator LAMBIE: Great. When you contact them, do you ask them, first of all, about their case numbers or to see whether they need assistance or anything like that?

Mr Kefford: There are regular conversations, including through the ESO round table and a working group that we've had—

Senator LAMBIE: All of the advocates are not sitting at the ESO round tables; I can tell you that much.

Mr Kefford: I understand that.

Senator LAMBIE: I get a lot of calls to my office to say that DVA staff are very difficult to get hold of and never share their work contact details, email or phone, so veterans are forced to contact you via your call centres. As a result, people have to sometimes talk to three, four or more people before they get to the person who is looking after their matter. Each time they talk to a new person, they're forced to retell their stories. Why don't DVA staff give them an email address or work contact number so that they can be contacted directly?

Ms Frame: If Ms Cole's here she'll be able to talk you through the protocols for that. I would also like to point out that we recently published a charter online for veterans that specified really clearly what they can expect and should expect in terms of communication and response from DVA, and we set that out in steps as clearly as possible—

Senator LAMBIE: That's not what I asked you.

Ms Frame: It's just a part of the ongoing commitment around—

Senator LAMBIE: How many of them, do you think, when they're in the condition that they're in, actually bother to go there? They pick up the phone, they call DVA, they go to a call centre and they're going through two or three different people—if not four, at times—to get to the person that's actually dealing with their matter. It is not working.

Ms Frame: Ms Cole can provide more detail about how it currently works. I just wanted to point out that we are continuously looking at how we can improve that further, but Ms Cole can explain the current protocol.

Ms Cole: Senator, thank you for your question. In relation to the claims staff, which is the area that I'm responsible for, claims staff are required to put their direct work phone number on correspondence with a client. So that's letters, emails and similar. In the kind of situation that you're describing, sometimes it can be difficult, if a client has many matters with the department, to actually identify the right area. But, in the claims space, the delegates are required to put contact details and email details on their emails and letters to clients. When they call out, as per the protocol for that scenario, they also provide contact details—generally, their first name, their position number and their phone number.

Senator LAMBIE: Why, then, are they having to go to three or four people to get that? Why are we still in a situation where one delegate does not have their folder and is pretty much dealing with everything? Why are we still doing this?

Ms Cole: I'm not quite sure what you're talking about. Say, for example, a person came in through the 1800 number and they went to their initial liability delegate in the first instance but also had other matters that they were wanting to talk to, we would have to transfer them in that sort of scenario because a claims delegate doesn't have full knowledge of everything that an individual may have to discuss, around health service issues or transport matters, at any one time, unfortunately.

Senator LAMBIE: That's the point I'm trying to get to: you've got people that are really suffering out there that are having to deal with multiple people within the department. This has been going on for years.

Ms Frame: It might also be helpful to get someone who can talk about our coordinated client support facility, because that is exactly a facility that—

Senator LAMBIE: That's not everybody that is in that coordinated client support unit, is it? That is about those people—

Ms Frame: There are hundreds of staff there, and they are that single coordinating point for veterans who need to only deal with one person. They would manage that business across DVA and with other service providers. Mr Pullen can provide some more detail about how that works, alongside the arrangement that Ms Cole outlined for claims.

Mr Pullen: There is a client support program, which the secretary referred to. There are several hundred staff currently supporting that function. It provides support across 10 client streams. That includes complex areas such as mental health and other complex claims. It also includes support for transitioning veterans, for example.

Senator LAMBIE: My office has just one number and we take a lot of veterans' calls. There is nowhere for my staff to hide. Why is it that the DVA can hide behind call centres? Can you please tell me how the call centre people are trained? What training are they provided with?

Ms Frame: Ms McLaren might have some more information on the 1800 VETERAN people.

Ms McLaren: There are a number of training programs that staff go through in relation to whether they're doing face-to-face, online or telephony support. I'll ask Ms Pettitt to give further information in relation to the band staff training, noting that that is for the 1800 VETERAN number, not all call centres.

Senator LAMBIE: We're just talking about the call centres here—the initial calls. How are they trained?

Ms Frame: That goes to the 1800 VETERAN number; that's the number people call as their first go-to for interaction with DVA.

Senator LAMBIE: What training do they receive?

Ms McLaren: We can provide you with the detailed training that they go through on notice—

Senator LAMBIE: That'd be great.

Ms McLaren: but there's a training program for managing different issues that veterans may raise, including where to direct those calls within the department, and training for having difficult conversations—

Senator LAMBIE: Great. Can you supply that to the committee, and can you also supply the number of hours of training that they're receiving, please.

Ms McLaren: Yes.

Senator DAVEY: I want to come to question on notice No. 193, which was tabled on 11 August 2023, in relation to the Veterans' Legislation Reform Consultation Pathway. The legislation reform was a recommendation of the interim report of the royal commission. In your response to that question on notice, you said that the initial drafting of the legislation reform is still on track to be delivered on 22 December. Is that still the case?

Mr Brown: Yes, that is the case. Recommendation 1 of the royal commission's interim report contained a milestone date for legislation to be drafted by 22 December this year.

Senator DAVEY: When it's drafted, will it then be released for public consultation and for public comment?

Mr Brown: Yes. As I indicated to you at I think the last Senate estimates hearing, that is the intention. In fact, the minister, at the New South Wales RSL congress on 24 October, also recently publicly indicated that the draft legislation would be available for consultation either towards the end of this calendar year or early in the new year.

Senator DAVEY: You'll have it drafted on 22 December; you'll hand it to the minister, and then it will be up to the minister to release it for public comment?

Mr Brown: That would be a matter for government, yes.

Senator DAVEY: Right. Have you in your work and in your preparations and drafting process considered what consultation will look like?

Mr Brown: We've started to think about that. I imagine it'll look very similar to the consultation period we ran between 16 February and 12 May this year on the broader proposal. I articulated at the last Senate estimates hearing what that consultation process looked like. I'm happy to repeat that information, but it is in *Hansard*. I

imagine it would be another series of face-to-face meetings around the country. We'd be looking at webinars again and, obviously, a submission process like we ran between February and May.

I have been involved in consultation processes around complex pieces of legislation in the past. Depending on the degree of technical knowledge in the people participating in the consultation, what can be helpful is to have a marked-up version of the legislation that you can work through with people almost on a line-by-line basis so they can analyse that black-and-white legislation in front of them. That's the sort of thing we'd envisage, but we still need to work through the specifics of that consultation process.

Senator DAVEY: There will be opportunity, though, for individual veterans to get their say, whether it's through lodging a written submission or attending—hopefully—a face-to-face meeting. Will those face-to-face meetings be invite only, or will they be open to the public?

Mr Brown: I think there'd be a range of meetings. Some of them may be by invitation. I think there'd be an opportunity to attend consultation not through an invitation process, whether it would be through a webinar or other face-to-face mechanisms.

Senator DAVEY: That's good to hear. During the estimates hearings on 31 May, the secretary gave evidence: If the legislation is successfully implemented, all new claims will be dealt with under an approved Military Rehabilitation and Compensation Act, MRCA, as the sole ongoing act, with all existing entitlements under old acts retained.

In relation to that last comment, at the moment, there's a bit of a disparity between MRCA, DRCA, and VEA, and what payments veterans get. Does that mean that disparity won't be closed through this new legislation?

Mr Brown: What happened on 16 February was that Minister Keogh launched a proposal for consultation. I can talk to that proposal. I should note that the proposal did a range of things. For example, it created gold card eligibility for DRCA-only veterans who don't have gold card eligibility at the moment. It gave VEA-only veterans access to lump sum compensation arrangements that they don't currently have access to. So it potentially has significant financial implications, and the government is still to make an announcement in the budget context about the final form of legislation reform. We're talking very much about a proposal that was put out for consultation, and the government is still to make an announcement on what the final form will look like.

In terms of that proposal that was put forward for consultation, the proposal was that from the cut-over date—and we are aiming for the cut-over date that was articulated in recommendation 1, which is 1 July 2025—all new claims would be dealt with under the Military Rehabilitation and Compensation Act 2004. The legislation would be harmonised in the sense that all new claims would be dealt with under a single ongoing act.

In reference to what would happen to veterans and dependants who are on payments under the other pieces of legislation—the Veterans' Entitlements Act 1986 or the Safety, Rehabilitation and Compensation (Defence-related Claims) Act 1988—the proposal articulated that they would be grandparented. We use the term 'grandparented'. If you were a veteran on a rate of disability compensation payment under the VEA—say it was 40 per cent or 60 per cent of the general rate—or a TPI pension, that would be grandparented. You would keep that payment. It would not be affected by the introduction of the new legislation. And if you were to lodge a future claim post the cut-over date, which would be dealt with under the MRCA, it would not affect the payments that you were grandparented on under those old pieces of legislation. But, going forward, there would be no disparity, because every single claim would be dealt with under the one piece of legislation.

Senator DAVEY: So the proposal is to harmonise all payments, going forward, but only from the cut-over date?

Mr Brown: Yes, and it would be very difficult for any government to legislate to retrospectively affect payments.

Senator DAVEY: I've also got some questions about the claims processing, following on from my colleague Senator Fawcett. You were talking about clearing the backlog of initial liability claims. Can you explain that to us. How many of them that come in are currently being rejected at the initial liability assessment stage?

Ms Frame: That's part of the figures that Mr Caroly provided earlier.

Senator DAVEY: I'm sorry; I was late.

Ms Frame: Can you present them again, Mr Caroly. The IL specifically the senator is asking about. It's 85.7, I think.

Mr Caroly: As mentioned before, under MRCA, the acceptance rate in the financial year to date is 85.9 per cent for IL conditions. That's an increase over the last five years from 85.8 per cent—so a 0.1 per cent increase. In terms of permanent impairment claims over the last five years, the current year to date is 88.7 per cent, and the rate five years ago was 83.3 per cent. The rates are gradually increasing over time. That's the acceptance rate. In

terms of incapacity claims under MRCA, the acceptance rate is sitting at 96.6 per cent, and five years ago it was 69 per cent. We're seeing a gradual improvement across MRCA. We're also seeing similar improvements across DRCA and VEA, although both DRCA and VEA are at a slightly lower acceptance rate.

Senator DAVEY: Of the ones that aren't accepted, how many appeal, and what's the percentage of appeals being upheld?

Ms Frame: Ms Cole might have some detail on that one.

Ms Cole: Mr Caroly should be able to give you numbers, but usually around two to three per cent of the total number of claims are appealed. However, the thing that, in a sense, is important to understand is that you can appeal a positive decision if—in PI, for example—you believe that you should have been paid more money rather than the money that was determined at the time. So there's a slightly different relationship between the appeal rates and rejection rates, particularly in the PI space.

Senator DAVEY: So they go for initial assessment and are rejected, and then people appeal. Do you keep that data?

Ms Cole: Yes, we do. Mr Caroly should have some figures on that for you.

Mr Caroly: In 2022-23, the overall rate of review was 3.46 per cent. In terms of the rates of review and outcomes in 2022-23, I'll give you the percentages. The percentage of the total reviews received making a new decision differed between the different acts but, on average, was 29.8 per cent. The percentage of reviews varying an original decision was 15.5 per cent. The percentage of reviews affirming an original decision was 11.5 per cent. Then the percentage of reviews withdrawn was 42 per cent.

Senator DAVEY: It was what, sorry?

Mr Caroly: So 42 per cent were withdrawn. I might reiterate the percentage of reviews. The percentage of reviews making a new decision, where a new decision was made, was 29.8 per cent. Those varying the original decision—I'll repeat that one again—was 15.5 per cent.

Senator DAVEY: So do you not believe there's any trend—that, in the efforts to clear the backlog, some people are getting rejected but then appeal? I mean, nearly 30 per cent are getting a new decision.

Mr Caroly: We are seeing a slight increase in the number of reviews coming through. In July 2022, for example, the number of reviews on hand was 2,231. That had increased in July 2023 to 2,884. So we are seeing an increase. It's not a substantial increase but an increase. That's as expected, given the number of increasing decisions that are made overall. I don't have the percentages, but I can take on notice the different overall rate of reviews between different years if you like.

Senator DAVEY: Have you got the last five years?

Mr Caroly: I'll have to take that on notice.

Senator DAVEY: If you could, that would be appreciated.

CHAIR: I might ask a couple of questions too. Secretary, I know you touched on, in your opening statement, the *Royal Commission into Defence and Veteran Suicide: interim report*. Are you able to expand a bit further on your statement about what has been implemented so far?

Ms Frame: Certainly. There are some that have been immediately implemented, like lifting the ASL cap and recommendations 9 to 13, about information access. But Mr Brown can provide more detail as well on any other specific ones. We're obviously in the progress of working to improve the claims system to eliminate the backlog itself by March 2024, which is why I provided the detailed update in the opening statement. So there are a number that have been completely effected and enacted and another number that are the subject of ongoing work.

Mr Brown: In terms of the recommendations where implementation has been completed, the secretary has already alluded to recommendation 5, which was lifting the ASL cap, which was immediately implemented by the government. The other five that have been implemented are recommendations 9, 10, 11, 12 and 13. Those recommendations go to improving information access across the departments of veterans' affairs and defence.

In response to those recommendations, both departments have established centralised information access units which have trauma-informed practices embedded within those units, have warm handovers and no-wrong-door approaches to applicants going through those information access units. For example, in the past an applicant might have gone to the Department of Defence thinking that they might have had the relevant documents that were being sought. The Department of Defence might have said, 'Sorry, we don't have those documents—you'll have to go to the Department of Veterans' Affairs.' In some cases, those documents might be scattered between the two departments. In these new information access units, there's warm handover processes or the one

department will respond to the single request for information. Even if the information is held by the two departments, it will go back to the applicant through the same door they came in. So, significant improvements from 31 March this year.

CHAIR: There was also discussion earlier around the demand-driven funding model. I want to understand how this will address recommendation No. 4 of the interim report?

Mr Brown: The government invested \$11.1 million in the October 2022 budget to develop further a demand-driven funding model. That model has actually been the subject of work within the department for a number of years now, but it's been very much focused on our compensation claims process demand. What we are doing now is expanding that model to encompass the other areas of demand within the department, outside of the compensation claims process. That is positioning us to be able to respond to recommendation 4, which was very much about the department forecasting the resources it needs to meet demand into the future.

CHAIR: Can I quickly turn to another matter relating to the MATES program. You'd be aware, Secretary, there was an article in *The Saturday Paper* on 29 July this year. Can you or the department please explain to the committee why the veteran who was the subject of that article, why their request was not appropriately actioned?

Ms Frame: Certainly; I will get Mr Kefford to lead on this one.

Mr Kefford: The particular matter—and it was that singular matter that was the subject of the Information Commissioner's report—was the result of administrative failing in the department. We've had a subsequent review that has determined that, firstly, there are not systemic failings in our processes in relation to veterans who choose to opt out of participation in the MATES program and, secondly, that review confirmed for us that all such requests have been processed.

CHAIR: My main question was really: what actions have you taken to ensure this issue does not occur again? What confidence can you give us?

Mr Kefford: In addition to that review, which really relates to that singular issue and how we've responded to it, the committee would be aware that the department suspended the provision of new information in August this year to allow us time to assure ourselves that we had properly completed those requests. We are in continuing discussions now with the university about that program, which is ultimately a good program that provides information not only at the individual level—where a veteran may be, for example, receiving medication from multiple doctors that are contraindicated but also has a general educative effect to not just GPs and others treating veterans but more broadly—but essentially, before we restart that process, that we can give confidence both in the enduring value of that program and in our management of it.

CHAIR: Okay. In relation to the Privacy Act, what changes have you made to make sure you are applying the Privacy Act to ensure this issue does not occur again? What can you tell the committee tonight about how you've changed your handling to ensure you are complying with the Privacy Act?

Mr Kefford: There are really two parts to this. One is the processing of those individual requests by veterans to opt-out. The other is to ensure there will be communication with veterans, as we did when we paused the program, to say 'This is the basis on which the information is shared.' Of course, the information we're talking about is, in terms of the work the university does, de-identified billing data. It's not personalised or identified—unless there is a concern it's identified—and it's only at that point that that happens. But we've also published—and I'm happy to table it for the committee, if that would be of assistance—information that provides, in detail, the basis on which this program is continued and how we manage personal information in accordance with the act.

CHAIR: What's been the response or feedback from the University of South Australia?

Mr Kefford: They, like us, are keen to see a program, which is governed under both their ethics approvals process and the Defence DVA ethics committee, restart, because they see the value in both the individual enhancements to services and support for veterans and that wider education. They've been particularly cooperative with us in determining a process so that we can provide the assurance that you're seeking—and indeed that veterans are seeking—that their information is not being inappropriately used in a program that is intended to support wellness, good treatment and efficient treatment for veterans, particularly in relation to pharmaceuticals.

CHAIR: I'd hope so. If you can take on notice any other information you can provide the committee, I'd appreciate that.

Mr Kefford: Sure. If you're happy, I'll table that statement, and we'll take a look at it on notice.

Senator LAMBIE: I'll just follow on with the MATES questions, if you don't mind. How many veterans out there have been affected by the MATES program?

Mr Kefford: All of the data that relates to pharmaceuticals is used in the de-identified way I've described, so it would be the entire population that are accessing our services.

Senator LAMBIE: When did you notify every single one of us that this had happened?

Mr Kefford: That what had happened?

Senator LAMBIE: When did you notify every single one of us, and sent us out a letter, to tell us about this MATES program that had been cancelled and for what reasons? When did you do that?

Mr Kefford: The program has not been cancelled. As I described, we paused it. There was public notification at the time that the program had been paused in response to the circumstances that I've described. At the point that we are confident that the arrangements are in place for it to continue then we'll communicate that to veterans as well.

Senator LAMBIE: When are you going to communicate to us about the dilemma that is going on with the MATES program? When are you going to send us all an email or a letter telling us what has occurred?

Mr Kefford: There was a notice published in August—

Senator LAMBIE: That's not what I asked you. It's got nothing to do with a notice. You've got all our email addresses and you've got our postal addresses. When do you intend to send us out a letter, or email us, and tell us we are part of this MATES program and what has occurred?

Mr Kefford: As I've just described, at the point that we are in a position to restart the program in a way that continues to be in accordance with the proper protection of personal information, we will communicate with veterans. We expect that to be shortly, but I don't have a particular time this evening.

Senator LAMBIE: So you haven't alerted any of us about what is going on. Have you alerted anybody that their Medicare services that they personally paid for were listed when they had received a response for their FOI on their issue? Have you actually bothered to go to those people that paid for their own Medicare services and tell them that information was supplied as well?

Mr Kefford: I would not characterise the evidence I've given to the committee in the way that you just did. I've explained the circumstances in which the department has communicated so far in relation to the program. The MATES data that we provide relates to billing data that's in relation to DVA services.

Senator LAMBIE: Does the MATES program share data with Medicare Australia, specifically the Medicare Benefits Schedule?

Mr Kefford: The data that we provide is DVA related billing data.

Senator LAMBIE: So the MATES program doesn't share data with Medicare Australia, specifically the Medicare Benefits Schedule?

Mr Kefford: The schedule is a structure of fees. The references to Services Australia in that process reflect the fact that, as the committee would be aware, Services Australia is the IT provider for DVA, but this is, and has been for its life, a program that is tied to the use of, particularly, pharmaceuticals by DVA clients attached to DVA billing records.

Senator LAMBIE: When did veteran card holders give informed consent for this?

Mr Kefford: The card holder letters, as they're distributed, indicate that we will use billing data appropriately for medical research. Indeed, the outcome under which this program is continued talks about proactive and early intervention programs, and this is a properly supervised study that allows us to do that.

Senator LAMBIE: Can you tell me why there are other universities using this information as well, then?

Mr Kefford: I'm sorry, but I don't know what you're referring to.

Senator LAMBIE: I'll bet you don't. How many FOI requests have you received regarding MATES since the April OAIC adverse findings?

Mr Kefford: 70.

Senator LAMBIE: Veterans are up in arms about this privacy breach. What is DVA doing to try to regain some trust from the veteran community?

Mr Kefford: If, by 'this privacy breach', you're referring to the OAIC, that was one matter relating to one veteran, and I would refer you to my evidence to Senator Ciccone just now about what we're doing to both ensure that process ourselves and communicate that to veterans.

Senator LAMBIE: You still don't think it's in the best interests of DVA to send us all out a letter telling us that our data was collected, that we didn't see it in little fine print and what is going on? You don't think that's the best thing that DVA can do? I'll ask you, Ms Frame; you're the secretary. You don't think that's a good idea? Right now, veterans think you're hiding behind all this. Do you not think it's a good idea to inform us about what is going on and what you intend to do to clean up the process?

Ms Frame: At the moment, as Mr Kefford explained, we are currently finalising whatever we think needs to be put in place to enable the data sharing with UniSA to commence again. At the moment, it is in a pause. Mr Kefford indicated that at that point we would look at what further communication would be made with veterans.

Senator LAMBIE: We don't want to be a part of this program. When are you going to write to us to tell us so we can opt out? When are we going to get a letter to explain to us what's going on? When this recommences, as you think it will—I have my doubts—when are you going to write us a letter to ask us whether or not we want to be in this program?

Ms Frame: Veterans can opt out at any point in the program.

Senator LAMBIE: When are you going to notify them—not through something in the thing? You've got all our databases, Ms Frame. This is not helpful. We would all like to be contacted. Every veteran out there that still doesn't know—and there are quite a few of them, thousands of them, who do not know what's going on. And I'm sure that, when they do find out, they would like to opt out. When are you going to send us a letter explaining what is going on with our data and asking whether we want to stay in or opt out?

Ms Frame: As I said, we're still looking at some protections and what we need to have in place. At the moment, we are assured that the arrangements are in place. There is a consent that has been in place for the program to operate as it has for some 18 years. We will update the committee when we can about further steps that might be taken to communicate with veterans. I would point out that, at the point the data sharing was paused, that information was made public immediately.

Senator LAMBIE: I'm telling you that, when you want to get something out, you have no problem sending information to our email addresses. Why has that not been done? It's no good telling me; it's no good running an ad in the paper. When are you going to send it out to every veteran that you have on your database and make contact with them?

Ms Frame: As I said, we will come back to you when there's more information available about what further steps we will be taking.

Senator LAMBIE: You don't think that at this point in time it's worth sending out a letter to tell veterans what is going on? Obviously, there is no concern from you guys. Ms Frame, I'm about to ramp this up, and I'm going to hit every veteran out there. You can either beat me to it—

CHAIR: Senator Lambie—

Senator LAMBIE: but that's where we're going. I'm giving you an opportunity for the department—

CHAIR: Senator Lambie, the secretary is trying to provide you with a response.

Ms Frame: There's been a lot of communication with veterans on the website, a recent article in an edition of *Vetaffairs* and very regular conversations with ESOs and veteran representatives as well. We will continue to work through all those channels until there is a decision made about what additional communication might be required. As I said, veterans can opt out of the program at any point in time. Mr Kefford had the number there of veterans who have been doing that, and we have been working to effect that opt-out as soon as we receive that and can put that into practice.

Senator LAMBIE: What page is that on, in your *Vetaffairs* newspaper?

CHAIR: Last question.

Ms Frame: I can find that out for you.

Senator LAMBIE: And how big is that article?

Ms Frame: We can table a copy of that article. We can provide that to you.

Senator LAMBIE: I just have one more question. If this program is so good, why haven't Comcare run with it for APS WorkCover claims? Do you do it for WorkCover claims for the APS? Do you collect data as well for the Australian Public Service? Do you know if that's done?

Mr Kefford: Our ability to run this program—again I emphasise that what's used is de-identified billing data. The only point at which that is joined up is if, in the views of the medical supervisors of this program, it would be beneficial to write to individual veterans who may have a contraindicated medication. We are in a unique position

to do that because we are able, through the billing arrangements, to know what medications individuals are on and to share that in a de-identified way for what has been recognised, including by the OECD, as sound and useful research.

Senator LAMBIE: Before I finish these questions, can you give the veterans a guarantee that that information, that data sharing, has not gone anywhere outside that South Australian university?

Mr Kefford: There are very strict arrangements around where the—

Senator LAMBIE: I'm asking—

Mr Kefford: The identifying information is used only for the purpose of communicating with individual veterans to suggest they go and talk to their doctor. The arrangements that the university has in place to protect that information are very strict and are monitored, and I have been to the centre where they do that. The data systems are air gapped, the building is particularly secure and the material is handled properly.

CHAIR: I need to move the call on. Senator Shoebridge—

Mr Kefford: Chair, if I may before you do that, I've been advised by my colleagues that in regard to my answer before in terms of freedom of information requests, the most current number is 85, not 70.

CHAIR: Okay, thank you.

Senator SHOEBRIDGE: First of all I want to acknowledge the achievements in reducing the initial liability backlog and the sheer number of decisions and determinations that have been made by the staff. I particularly note the increased number of decisions that have been made by staff. That's a genuine collective effort from the department, and I just want to acknowledge that on behalf of my party, the Greens.

I want to explore some of the numbers that were given earlier about the acceptance rate for initial liability conditions. The numbers that were given by Mr Caroly were in the high 90s and 80s in terms of the acceptance rate for initial liability conditions in the last financial year and the financial year to date.

Mr Caroly: That's right. That's for MRCA. There are additional acceptance rates for DRCA and VEA, which I'm happy to go through as well.

Senator SHOEBRIDGE: On your website, the table '2022-23 financial year claims lodged, determined and initial liability acceptance rate' says that claims lodged were 72,000 and claims determined were 67,000. You have an acceptance rate of 74 per cent.

Mr Caroly: That's right. That's across all the claim types. I was referring to the MRCA programs, but I'm happy to go through both the DRCA and the VEA.

Senator SHOEBRIDGE: You then say that, in the first four months of this year, the acceptance rate for initial liability conditions has gone backwards to 72.5 per cent. Those numbers on the website don't accord with your evidence.

Mr Caroly: I was referring to acceptance rates for MRCA. The overall acceptance rate is, as on the website, 74 per cent. I don't have the website in front of me at the moment.

Senator SHOEBRIDGE: I do. It's available on the internet. Do you want to give me the MRCA rates for last financial year?

Mr Caroly: The last financial year MRCA rates were: IL 82.4 per cent, PI 87.4 per cent and incapacity 96.7 per cent. Would you like me to run through the DRCA?

Senator SHOEBRIDGE: What I'm having trouble with is, if the overall rate is 74 per cent for some 67,000 claims determined, the balance of it must be dramatically lower than that to drag it down.

Mr Caroly: That's right. While rates have improved across all acts, the rates for DRCA and VEA are lower than the acceptance rates for MRCA.

Senator SHOEBRIDGE: What are they?

Mr Caroly: The acceptance rates for this financial year to date are as follows: DRCA initial liability is 62.1 per cent, and that's an increase of 55 per cent from 2016-17; the acceptance rates for permanent impairment for DRCA is 37.6 per cent, and that's an increase of 30 per cent from 2016-17; and the acceptance rate for DRCA incapacity is 93.7 per cent, and that's an increase of 76.9 per cent from 2016-17.

Senator SHOEBRIDGE: What would assist me in this is an understanding of what the overall rate is across the great bulk of the claims, rather than a small subset of initial liability claims between the eighties and the nineties. It seems to me the great bulk of the claims are significantly below 82 per cent. If the average acceptance rate is 74 per cent, then the great bulk of claims must be significantly lower than the numbers you gave us. I find

it problematic, when you are being asked questions of initial liability, to give us only the juicy subset that is positive and not the actual overall data. I think that evidence is problematic.

Mr Caroly: I may not have mentioned MRCA in my initial statement.

Senator SHOEBRIDGE: What percentage was MRCA at?

Mr Caroly: MRCA, in terms of initial liability conditions, is 85.99 per cent.

Senator SHOEBRIDGE: And DRCA?

Mr Caroly: DRCA initial liability conditions is 62.1 per cent. That is for the financial year to date.

Senator SHOEBRIDGE: And the rough numbers in those claims?

Mr Caroly: In terms of MRCA initial liability, that is 35,000. In terms of DRCA initial liability, it's 9,700.

Senator SHOEBRIDGE: What I would appreciate on notice—or if you can do it later today—is to get the numbers matched against each of those initial liability determinations. To get fairness in it, could you take that back over the last five years so we can see how the numbers are tracking? To make it clear for the record, I find it problematic when we get a small subset that are only the glossy part of the brochure.

Senator McAllister: Can I make this observation: I have been in your position, and have asked quite detailed questions of ministers and departments at different times. I think the officials will be trying to assess how much appetite the committee has for very detailed numbers to be read into the *Hansard*. The official has given answers to the specific questions that you've asked. The committee should indicate exactly how much information it wants. We're happy to assist where we can, but we're not going to pre-emptively start reading whole spreadsheets into the *Hansard* until you are clear about what it is you particularly want to see.

Senator SHOEBRIDGE: Just to be clear—

CHAIR: Order! Senator Shoebridge, you don't have the call just yet. Minister, have you concluded?

Senator McAllister: I have.

CHAIR: Senator Shoebridge.

Senator SHOEBRIDGE: Minister, to be clear, the issue I have is when every number given is almost 10-20 per cent higher than the number the department publishes on its website for public consumption. That's an issue I have a problem with.

Senator McAllister: I think the fact that it's put on the website for public consumption suggests that nobody is trying to hide anything. Officials are here to answer your questions, and are doing so.

Senator SHOEBRIDGE: To be clear, I'm always going to ask for an explanation when the figures that you put out to veterans in the public are so substantially different to the answers we are given in estimates. In the future you can assume that I'll drill down and ask for further information when that happens. You can assume that going forward.

Ms Frame: Can I just add—Mr Caroly can correct me if I'm wrong—that my understanding is that it's not a weighted average. That 72 per cent is not a weighted average. In fact, most of the numbers are in the MRCA category. The biggest cohort by a very long distance is the MRCA number of 85—those higher numbers. The DRCA and VEA numbers are much lower. So if the average were weighted it would, in fact, be higher than the number on the website. In many respects, the number on the website is not representing the acceptance rates as positively as it might if it actually delineated them separately and demonstrated that the higher acceptance rates are in MRCA, which is where the vast majority of claims—

Senator SHOEBRIDGE: I recall an exchange at the last estimates where similar issues were raised in relation to the publicly published numbers, where you said they didn't accurately reflect the reality, and I said that that's a problem. You agreed it was a problem, yet here we are again having the same discussion, although on a different number. That is a problem. I hear what you say, and perhaps that can be addressed.

Ms Frame: Yes, we will look at that.

Senator SHOEBRIDGE: What is the initial liability for the VEA?

Mr Caroly: The initial liability for the VEA, in the financial year to date, is 52.2 per cent. That was a slight decrease from the 2016-17 number of 59.2 per cent. As Ms Frame indicated, VEA is a much smaller proportion of the total IL applications. It accounts for around 6,400 of the total conditions determined, compared with MRCA, which is sitting at over 35,000.

Senator SHOEBRIDGE: Yes, but we have 9,000 in DRCA and 6,000 in VEA, and they're both substantially less than the numbers you gave me. I will come back to this issue about data transparency. You say that there's

been a 39 per cent increase in lodgements between now and this time 12 months ago. Where is that 39 per cent increase? Is it all in MRCA, or is 97 per cent in MRCA? Where is the increase?

Ms Frame: I don't actually have that breakdown on hand. I don't know if Ms Cole or Mr Caroly have any more detail on that. Natasha, do you have anything on that breakdown?

Ms Cole: I don't have the specific numbers. The 39 per cent increase is driven in part by claims moving through to PI. So, as the backlog moves through IL, more determinations are made. We're then getting an increase naturally in the numbers of claims that we're receiving in PI, but we're also seeing a general overall increase in the number of claims that we're receiving in the IL space. Mr Caroly may be able to give more detail around the breakdown.

Mr Caroly: I don't have the breakdown in claims lodged, but I can talk you through the numbers of how that 39 per cent has been calculated. In October 2022, the number of claims lodged was 5,540. That increased in October 2023 to 7,749. There has been a steady increase over the last 12 months.

Senator SHOEBRIDGE: Whilst working on the initial liability backlog—and I do acknowledge the achievements there. I'm not trying to pretend they're not real and not the result of hundreds of your staff working hard and being directed on it. I'm not minimising that. You still have the problem, though, that the overall number of claims lodged last year was greater than the numbers determined, with 72,000 claims lodged and 67,800 or so determined. The overall backlog actually increased last year, didn't it?

Ms Frame: For total claims on hand, yes.

Ms Cole: Overall, claims on hand did increase over that period, but it has remained steady. If you look at the figures for the first four months of this year, we are clearly outstripping the applications received in terms of determinations, albeit the application rate is higher than it was 12 months ago.

Senator SHOEBRIDGE: Did you say 'in the first four months of this year'?

Ms Cole: This financial year—yes.

Senator SHOEBRIDGE: So, this financial year, you've processed more claims than you've received in total.

Ms Cole: That's correct. It's actually on the website if you want to see those numbers.

Senator SHOEBRIDGE: I can't see that on the website, but what I do see on the website is that number that I just gave you. Can you tell me the number of claims in the system now—or as best you can?

Ms Cole: On hand?

Senator SHOEBRIDGE: Yes.

Ms Cole: The total on hand, which is those being processed and backlogged, is around 75,000. Mr Caroly will have the accurate number.

Senator SHOEBRIDGE: Next I'm going to ask you, 'What is your target for the end of this financial year?' so that we can get a sense of whether you met it or not.

Mr Caroly: In terms of the IL and incapacity backlogs, we are on track to eliminate the backlogs by December. Ms Frame talked about the BAU level of the backlog that we expect to go forward, being around two weeks worth of lodgements. We expect that to continue at around 2,000 to 2,500, going forward. That's the total number of claims that will be in lodgement processing over that period of time. We are working, as Ms Frame said in her opening statement, towards delivering the PI backlog by March next year, with a real focus on non-serving veterans and reducing the backlog.

Senator SHOEBRIDGE: Is the definition of 'backlog' matters that haven't been allocated?

Mr Caroly: That's right.

Ms Frame: Can I add something to Mr Caroly's evidence there? We don't actually have a target for claims on hand, because it's demand driven. Veterans lodge claims, and we don't seek to dissuade them from that. Once the backlog is eliminated and everything is allocated and being considered by a delegate, our targets will pertain to the timeliness of processing those claims. It's not a target for the number of claims; it's about how quickly we are able to deal with them and respond to the veteran.

Senator SHOEBRIDGE: You've got seven different categories of decision-making: MRCA initial liability, DRCA initial liability, VEA disability compensation, MRCA permanent impairment, DRCA permanent impairment, MRCA and DRCA incapacity payments, and war widow pensions. Do you have targets, first of all for the average number of days from lodgement to allocation and then for the average number of days once it's been allocated to decision-making?

Ms Frame: We do, and we have some targets—KPIs, effectively—in the veterans recognition act that go to the expectation of time to process claims. Ms Cole can correct me if I'm wrong.

Senator SHOEBRIDGE: I'm going to ask you two questions: first, are you meeting those targets and, second, what are they?

Ms Cole: No, we are not meeting them, unfortunately. While we continue to work through the backlog, we are basically unable to meet them. We have these long periods where the claim is sitting in a queue, and we've identified that on the website. The targets are 90 days for MRCA related claims and 100 days for the remainder of those claims listed.

Senator SHOEBRIDGE: Is that from lodgement to determination?

Ms Cole: Yes.

Senator SHOEBRIDGE: So that includes both elements: waiting to be allocated and then the time for the decision to be made—90 days for MRCA and 100 days for the others?

Ms Cole: Yes, that's correct. As described by the secretary, we are aiming to have allocation within two weeks, within those 90- and 100-day time frames for each of those categories, as appropriate.

Senator SHOEBRIDGE: This will be with the resources that become available once the initial backlog has been resolved?

Ms Cole: That's correct.

Senator SHOEBRIDGE: It is a hell of a challenge to get, for example, VEA payments processing down from 500 days to 100 days.

Ms Cole: That is true. It will be a challenge, but, once we have got through those old cases, we'll be starting clean, in a sense. Our new cases coming in will be allocated within those two weeks.

Senator SHOEBRIDGE: Of the—was it 1,070 staff?

Ms Frame: I think it was 1,073.

Senator SHOEBRIDGE: My mistake. How many of those staff are allocated to removing the initial liability backlog?

Ms Cole: I believe the split at the moment would probably be about 60 per cent IL and 40 per cent PI, but I will take that on notice for you.

Senator SHOEBRIDGE: So it is a significant proportion of the workforce that will be available for reallocation once that's going; is that right?

Ms Frame: That's correct. I would just add that our immediate plan is to move those resources across to permanent impairment. We've determined the staffing we need to meet the time frames that we've committed to around IL and move people to permanent impairment.

Senator SHOEBRIDGE: Your evidence on the last occasion was that the training you had for new entrants was for both initial liability and the broader assessment task, so that you could reallocate them. Has that been a continuing practice?

Ms Frame: That's the combined benefits training. That's one of the training programs. That is in Brisbane, and Ms Cole can remind me of the other location—

Ms Cole: Perth.

Ms Frame: We are increasingly using that training approach.

Senator SHOEBRIDGE: Can you, on notice, tell me what proportion of the initial liability staff are adequately trained to deal with the rest of the tasks, to assist in this transition?

Ms Cole: The plan, at the moment is that there will be two elements of training, in a sense. There are about 150 delegates at the moment who are still training, and 75 of those are in the PI space. In addition to that, once the IL backlog is down to appropriate numbers, we will commence training most of our IL delegates into PI, which would allow us to do both the IL and the PI in an individual. That is our preferred state, but we just need to finish off that IL backlog first.

CHAIR: Secretary, I'm assuming the department are on track to eliminate the claims of backlog in line with the recommendations out of the royal commission; is that still the case?

Ms Frame: As we've said, there are three backlogs. There's initial liability and capacity, which will most definitely be earlier than the royal commission's deadline—that would be by the end of this calendar year. I can't make an unequivocal commitment to permanent impairment by March 2024, but we can achieve that and we're

working towards that. That is certainly our aspiration. We'll be moving resources across to permanent impairment. We're also focusing on non-serving, which is 70 per cent of that backlog, to make sure that people who are no longer actively serving in the ADF have a priority for determination of their claim.

Senator FAWCETT: Following up on Senator Shoebridge's points about DRCA, MRCA and VEA being separate, could we have the figures for each of those for that question I placed on notice? You've mentioned the website, and I confess I have not looked at your website. If you have all that information, month by month, on your website going back to 2021—we can go and look at that, I won't burden the department, but if you don't have that on your website, could you put those parameters around it, please?

Ms Cole: I don't believe we have that back to 2021 on our website.

Senator FAWCETT: I'd also be interested, given my love of statistics, to get the raw data in terms of numbers, as well as the percentage for the figures we asked for before, particularly around the claims that were denied in those figures. That would be great.

Do we have any update, Secretary, on that report? There were only 12 recommendations in the report—I wouldn't have thought it's a huge undertaking.

Senator McAllister: I have got some information for you. I understand that, in relation to those recommendations, some of them overlap with issues that are also being considered by the royal commission, and the government is considering those recommendations in that context.

Senator FAWCETT: Does that mean the department has formulated a response and given it to the government for consideration?

Senator McAllister: The government is considering the recommendations that have been made, but we note that many of them do overlap with other issues that are on foot. We have an important process that I know senators are supportive of in the form of the royal commission—and we are conscious that many of those issues are under consideration in that other forum.

Senator FAWCETT: I accept that, but my question was: has the department drafted a response for government consideration?

Ms Frame: As the minister has pointed out, there are still some things that are not final at the moment.

Senator FAWCETT: That's still not answering my question. Has the department drafted a response? The government, quite rightly, can consider it in the context of the royal commission, but given the three-month deadline—which the department is well aware of—that the government has to respond to a Senate inquiry, has the department drafted a response or provided advice to the government as to how it should respond to the committee's report?

Ms Frame: I'll need to take that on notice and check on the status of that. I am not sure about whether the department has provided final advice or said, 'Here are things for consideration,' in response. I don't know. I can take that on notice.

Senator FAWCETT: If you could take that on notice, whether it was a response or a brief. Obviously, you can't tell us what was in a brief or a response, but I would like to know if that occurred and when.

Minister, I understand the government may choose to make that decision, but why has the government not had the courtesy to come back to the committee in accordance with the long-held convention—going right back to 1973—to advise the committee that they will be delaying the response for whatever reason?

Senator McAllister: I'll take that on notice.

Senator DAVEY: We've talked a lot about your work and your efforts clearing the backlog. We've also heard that you've put extra resources on and have had staff seconded from Services Australia. Given the royal commission recommendation that the backlog—noting that you said in your opening statement that with claims coming in there will never be zero—be cleared by March next year, is that still the timeline you're working towards?

Ms Frame: That's correct.

Senator DAVEY: The royal commission recommendation also stated that the department should request extra resources if required, if that timeline is not going to be met. Are you in continual conversations with the government about how you're tracking, whether you're getting the resources you require, or if there is an apparent bottleneck? Have you got in place plans to be able to increase your resources to ensure you meet that timeline?

Ms Frame: Our progress and any concerns about how that would impact our ability to deliver to that time frame are under active consideration all the time. The department received additional resourcing in the most

recent budget, or an extension of resourcing in line with that, in recognition of what we needed to continue to work towards that time frame.

Senator DAVEY: Are you confident that you're still going to meet that deadline, and that by March next year there will be no backlog—there will just be new claims which, according to your opening statement, you hope to be able to address within two weeks? Is that the KPI?

Ms Frame: As I just explained to the chair, there are three backlogs. I'm exceedingly confident about two of them, because they'll be done well in advance of the March 2024 time frame. The final one—permanent impairment—we're still working towards that and we can achieve that. We're prioritising the non-serving members at the moment, but that will be the focus of a very concerted effort in the first few months of next year to meet that time frame. We'll keep the committee, the veteran community and the public updated on our efforts through regular updates on the website.

Senator DAVEY: Moving on to the timeliness of compensation, in response to question on notice 495, the department provided detailed, month-by-month data on the claims backlog and claims processing times. Thank you for providing that response. To clarify, when a claim has been removed from backlog data—so the claim has been determined—that doesn't necessarily mean that compensation has been paid, does it?

Ms Frame: When a claim is removed from the backlog, that means it has been allocated to a delegate. It's in someone's caseload, and it is allocated. The next milestone is a determination which may or may not be granted. We've talked a lot about those acceptance rates. They're the steps: allocation then determination, which can be an acceptance or a rejection. The determination figures, as I explained in my opening statement, are very high from that original backlog. The royal commission said, 'That's the backlog that we're starting with,' it was over 41,700, and 78 per cent of those backlog claims have been determined. They have had a final determination made.

Senator DAVEY: Right. I'm just trying to understand the time line. After March next year, when you've dealt with the backlog—because we're very positive people—if a veteran makes a claim, two weeks is your KPI to address the initial claim when it comes in? After two weeks, it will then be allocated?

Ms Frame: Correct; yes.

Senator DAVEY: How long from allocation to determination?

Ms Frame: The KPI we're working to is either 90 days or 100 days for some different payments. But they are set for us. And the 14 days is a component of that. It's not in addition; it's a component.

Senator DAVEY: So the 90 or 100 is inclusive of the 14?

Ms Frame: Of the allocation time taken, yes.

Senator DAVEY: Right. That will then give them a determination?

Ms Frame: Yes.

Senator DAVEY: How long between determination and payment?

Ms Cole: The initial liability claims give you access to health services and household services and a few things like that. To go to payment, you need to lodge either an incapacity or a PI claim, a permanent impairment claim. There's a second process for those who wish to seek either income replacement or compensation for their non-economic loss from their injury or their illness.

Then, once that is determined, there's usually a decision-making process for the veteran as to whether they wish under the MRCA, for example, to continue on fortnightly payments for their permanent impairment or whether they wish to seek a lump sum. They have up to six months to make that decision. It can vary quite considerably, although most people elect fairly quickly to take a lump sum in the case of a MRCA claim.

Senator DAVEY: So, can someone apply concurrently—

Ms Cole: Yes.

Senator DAVEY: for initial liability and—

Ms Cole: They can apply concurrently; however, until the condition for which they've sought compensation for has been approved at the initial liability stage—liability has been established for that particular condition—they can't actually successfully progress a PI claim. But it is possible to have many conditions, in many claims, running concurrently in both IL and PI and incapacity, and many veterans do.

Senator DAVEY: So, within 90 to 100 days, your initial liability will be determined.

Ms Cole: That's the target, yes.

Senator DAVEY: And only then can assessment begin if the person has also put in either impairment or incapacity?

Ms Cole: For those particular conditions, that is correct. As I explained, you can have different claims at different stages, and many veterans do.

Senator DAVEY: How do you monitor the time lines?

Ms Cole: We have a system that marks when the claim is lodged and then it goes right through to the final process on that particular claim. In the case of an initial liability claim, it is until determination. In the case of a PI claim, it is often the election decision being made by the individual.

Senator DAVEY: On notice, are you able to provide detail for each category of claims and the timeliness for each month since July 2021 under all MRCA, DRCA and VEA?

Ms Cole: Yes, I believe we can do that.

Senator DAVEY: Okay. In the interests of time and noting that I think we're only due to go for a while, I'm happy to hand over. I'll put most of my questions on notice.

Ms Blewitt: The annual report—and we'll get the most up-to-date one—does report on average time taken against all of those claim types. There is data in the annual reports, but we're happy to still provide you with that information.

Senator DAVEY: I'd appreciate the extra and the most up to date.

CHAIR: I'll now hand the call over to Senator Lambie.

Senator LAMBIE: Could you please tell me how long it takes for a non-economic loss to go through and be ticked off once you get to that part? What's the average time?

Ms Cole: Are you referring to a MRCA or a DRCA PI claim?

Senator LAMBIE: Both. All of them. Wherever there's non-economic loss—MRCA, DRCA, VEA!

Ms Cole: A non-economic loss is a permanent impairment claim under either MRCA or DRCA. Alex should be able to give you the times.

Senator LAMBIE: What's the average time?

Mr Caroly: The current average time, from lodgement through to decision for a MRCA permanent impairment, is 248 days and a DRCA permanent impairment is 301 days.

Senator LAMBIE: Thank you. I just want to go back to the MATES program. Can I get a number on how many were converted to administrative release?

Ms McLaren: Between 5 and 11 August 2023, the Information Access Unit received 591 administrative access requests for MATES.

Senator LAMBIE: There it is; there's the number. How many requests are yet to be finalised?

Ms Pettitt: I have the most up-to-date figures. As at 15 November, there have been 870 administrative access requests relating to the MATES program. Of those requests, as of today's date, 567 have been finalised.

Senator LAMBIE: Thank you. I think this will be for you, Secretary. I just want to know whether DVA's still intending to establish the ministerial advisory council to provide advice direct to the minister, which would implement Productivity Commission recommendation 11.4?

Ms Frame: I might seek Mr Brown's assistance with that.

Mr Brown: That was part of the proposal that the minister put out for consultation on 16 February around legislation reform. As I indicated to Senator Davey before, that is now going back into a government process—a deliberation—and there's likely to be an announcement made about that in due course. But that was certainly part of the proposal that was put out for legislation reform and is being carefully considered by government.

Senator LAMBIE: Okay. So we're still hoping there's an intention of having a ministerial advisory council with specialists at that table directly advising the minister?

Mr Brown: That is something that is currently being considered by government, yes.

Senator LAMBIE: I was just wondering how much money the Department of Veterans' Affairs has spent on legal fees in the past 18 months.

Ms Frame: I will get Ms Langeveld to provide some advice on that.

Ms Langeveld: I'll just find those figures for you. Did you say external legal expenditure?

Senator LAMBIE: Both.

Ms Langeveld: The total legal expenditure for 2022-23 financial year is \$19.51 million. And for the quarter of this financial year to 30 September is \$5.10 million.

Senator LAMBIE: And what law firms are you using externally?

Ms Langeveld: The department uses a range of legal firms on the whole-of-government legal panel. I don't have a list of all of them.

Senator LAMBIE: Could you provide that too then? Is DVA directly employing anybody from those legal firms?

Ms Langeveld: The department has a range of secondment arrangements from time to time, with different providers on the Commonwealth legal panel.

Senator LAMBIE: Can we see what those are?

Ms Langeveld: I can take that on notice.

Senator LAMBIE: That would be wonderful, thank you. Secretary, could you please tell me what the process was for selecting the new repatriation commissioner?

Ms Frame: It was a merit process. The position was advertised and there were 25 applicants for the position. There are also some requirements under the act, as you know, around being nominated from an ESO. That requirement pertained and sat alongside the merit process that was run. I chaired the panel, which had a representative from the APS and a representative from the ADF, and we interviewed shortlisted applicants and put some recommendations forward.

Senator LAMBIE: Which ESO recommended the new repatriation commissioner?

Ms Frame: I have to check whether it was a national RSL—one moment, I can check.

Senator LAMBIE: Ah, there we go.

Ms Frame: It was the National President of the RSL—

Senator LAMBIE: Oh, dear. We don't learn.

Ms Frame: and two ESOs in Townsville.

Senator LAMBIE: What ESOs in Townsville?

Ms Frame: One was Legacy, and I might have to get you the other on notice, unless my colleague knows.

Senator LAMBIE: Who from Legacy?

Ms Pettitt: In addition to the RSL National President, the RSL Townsville Sub Branch, Northern Queensland Legacy and the Oasis in Townsville as well.

Senator LAMBIE: Of course. What diggers got a look-in that were not officers? What non-commissioned officers got a look-in? Which ones got interviews? How many?

Ms Frame: I don't have anyone's authority to name—

Senator LAMBIE: How many non-commissioned officers were given interviews?

Ms Frame: I don't think I can disclose that.

Senator LAMBIE: Sure you can. You're not disclosing names. I'm simply asking you for the number of non-commissioned officers. How many got a look-in? How many got an interview?

Ms Frame: I would need to check. There were some, but I would need to check. I will take that on notice. I can add that everyone who was shortlisted—as I said, there were 25 applicants and it was a very strong field—was someone who had active service in the ADF, and it was across a range of services and range of ranks, including the appointee who also commenced his career as a private.

Senator LAMBIE: I think the diggers out there just want to know what was wrong with the interim commissioner that was put in there?

Senator McAllister: I don't think that Ms Frame can answer a question framed in that way. I don't think she's going to offer a personal reflection on an individual.

Senator LAMBIE: That's fine. Do you have the names of the person who signed off from the sub-branches—from Oasis—that nominated that person? It would have been signed off by a certain person. I'm wondering if you could—

Ms Frame: We'd need to take that on notice. Just to confirm, though, we would need to get their consent to sharing that information and check with them.

CHAIR: On that note, that concludes today's proceedings. The committee has set 15 December 2023 as the date for the return of answers to questions taken on notice. I thank Minister McAllister, officers of the Department of Veterans' Affairs and all witnesses who have given evidence to the committee. Thank you to Hansard, Broadcasting and the Secretariat.

Committee adjourned at 20:58