

Senate Foreign Affairs, Defence and Trade Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Additional estimates 2001–2002
Answers to questions arising from hearings—22 February, 12 March 2002
Department of Veterans' Affairs

Question 1

Outcome 1 (Compensation)
Hansard page 250

Senator Bishop asked:

Provide the split of the total widows renting by private and public.

Answer:

As at 23 February 2002, there were 30,310 war widow(er)s not receiving any income support from the Department. These war widow(er)s are not eligible for rent assistance and therefore their residential situation is not recorded by the Department.

As at that date there were 82,918 war widow(er)s receiving income support at DVA. Of these 13,173 are recorded as renting. This is comprised of 8,825 private renters and 4,348 public renters.

Question 2

Outcome 1 (Compensation)
Hansard page 250.

Senator Bishop asked: Provide the cost of removing rent assistance from the ISS for those persons renting privately

Answer:

Payment of rent assistance above the income support supplement (ISS) ceiling for war widow(er)s is estimated to cost \$78.125 over the first four years. This is based on an implementation date of 20 September 2002.

This estimate is based on current information stored by the department. It should be noted that rent assistance payment within the ceiling removes the incentive for war widow(er)s to keep their rental information up to date. For the majority of war widow(er)s an increase in rent assistance entitlement does not result in an increased total payment as all rent assistance is paid within the ISS ceiling rate.

It is likely that the actual cost of paying rent assistance above the ISS ceiling may be greater than estimated, as renters would be more likely to update their rent information if an increase in rent assistance payment were possible. It is impossible to estimate the impact of war widow(er)s not updating their information with the department.

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Question 3

Outcome 1 (Compensation)
Hansard page 252.

Senator Bishop asked:

Provide the total value of (a) waiver and (b) write-offs for each of the years listed in the question (Question on Notice no.10, 20/2/02).

(c) Could you also advise me where these debts are brought to account in estimates?

(d) Would it make a difference if they were a debt against running costs? and (e)

Where do you bring to account the total value of the waivers and write-offs?

Answer:

(a) The total value of waivers for the last 5 years are provided in the table below:

	Waiver >\$200 \$	Waiver <\$200 \$	Total Waivers \$
1996-97	299,855	167,926	467,781
1997-98	234,124	162,464	396,588
1998-99	513,559	230,822	744,381
1999-00	328,133	221,996	550,129
2000-01	309,560	400,519	710,079

(b) The total value of write-offs for the last 5 years are provided in the table below:

	Write-offs * \$
1996-97	304,966.87
1997-98	316,289.00
1998-99	335,039.17
1999-00	234,694.92
2000-01*	155,655.94

**2000/01 these are the Debt Management and Recovery System (DMRS) statistics for the period 29/1/01 to 30/6/01.*

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(c) The debts are brought to account in the estimates as a receivable in the 'Note of Budgeted Administered Financial Performance' (see Portfolio Additional Estimates Statements (PAES) 2001–02, p68). Also refer to note 8—Receivables (PAES, page 72) which explicitly details the estimates for receivables for 'recoveries of benefits payments'.

(d) No. The accounting treatment would be exactly the same.

(e) Waivers and write offs are brought to account as an increase in Personal Benefits expense in the 'Note of Budgeted Administered Financial Performance' (see PAES 2001–02, page 67).

Question 4

Outcome 1 (Compensation)
Hansard page 254.

Senator Bishop asked:

Provide the broad reasons that these civilians (claiming the POW payment) have listed for their appeal to the AAT.

Answer:

As at 25 February 2002 there were 26 appeals at the Administrative Appeals Tribunal (AAT) relating to the \$25,000 payment for civilian internees. The issue in all of these cases is domicile in Australia before internment by the Japanese.

In addition there were 11 appeals relating to the \$25,000 payment to POWs or their widows. In seven cases the issue is whether the veteran was a POW and in four cases the appeals are from women who were divorced from an ex-POW before his death.

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Question 5

Outcome 1 (Compensation)
Hansard page 254.

Senator Bishop asked:

How many representations have been received from POWs from other theatres complaining about discrimination against them?

Answer:

As at 4 March 2002, the Department found records of ministerial correspondence from 121 former POWs of Europe and Korea, or their widows, seeking the one-off payment of \$25,000 paid to former POWs and internees of the Japanese during World War II and their widows. A small number of these veterans have written more than once.

Question 6

Outcome 1 (Compensation)
Hansard page 254.

Senator Bishop asked:

On how many occasions have the T&PI association or its members met with the Repatriation Commission on the issue of their pension and over what period. Do we have those on the records?

Answer:

The T&PI Federation met with the Repatriation Commission on three occasions between March and December 2000. Formal minutes of these meetings were not taken.

There also was a workshop each year when senior officers of the Department and individual members of the Repatriation Commission met with the T&PI Association and discussed a number of issues. In August 2001 the Repatriation Commission met with major Ex-Service Organisations including the T&PI Association. Amongst the issues discussed was the T&PI Federation Submission.

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Question 7

Outcome 1 (Compensation)
Hansard page 255.

Senator Bishop asked:

What is the cost of indexing the special rate pension by as it currently stands MTAW and CPI, whichever is the greater?

Answer: The cost of indexation of the whole special rate of disability pension is approximately \$56.2m over four years.

Question 8

Outcome 2 (Health)
Hansard page 285.

Senator Bishop asked:

Turning to the chiropractic first, the complaint was about DVA's insistence that LMOs licensed medical officer—operate as gatekeepers, his view being that this is a waste of money. I do not understand the shift in policy with respect to prior approval, either for allied health services or for hospital care.

Answer:

LMOs as gatekeepers

Currently, Local Medical Officer (LMO) referrals are necessary for most allied health or complementary health services. This requirement recognises that many veterans have complex health care needs. The Repatriation Commission requires the LMO to ensure a veteran's care is coordinated and not fragmented.

The LMO maintains a broad view of the clinical conditions and treatment regimes of veteran patients to ensure they receive the most appropriate treatment for their condition. Although the LMO may not have the specific skills of the practitioners to whom they refer patients, the LMO does have the knowledge and the training to identify the clinical need of the patient.

Under the Department's health care programme, the LMO is encouraged to discuss relevant aspects of the management of care with the veteran's other health care providers to whom they have referred their patients. In addition, the Department considers that, prior to the provision of services, it is important that any co-

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morbidities are identified and any appropriate medical assessment or treatment is provided.

While the Department acknowledges that there may be some situations where it may seem more straightforward for the veteran to self-refer directly to an allied health provider, these procedures are in place to manage the overall health care of veterans.

Removal of prior approval from allied health services

Under the former arrangements, before providing treatment, many health providers were required to obtain the Department's approval to provide specific treatment or specific numbers of services or periods of treatment. Sometimes this delayed the provision of treatment.

The 'reduction of prior approval' introduced the following new arrangements:

- Upon receiving a referral, the allied health provider can now determine the type, number and frequency of treatments, based on their assessment of the patient's clinical need. Previously the Department specified thresholds and limits.
- The health provider is no longer required to obtain the Department's prior approval before providing the majority of treatments. Prior approval remains on some high-cost treatments, for example lymphoedema.
- Allied health providers are encouraged to collaborate with the veteran's LMO on meeting the health needs of the veteran, by forwarding a copy of the care plan to the LMO as the coordinator of care.
- The ability to issue referrals for most allied health services is extended to treating doctors in hospital and hospital discharge planners. This is intended to facilitate continuing treatment upon discharge from hospital. Previously, the veteran had to return to his/her LMO for referral to allied health services post discharge.
- With the reduction of prior approval, the Department changed its focus to post-payment monitoring of treatment provision.

Question 9

Outcome 1 (Compensation) and Outcome 2 (Health)
Hansard page 255.

Senator Bishop asked:

What is the estimated cost of extending benefits as a result of the Mohr report?

Answer:

The estimated cost of extending benefits as a result of the Mohr report were contained in the Department of Veterans' Affairs Portfolio Budget Statements 2000–01. The estimated cost was \$126.308 million for the years 2000–01 to 2003–04 for both Outcome 1 and Outcome 2.

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2000–01 (\$m)	2001–02 (\$m)	2002–03 (\$m)	2003–04 (\$m)	Total (\$m)
16.153	36.405	36.936	36.814	126.308

It is not possible to calculate the actual costs because departmental systems do not distinguish costs incurred from veterans who had eligibility prior to 1 January 2001 and those who benefited from the extensions from 1 January 2001.

Question 10

Outcome 1 (Compensation)
Hansard pages 260–261.

Senator Bishop asked:

ADF personnel doing the training in East Timor of East Timorese, organised and funded by DFAT. Do they meet criteria under VEA for Qualifying Service?

Answer:

The Department of Defence has advised that the ADF personnel in East Timor referred to above are the Defence Cooperation Program staff. They are not involved in peacekeeping and are not part of the UN Operation. They are not covered by the VEA.

The Defence Cooperation staff in East Timor are working in three main areas:

- in the Australian Training Support Team;
- attached to the Office for Defence Force Development (nascent East Timor Defence Department);
- in Defence Cooperation Coordination, working from the Australian Mission in Dili.

Australia has ADF personnel—and some Defence civilians—working as part of Defence Cooperation Programs in a large number of countries in the Asia–Pacific region. Defence Cooperation Programs are a long-standing element of Defence's international engagement, and help to build positive, cooperative longer-term bilateral relations with our regional Defence partners. These are posting positions, with their own associated conditions of service. The Defence Cooperation Programs are not operational deployments. The Defence Cooperation Program in East Timor is not related to UNTAET.

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Question 11

Outcome 1 (Compensation)
Hansard page 262.

Senator Bishop asked:

What are the suicide rates for Vietnam Veteran population and Gulf War population?

Answer:

Based on a mortality study compiled in 1996, the standardised mortality ratio for suicide in our population of Vietnam Veterans is 1.21 with a 95 per cent confidence interval of 1.02 and 1.42. This means that there is a 21 per cent elevation in the rate of suicide compared with the community as a whole and that this is statistically significant.

The corresponding figure for Gulf War veterans is not available as the study is still in progress.

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Question 12

Outcome 1 (Compensation)
Hansard page 264.

Senator Mark Bishop asked:

Can you provide me a list of the grants under the BEST program 00–01 and 01–02 financial year.

Answer:

List of the grants under the BEST program—2000–2001

New South Wales	\$
Vietnam Veterans' Association NSW Branch and Korean and South East Asian Forces Association NSW Branch	153,559
Bega RSL Sub-Branch, Bega Valley Legacy Group, Merimbula RSL Sub-Branch	5,030
Bathurst RSL Sub-Branch, Bathurst Branch of Sydney Legacy, Bathurst Vietnam Veterans' Association	1,670
Huskisson RSL Sub-Branch, St Georges Basin RSL Sub-Branch and Vietnam Veterans' Association Jervis Bay Sub-Branch	3,360
RSL (NSW) Welfare and Benevolent Fund	156,267
Vietnam Veterans' Association of Australia Far North Coast Sub-Branch	8,374
South West Rocks RSL Sub-Branch	3,514
Sydney Legacy Appeals Fund	98,926
ACT Kindred Organisations' Committee	700
City of Albury RSL	1,904
Legacy Club Of Canberra Inc	1,644
VVAA Illawarra Sub-Branch	2,854
Tamworth RSL Sub-Branch	2,220
Forster Tuncurry Legacy	1,720
Blue Mountains Vietnam Veterans and Associated Forces Inc	2,220
Woy Woy Ettalong Hardy's Bay RSL Sub-Branch	1,720
VVFA Gosford City Sub-Branch	300
VVF ACT Branch	25,300
Central Coast and Hunter Valley Vietnam Forces Association Inc	1,640
Regular Defence Force Welfare Association (NSW Branch)	499
Brisbane Water (NSW) Legacy	2,606
Coffs Harbour Legacy Welfare Fund	3,106
Glen Innes RSL Sub-Branch	1,606
Woolgoolga RSL Sub-Branch	2,468
VVAA Hastings/Manning/Macleay Sub-Branch	1,720
Ashford RSL Sub-Branch	1,720
Gosford RSL Sub-Branch	1,198
VVF Great Lakes Outpost	2,436
NSW Total	490,281

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List of the grants under the BEST program—2000–2001

Queensland	\$
R&SL Queensland Branch	70,000
Rockhampton ESO Support Centre	16,632
Naval Association of Aust Qld Sect Inc. Advocacy Service	4,782
Bundaberg ESO Support Centre	50,460
Moreton District Ex-Service Support Group	42,392
Mackay District Branch RSL	28,476
Brisbane Legacy	44,514
Vietnam Veterans' Federation (QLD)	11,606
Gaythorne/Samford RSL Ex-service Support Centre	23,210
Veterans' Support & Advocacy Service Australia Inc.—Brisbane	11,606
Veterans' Support & Advocacy Service Australia Inc.—Jimboomba	1,420
Veterans' Support & Advocacy Service Australia Inc.—Cairns	380
Veterans' Support & Advocacy Service Australia Inc.—Warwick	1,686
R&SL Brisbane North District Ex-Service Support Centre	31,606
Murgon ESO Support Centre	5,720
RSL Pine Rivers Support Centre	8,948
RSL Far Northern District ESO Centre	1,720
Incapacitated Servicemen & Women's Assoc	1,976
Mackay RSL & Legacy	300
Gold Coast Veterans' Support Centre	1,720
Kedron Wavell RSL Sub-Branch	1,606
R&SL Hervey Bay Sub-Branch	7,500
Legacy Club of Coolangatta/Tweed Heads	1,880
Mt Isa RSL Sub Branch	1,720
R&SL Ayr Sub Branch	772
Regular Defence Force Welfare Assoc. QLD	1,720
Maryborough Legacy Club Inc.	3,000
R&SL Maroochydore Sub Branch	309
Cairns Legacy	2,368
Vietnam Veterans Association of Australia Sunshine Coast Sub Branch	1,720
Greenbank RSL Welfare & Pensions Section	2,345
Vietnam Veterans Association of Australia Townsville Sub Branch	2,793
RSL Coorparoo Sub Branch	1,976
Everyman's Welfare Service Ltd	1,606
Vietnam Veterans' Federation Townsville Sub Branch Inc.	300
Thuringowa RSL Sub Branch	1,606
Gladstone Legacy	1,720
Qld Total	394,095
 Victoria	 \$
RSL/VVAA Victoria on behalf of the Victorian Regional Centres listed below	
Hume Veterans' Information Centre	3,294
Bass Coast Veterans' and Dependants Welfare Centre	9,818

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Gippsland Veterans' Welfare Centre and 6 Outposts	34,882
Ballarat Veterans' Support Group Inc	31,418
Bayside Regional Centre including outpost at Frankston	4,720
South East Regional Veterans' Welfare Centre	21,000
Southern Peninsula Veterans' Centre & Outposts	33,644
Western Suburbs Veterans & Services Centre & VVAA	60,122
Goulburn Valley Veteran Services including Outpost at Benalla	4,967
South West Veterans' Centre	2,822
Swan Hill Veterans' Information Centre	17,822
West Gippsland Veterans' Welfare Centre	3,022
Sunraysia Regional Veterans' Centre	33,644
Central Victorian Veterans' Support Centre	35,234
Geelong & District Veterans' Welfare Centre	4,626
Mitchell Veterans' Centre	4,757
Eastern Suburbs Veterans & Services Centre	22,463
Royal Australian Air Force Association	40,000
Regular Defence Force Welfare Association Victoria	1,590
Vietnam Veterans' Federation Victoria	3,729
Vic Total	373,574

South Australia **\$**

Legacy Club of Adelaide Incorporated	24,548
Vietnam Veterans' Federation of South Australia	5,296
RAAF Association Mitcham Branch Inc.	6,000
Returned & Services League of Australia (SA Branch) Inc.	63,074
Vietnam Veterans' Association of Australia (SA Branch) Inc.	5,900
Alice Springs RSL Sub-branch (sponsor organisation)	2,345
Veterans Information Centre of Central Australia	
Vietnam Veterans Federation Inc. Eyre Peninsula Sub-branch	2,750
Korea & South East Asia Forces Association of Australia—SA	3,940
Broken Hill RSL Sub-branch (sponsor organisation)	500
Vietnam Veterans Club Broken Hill	
Vietnam Veterans Federation	
Mount Gambier RSL Sub-branch (sponsor organisation)	1,720
South-East Veterans' Information Centre	
Totally & Permanently Incapacitated Association of South Australia	1,873
SA Total	117,946

Western Australia **\$**

Albany RSL Sub-branch	2,326
Geraldton RSL Sub-branch	1,606
Busselton RSL Sub-branch	1,132
Collie-Cardiff RSL Sub-branch	1,606
Donnybrook RSL Sub-branch	2,325
City of Rockingham RSL Sub-branch	1,720

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List of the grants under the BEST program—2000–2001

RSL WA State Branch	41,145
Training & Information Program (WA Committee)	40,000
Legacy Fund of Perth Inc.	41,315
Mandurah RSL Sub-branch and others	28,460
Australian Navy in Vietnam Veterans' Welfare Association (WA)	472
The Services Assistance Program	1,000
WA Total	163,107

Tasmania **\$**

Returned & Services League Tas, Vietnam Veterans' Association Tasmania and RAAF Association.	56,480
TAS Total	56,480

Total 2000–2001 **1,595,483**

List of the grants under the BEST program—2001–2002

New South Wales **\$**

ACT Kindred Organisations Committee	877
Ashford RSL Sub-Branch	1,376
Bathurst RSL Sub-Branch, Bathurst Branch of Sydney Legacy, Bathurst Vietnam Veterans Association	1,376
Bega RSL Sub-Branch (Far South Coast Ex-Service Pensions Support Centre)	3,862
Blue Mountains Vietnam Veterans and Associated Forces Inc	2,876
City of Albury RSL	1,754
Coffs Harbour Legacy Welfare Fund	2,956
Coffs Harbour RSL Sub-Branch	2,242
Forster Tuncurry Legacy	1,376
Glenn Innes RSL Sub-Branch	1,456
Great Lakes Vietnam Veterans Association	6,436
Huskinson RSL Sub-Branch, St Georges Basin RSL Sub-Branch, VVA Jervis Bay Sub-Branch and Nowra Legacy	5,085
RSL (NSW) Welfare and Benevolent Fund	143,833
RSL ACT Branch	3,498
South West Rocks RSL Sub-Branch	3,053
Sydney Legacy Appeals Fund	105,609
Tamworth RSL Sub-Branch	2,056
The Legacy Club of Canberra	1,456
Vietnam Veterans' Association National Council NSW Branch Inc	23,860
Vietnam Veterans Association NSW Branch and KSEAFSA NSW Branch	135,962
VVAA Dubbo and Far West Region Sub-Branch	3,898
VVAA Far North Coast Sub-Branch	10,789
VVAA Hastings/Manning/Macleay Sub branch	1,376
VVAA Illawarra Sub-Branch	1,754
VVF ACT	6,885

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VVFA Gosford City Sub-Branch	350
Wollongong RSL Sub-Branch (Illawarra Veterans Entitlements Service)	1,711
Woolgoolga RSL Sub-Branch	2,350
Woy Woy Ettalong Hardy's Bay RSL Sub-Branch	1,376
Gosford RSL Sub Branch	968
Central Coast and Hunter Valley Vietnam Forces Association Inc.	1,456
Grand Total	483,912

Queensland

\$

Brisbane Legacy	44,264
Bundaberg ESO Support Centre	46,134
Cairns Legacy	1,586
Central Queensland Veterans' Support Centre	17,882
Charters Towers RSL Sub Branch	2,350
Dalby RSLA Memorial Club Incorporated	2,242
Everyman's Welfare Service Ltd	1,456
Gaythorne/Samford RSL Ex-service Support Centre	20,860
Gladstone Legacy	1,376
Gold Coast Legacy Club Inc.	2,537
Gold Coast Veterans' Support Centre	8,394
Incapacitated Servicemen & Women's Assoc	1,826
Kedron Wavell RSL Sub-Branch	1,456
Mackay District Branch RSL	14,243
Mackay RSL & Legacy	3,350
Maryborough Legacy Club Inc.	4,000
Moreton District Ex-Service Support Group	48,242
Mt Isa RSL Sub Branch	1,376
Murgon ESO Support Centre	2,376
R&SL Ayr Sub Branch	775
R&SL Hervey Bay Sub-Branch	7,500
Regular Defence Force Welfare Assoc. QLD	3,663
RSL Coorparoo Sub Branch	1,826
RSL Far Northern District ESO Centre	26,888
RSL Mareeba Sub Branch	2,006
RSL Pine Rivers (ESO Support Centre)	7,083
RSL Queensland Branch	67,500
RSL Roma Sub Branch	2,882
RSL Southport Sub-branch	3,791
RSL Thuringowa Sub Branch	1,456
Veterans' Support & Advocacy Service Australia Inc.—Brisbane	10,376
Veterans' Support & Advocacy Service Australia Inc.—Ipswich	2,211
Veterans' Support & Advocacy Service Australia Inc.—Jimboomba	2,206
Veterans' Support & Advocacy Service Australia Inc.—Warwick	1,876
Vietnam Logistical Support Veterans' Association	6,398
Vietnam Veterans Association of Australia Sunshine Coast Sub Branch	1,376
Vietnam Veterans Association of Australia Townsville Sub Branch	2,538

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Vietnam Veterans Federation (Qld)	10,456
The Naval Association of Australia, Qld Sect Inc. Advocacy	2,932
Vietnam Veterans' Federation Townsville Sub Branch Inc.	350
NSW Total	392,039

Victoria **\$**

Ballarat Veterans' Support Group Inc	30,968
Bass Coast Veterans' and Dependants Welfare Centre	12,668
Bayside Regional Centre including outpost at Frankston	3,354
Central Victorian Veterans' Support Centre	34,304
Ex RAAF MTD Inc Association Vic	2,315
Geelong Regional Veterans Welfare Centre	7,272
Gippsland Veterans' Welfare Centre and 6 Outposts	33,982
Goulburn Valley Veteran Services including Outpost at Benalla	4,383
Hume Veterans' Information Centre	6,617
Inner Metropolitan Veterans Service Support Centre (includes RAAFA Advocate)	65,629
Melbourne Legacy	8,050
Mitchell Veterans' Centre	4,030
Regular Defence Force Welfare Association Victoria	1,393
South East Regional Veterans' Welfare Centre	23,160
South West Veterans' Centre	2,372
Southern Peninsula Veterans' Centre & Outpost	36,995
Sunraysia Regional Veterans' Centre	16,132
Swan Hill Veterans' Information Centre	23,582
Vietnam Veterans' Federation Victoria	3,092
West Gippsland Veterans' Welfare Centre	3,582
Western Suburbs Veterans & Services Centre & VVAA	60,025
Vic Total	383,905

South Australia **\$**

ANZAC Remembrance Appeal—1965 Trust Fund Inc.	
C/- Returned & Services League of Australia (SA Branch) Inc.	62,311
Korea & South East Asia Forces Association of Australia—SA	2,456
Legacy Club of Adelaide Incorporated	34,533
RAAF Association Mitcham Branch Inc.	6,000
South—East Veterans' Information Centre	1,456
Totally & Permanently Incapacitated Association of South Australia	1,754
Vietnam Veterans Association of Australia (SA Branch) Inc.	4,801
Vietnam Veterans' Federation of South Australia	3,646
SA Total	116,957

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Western Australia	\$
Abany RSL	5,188
Aust. Navy in Vietnam Veterans Welfare Assoc.	425
Busselton RSL	3,868
Collie-Cardiff RSL	1,956
Donnybrook RSL	6,349
Geraldton RSL	1,456
Mandurah RSL	21,104
Perth Legacy (Incorporated)	53,936
Returned and Services League WA State Branch	44,806
Rockingham City RSL	1,516
The Services Assistance Program	2,000
Training & Information Program (WA Committee)	23,000
WA Total	165,604
Tasmania	\$
Returned & Services League Tas, Vietnam Veterans' Association Tasmania and RAAF Association.	67,927
Tas Total	67,927
2001–2002 Total	1,610,343

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Question 13

Outcome 1 (Compensation)

Senator Bishop asked:

What is the current estimate of the cost to Centrelink of exempting all disability pensions from the means test at the general rate, including all EDA's for all current recipients in receipt of Centrelink benefits?

Answer:

DVA requires data from Department of Family and Community Services (FaCS) to be able to provide this information. FaCS has advised that this information is not readily available. DVA will forward the response to the Committee when the data from FaCS is provided.

Question 14

Outcome 1 (Compensation)

Senator Bishop asked:

- (1) How many denunciations has DVA received in the last 3 years of T&PI veterans working more than 8 hours?
- (2) How many cases are currently under investigation?
- (3) How many pensions have been cancelled in the same years?

Answer:

- (1) 101
- (2) 31
- (3) Nil

While in some cases pensions have been reduced as a result of investigation, no pension has been cancelled in its entirety.

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Question 15

Outcome 1 (Compensation)

Senator Bishop asked:

With respect to the POW grant, how many Australian civilians are known to be interred [sic] in Europe.

Answer:

The Department of Veterans' Affairs has no knowledge of the number of Australian civilians interned in Europe during World War II.

Question 16

Outcome 1 (Compensation)

Senator Bishop asked:

What would be the cost of the MTAWWE indexation of the above general rate portion of the T&PI pension.

Answer:

Approximately \$34.9m over 4 years, using the present number of T&PI recipients and the current differential between movements in the Consumer Price Index (CPI) and Male Total Average Weekly Earnings (MTAWWE).

Question 17

Outcome 1 (Compensation)

Senator Bishop asked:

What is the Actuarial value of the above general rate post 65 for a T&PI veteran aged 55 on a fortnightly basis

Answer:

This question is taken to relate to work undertaken by the Australian Government Actuary on a proposal that an additional amount of disability pension should be paid to veterans assessed at the T&PI rate once they turn 55 years of age until they reach 65 years of age, when the general rate only would be paid.

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The Commonwealth Actuary advised that under the proposal, the additional amount that might be paid to T&PI veterans between age 55 and 65, under these circumstances, would be some \$333 per fortnight.

Question 18

Outcome 1 (Compensation)

Senator Bishop asked:

How many widows are on full ISS rate and how many have no ISS at all?

Answer:

As at 23 February 2002, there were 113,415 war widow(er)s pensioners at DVA. Of these, 79,604 receive income support supplement (ISS) at the ceiling rate of \$124.90 or higher.

For 421 war widows who are themselves veterans with qualifying service, income support is paid as service pension, which is subject to the same ceiling as ISS. Of these, 402 receive service pension at the ceiling rate of \$124.90 or higher.

187 war widow(er)s receive age pension from Centrelink, subject to the same ceiling rules as ISS. Of these, it is estimated that 181 receive the ceiling rate or higher.

Therefore, 80,187 war widow(er)s receive income support at the full ceiling rate amount or higher. 30,310 war widow(er)s do not receive any income support. Approximately 2,918 receive income support at less than the ceiling rate of \$124.90 per fortnight.

No income support	ISS ceiling rate or higher	ISS < ceiling	SP ceiling rate or higher	SP < ceiling	AP ceiling rate or higher	AP < ceiling
30,310	79,604	2,893	402	19	181	6

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Question 19

Outcome 1 (Compensation)

Senator Mark Bishop asked:

How many applications from Intermediate rate veterans for invalidity service pension have been (a) accepted, (b) rejected in each of the last 3 years?

Answer:

The following table outlines the number of claims for invalidity service pension that were lodged, accepted and rejected for the years 1998-1999, 1999–2000 and 2000–2001 for veterans receiving intermediate rate disability pension. This number may include a small number of resubmitted claims.

	Lodged	Accepted (a)	Rejected (b)	Acceptance
1998-99	55	25	30	45%
1999-00	68	44	24	65%
2000-01	125	106	19	85%

Question 20

Outcome 1 (Compensation) and Outcome 2 (Health)

Senator Bishop asked:

How many veterans over 70 with QS already have the Gold Card due to their level of disability (50%) and some part of Service Pension?

Answer:

There are 1,039 veterans over 70 who have the Gold Card due to 50% disability pension plus some level of service pension.

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Question 21

Outcome 1 (Compensation) and Outcome 2 (Health)

Senator Mark Bishop asked:

How many T&PI's also have the Gold Card.

Answer:

All T&PI veterans have eligibility for a Gold Card. As at 23 February 2002 there were 25,310 T&PI veterans.

Question 22

Outcome 1 (Compensation) and Outcome 2 (Health)

Senator Bishop asked:

How many POW's have the Gold Card.

Answer:

All veterans who were prisoners of war have eligibility for a Gold Card. As at 23 February 2002 there were 3,830 ex-POW veterans.

Europe	1369
Japan	2445
Korea	16
Total	<u>3830</u>

Question 23

Outcome 1 (Compensation) and Outcome 2 (Health)

Senator Bishop asked:

How many additional vets are there in the category promised to gain the Gold Card as a result of the Government's election promise—from each deployment: WW2, Korea, Vietnam etc, for each of the 4 estimate years?

Answer:

The numbers of veterans estimated under the proposed extension in each of the 4 estimate years 2002–2006 are:

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2002–2003	4,023
2003–2004	4,378
2004–2005	4,708
2005-2006	5,007

The proposal concerns extending the Gold Card to Australian veterans of post World War 11 conflicts who are 70 years of age or over and who have the necessary qualifying service.

Australian veterans who are 70 years of age or over with qualifying service from World War 11 are already eligible to apply for the Gold Card. Thus, the estimates (indicated above) do not include any veteran from World War 11 unless their WW11 service did not count for qualifying service and they obtained qualifying services from a later conflict.

DVA's estimates of possible eligible veterans are not calculated on a "by conflict" basis. However, because of the 70 years of age or over criterion it is reasonable to assume that most would be Korean veterans.

Question 24

Outcome 1 (Compensation) and Outcome 2 (Health)

Senator Bishop asked:

What has been the average annual cost of the Gold Card to date per veteran by category POW, TPI, widows, Vietnam, WW2 and other?

Answer:

The average health care cost to DVA per gold cardholder is estimated for 2000–01 at \$8,200. The Department of Veterans' Affairs does not have figures for the categories listed as data is not collected on the basis of conflict.

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Question 25

Outcome 1 (Compensation) and Outcome 2 (Health)

Senator Bishop asked:

What was the budgeted outcome for expenditure on Gold Card in 2000/2001 and what was the outcome?

Answer:

The estimated expenses are calculated at activity level rather than by type of Card (for example, amounts spend on: medical practitioners; treatment in Hospitals; pharmaceuticals; Veterans Home Care etc). Therefore, DVA is unable to directly provide “expenditure on Gold Card” as requested in the question.

However, the average cost per Gold Card in 2000–01 is estimated at \$8,200, and there were 285,291 Gold Card holders. The expenditure for the year is therefore estimated at \$2,341.1m.

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Question 26

Outcome 2 (Health)
Hansard page 286.

Senator Bishop asked:

Could you outline on public record the process of tendering for optometry supplies.

Answer:

The process followed by the Department of Veterans' Affairs to establish a new standing offer for spectacle frames is set out below in chronological order:

Date	Action
During 1999	Consultation with the optical industry to seek their views on achieving improvements to the Department's Optical Supplies Programme. The industry delivered a strong message that the Programme should be retained in its current format, with improvements to in certain areas, ie upgrading the range of spectacle frames.
April 2000	The Department established an Optical Advisory Group comprising representatives of the major optical industry associations, to provide advice on the technical aspects of the tender process and on other aspects of the Programme. Due to the commercial-in-confidence aspects of the tendering process, members of this group were bound by declarations of No Conflict of Interest and Confidentiality.
October 2000	The Repatriation Commission approved a framework, including a full competitive tendering process, to improve the range of spectacle frames for the veteran community.
November 2000	The Department wrote to its (former) suppliers of frames to advise that their supply arrangements under the Programme would be replaced by a new joint standing offer with the Department of Defence for spectacle frames. They were also advised that the new standing offer would be established in conjunction with the Department of Defence, through a joint competitive tendering process, that would begin in early 2001.
November 2000	The Department appointed an independent Probity Adviser to oversee the tender process.
December 2000	At the time of issuing the 2001 pricing schedule, the Department made a mail out to its (approximate 2,500) contracted optometrists and dispensers throughout Australia, including the major optical chains such as OPSM, Laubman and Pank, Budget Eyewear, Merringtons Optometrists etc. The following advice was provided: <i>"An upgrade of the DVA-approved range of spectacle frames will take place during 2001. Negotiations are under way with the Department of Defence to establish a joint Standing Offer for spectacle frames, and both agencies anticipate releasing a joint tender for spectacle frames early in 2001. You will receive information about the new arrangements and a new pricing schedule when the new Standing Offer comes into effect."</i>
March 2001	The Department invited comments from the optical industry on an Exposure

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Date	Action
	<p>Draft of the tender through advertisements in the national press. The advertisements notified the dates of two industry briefings in Sydney and Adelaide, and referred to the Department's Internet site for times and venues of the briefings. The advertisements appeared in:</p> <ul style="list-style-type: none"> • Government tenders section of the Weekend Australian on Saturday 10 March 2001 • Tenders section of the Sydney Morning Herald on Monday 12 March. <p>The Department also posted the exposure draft and information about the industry briefings on its Internet site on 7 April 2001.</p>
March 2001	Industry briefings were conducted in Sydney on 15 March and Adelaide on 16 March.
	<p>The Department released the final Request for Tenders (RFT) through advertisements in the national press, as follows:</p> <ul style="list-style-type: none"> • Government tenders section of the Weekend Australian on Saturday 7 April 2001 • Tenders section of the Sydney Morning Herald on Monday 9 April 2001. <p>The RFT was also available on the Department's Internet site, and was advertised in the electronic version of the Commonwealth Government Purchasing and Disposals Gazette.</p>
May 2001	Tenders closed and evaluation commenced.
July 2001	Successful tenderers were notified.
October 2001	The phased implementation of the new range of spectacle frames began.
January 2002	Full implementation achieved.

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Question 27

Outcome 2 (Health)
Hansard page 265.

Senator Bishop asked:

How many tier 1 & tier 2 hospitals have agreements with DVA in each State?

Answer:

The following table lists the current tier status in Private Hospitals and Private Day Procedure Centres (DPCs) in each State. Under the Repatriation Private Patient Scheme, there is an order of preference for hospital admissions according to three Tiers:

- Tier 1—Selected contracted private hospitals and DPCs without prior financial approval;
- Tier 2—Contracted private hospitals and DPCs with prior financial approval.
- Tier 3—Non-contracted private hospitals and DPCs with prior financial approval.

	Tier 1	Tier 2	Total
NSW/ACT	49	127	176
Vic	33	80	113
Qld	23	12	35
SA/NT	8	47	55
WA	1	2	3
Tas	6	4	10
TOTAL	120	272	392

Note: All Public Hospitals have Tier 1 status.

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Question 28

Outcome 2 (Health)
Hansard page 267.

Senator Bishop asked:

I am interested in the length of stay of veterans in the Private system and the Public system. So you necessarily would have to have similar conditions to have an empirically correct result. So factor that in.

Answer:

The following table lists the Average Length of Stay (ALOS), in days, for Private and Public Hospitals in 2000/2001.

	NSW	Vic	Qld	SA	WA	NT	ACT
Private (days)	4.72	4.98	4.88	4.40	5.74	6.19	4.13
Public (days)	5.98	6.05	4.10	6.83	5.20	5.07	5.66

Notes:

1. Private hospital data is that included in the Departmental Management Information System.
2. Public hospital data is that provided by the State and Territory public health authorities.
3. Queensland public hospital data excludes non–acute & sub–acute care which would result in a higher ALOS.
4. Public Hospital comprehensive data for Tasmania is unavailable for 2000/2001 and 1999/2000.
5. Public data for NT is currently unavailable for 2000/2001. 1999/2000 public data has been included for NT only.

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Question 29

Outcome 2 (Health)
Hansard page 268.

Senator Bishop asked:

Please supply the figures on the average daily cost for a Veteran in the Public system and the Private system, disaggregated on a state-by-state, and then give me the figures for a sample of services of the same nature provided in Public and Private, so that I can do the comparison and then do the overall... Take out the six top procedures by quantum that Veterans are finding the need to access, and do the comparisons. That will give us something to start with.

Answer:

Tables 1 & 2 provides the number of separations and average cost per separation by State for Public and Private Hospitals for 2000/2001.

The Repatriation Commission considers that the provision of the average cost per separation by DRG would fall under Section 2.37 (b) (vii) of the "Government Guidelines for Official Witnesses before Parliamentary Committees and Related Matters—November 1989" namely: "reveal business affairs, including trade secrets or other commercially sensitive information". It is considered that releasing the average cost per separation by Diagnostic Related Groups (DRG) would provide commercially sensitive information that could potentially disadvantage the Commonwealth in fee negotiations. Therefore, instead of disclosing commercial information on the average cost per separation by DRG, Table 3 and Table 4 provide the number of separations and average length of stay in days for selected Surgical and Medical DRGs for both Private and Public hospitals.

Table 5 provides an overview of the relativities of separations and occupied bed days (obds) for the selected medical and surgical DRGs, as a percentage of all medical and surgical DRGs within each State and by public and private sectors.

Tasmanian morbidity data has not been provided by the State Government at this stage.

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Table 1
Private Hospitals—2000/2001

	Separations	Average Cost/Sep
NSW/ACT	65,366	\$3,067
Vic	51,003	\$2,928
Qld	70,628	\$2,818
SA/NT	11,805	\$2,696
WA	18,011	\$3,679
Tas	6,667	\$3,271
TOTAL	223,480	\$2,993

Table 2
Public Hospitals—2000/2001

	Separations	Average Cost/Sep
NSW/ACT	56,194	\$4,513
Vic	33,920	\$3,850
Qld	14,000	\$2,100
SA/NT	14,244	\$4,625
WA	8,301	\$3,007
Tas	3,400	\$3,202
TOTAL	130,059	\$3,962

Notes:

1. Public & Private hospital data is not readily comparable between sectors or between states as average cost per separation includes both in-patient and non-patient services and varying levels of medical & allied health services and prosthetics.

2. The Department currently has in the order of 400 Private Hospital and Day Procedure Centre contracts throughout Australia. To provide more detailed information for each individual Private Hospital will be resource intensive and therefore, State by State average cost per separation figures have been provided. If more specific information is required it can be provided on request.

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Table 3
2000/2001
Selected Surgical DRGs

		NSW Seps	NSW ALOS	VIC Seps	VIC ALOS	QLD Seps	QLD ALOS	SA Seps	SA ALOS	WA Seps	WA ALOS		
Lens	Private	C08Z	Major Lens Procedures	5,385	1.05	2,956	1.02	3,098	1.03	644	1.02	732	1.07
	Public	C08Z	Major Lens Procedures	294	1.05	554	1.20	224	1.02	407	1.08	156	1.21
Scopes	Private	G44C	Other Colonoscopy, Sameday	2,880	1.00	1,709	1.00	2,170	1.02	297	1.00	441	1.01
	Public	G44C	Other Colonoscopy, Sameday	376	1.00	296	1.00	168	1.00	307	1.00	287	1.00
Plastics	Private	J11Z	Other Skin, Subcutaneous Tissue and Breast Procedures	1,057	1.45	902	1.22	1,353	1.25	136	1.40	396	1.43
	Public	J11Z	Other Skin, Subcutaneous Tissue and Breast Procedures	237	2.01	292	1.23	148	1.54	561	1.18	146	1.63
Prostate	Private	M02B	Transurethral Prostatectomy W/O Catastrophic or Severe CC	753	4.44	621	3.83	478	3.93	132	4.86	137	4.49
	Public	M02B	Transurethral Prostatectomy W/O Catastrophic or Severe CC	79	4.99	108	3.69	28	4.89	38	3.79	62	4.61
Hips	Private	I03B	Hip Replacement W Cat or Severe CC or Hip Revision W/O Cat or Severe CC	144	13.35	178	14.26	127	18.87	51	11.67	58	17.02
	Public	I03B	Hip Replacement W Cat or Severe CC or Hip Revision W/O Cat or Severe CC	143	13.69	79	16.03	24	17.17	26	12.85	29	19.28
Hips	Private	I03C	Hip Replacement W/O Catastrophic or Severe CC	313	10.43	246	10.55	166	11.62	54	9.96	74	12.55
	Public	I03C	Hip Replacement W/O Catastrophic or Severe CC	81	9.49	61	9.44	25	8.52	39	8.00	32	7.91
Knees	Private	I04B	Knee Replacement and Reattachment W/O Catastrophic CC	869	8.94	412	9.88	335	10.67	105	9.25	178	13.17
	Public	I04B	Knee Replacement and Reattachment W/O Catastrophic CC	43	8.91	36	9.81	50	7.80	70	6.94	9	9.11

Notes:

1. This table is sourced from the Departmental Management Information System.
2. Public data is that provided by the States.
3. A Public Hospital arrangement based on DRGs is not in place in Tasmania.

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Table 4
2000/2001
Selected Medical DRGs

			NSW Seps	NSW ALOS	VIC Seps	VIC ALOS	QLD Seps	QLD ALOS	SA Seps	SA ALOS	WA Seps	WA ALOS
Psychiatric	Private	B63Z Dementia and Other Chronic Disturbances of Cerebral Function	87	17.63	126	18.67	138	18.36	42	13.05	184	4.22
	Public	B63Z Dementia and Other Chronic Disturbances of Cerebral Function	543	12.76	276	26.46	67	16.09	122	16.22	93	25.59
Respiratory	Private	E62B Respiratory Infections/Inflammations W Severe or Moderate CC	153	9.33	326	9.27	255	9.27	47	9.81	40	14.08
	Public	E62B Respiratory Infections/Inflammations W Severe or Moderate CC	685	7.36	324	6.68	110	6.51	156	9.54	88	7.82
Airways	Private	E65A Chronic Obstructive Airways Disease W Catastrophic or Severe CC	300	14.12	362	11.20	593	12.49	82	10.51	155	20.38
	Public	E65A Chronic Obstructive Airways Disease W Catastrophic or Severe CC	1,099	8.55	583	9.60	261	8.57	251	7.49	167	9.78
Airways	Private	E65B Chronic Obstructive Airways Disease W/O Catastrophic or Severe CC	341	8.81	449	7.33	539	8.00	82	6.67	128	10.18
	Public	E65B Chronic Obstructive Airways Disease W/O Catastrophic or Severe CC	1,156	5.89	574	4.75	332	4.87	220	6.09	189	5.48
Heart	Private	F62B Heart Failure and Shock W/O Catastrophic CC	330	10.72	508	7.93	508	8.42	123	7.11	116	11.23
	Public	F62B Heart Failure and Shock W/O Catastrophic CC	685	7.36	702	5.48	346	4.79	215	5.90	222	5.11
Neck & Back	Private	I68A Non-Surg Neck & Back Cond W/O Pain Managmt Proc/Myelo (Age<75 W CC) or Age>74	293	9.72	297	8.17	334	9.32	73	7.70	88	13.9
	Public	I68A Non-Surg Neck & Back Cond W/O Pain Managmt Proc/Myelo (Age<75 W CC) or Age>74	449	7.71	272	7.22	69	8.57	114	6.27	106	7.53

Notes:

1. This table is sourced from the Departmental Management Information System.
2. Public data is that provided by the States.
3. A Public Hospital arrangement based on DRGs is not in place in Tasmania.

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Table 5

		Medical number	%	Surgical number	%	Total number	%	
NSW	<i>Public Hospital Separations:</i>							
	Selected DRGs	5,078	11%	1,253	15%	6,331	12%	
	All DRGs	46,365		8,327		54,692		
	<i>Public Hospital obds:</i>							
	Selected DRGs	39,180	15%	4,664	7%	43,844	13%	
	All DRGs	264,744		62,286		327,030		
	<i>Private Hospital Separations:</i>							
	Selected DRGs	1,504	7%	11,401	36%	12,905	24%	
	All DRGs	21,898		31,573		53,471		
	<i>Private Hospital obds:</i>							
	Selected DRGs	16,587	10%	26,366	27%	42,953	16%	
	All DRGs	163,119		98,562		261,681		
	VIC	<i>Public Hospital Separations:</i>						
		Selected DRGs	2,731	10%	1,426	23%	4,157	12%
All DRGs		27,258		6,177		33,435		
<i>Public Hospital obds:</i>								
Selected DRGs		23,605	14%	3,917	12%	27,522	14%	
All DRGs		169,191		33,230		202,421		
<i>Private Hospital Separations:</i>								
Selected DRGs		2,068	10%	7,024	32%	9,092	21%	
All DRGs		20,693		21,999		42,692		
<i>Private Hospital obds:</i>								
Selected DRGs		19,175	15%	17,407	20%	36,582	17%	
All DRGs		125,360		85,445		210,805		

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		Medical number	%	Surgical number	%	Total number	%	
QLD	<i>Public Hospital Separations:</i>							
	Selected DRGs	1,185	11%	667	24%	1,852	14%	
	All DRGs	10,517		2,723		13,240		
	<i>Public Hospital obds:</i>							
	Selected DRGs	7,898	19%	1,777	14%	9,675	18%	
	All DRGs	41,260		13,007		54,267		
	<i>Private Hospital Separations:</i>							
	Selected DRGs	2,367	8%	7,727	31%	10,094	18%	
	All DRGs	30,180		25,190		55,370		
	<i>Private Hospital obds:</i>							
	Selected DRGs	24,006	19%	16,874	17%	40,880	18%	
	All DRGs	125,360		99,520		224,880		
	SA	<i>Public Hospital Separations:</i>						
		Selected DRGs	1,078	11%	1,448	30%	2,526	18%
		All DRGs	9,617		4,796		14,413	
<i>Public Hospital obds:</i>								
Selected DRGs		8,670	11%	2,684	14%	11,354	12%	
All DRGs		78,859		19,616		98,475		
<i>Private Hospital Separations:</i>								
Selected DRGs		449	7%	1,419	30%	1,868	17%	
All DRGs		6,066		4,762		10,828		
<i>Private Hospital obds:</i>								
Selected DRGs		3,855	12%	3,890	20%	7,745	15%	
All DRGs		32,749		19,816		52,565		

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		Medical number	%	Surgical number	%	Total number	%	
WA	<i>Public Hospital Separations:</i>							
	Selected DRGs	865	9%	721	21%	1,586	12%	
	All DRGs	9,667		3,419		13,086		
	<i>Public Hospital obds:</i>							
	Selected DRGs	7,669	15%	1,894	11%	9,563	14%	
	All DRGs	50,226		17,400		67,626		
	<i>Private Hospital Separations:</i>							
	Selected DRGs	711	8%	2,016	27%	2,727	17%	
	All DRGs	8,588		7,400		15,988		
	<i>Private Hospital obds:</i>							
	Selected DRGs	8,328	15%	6,670	17%	14,998	16%	
	All DRGs	54,581		39,320		93,901		
	TOTAL	<i>Public Hospital Separations:</i>						
		Selected DRGs	10,937	11%	5,515	22%	16,452	13%
All DRGs		103,424		25,442		128,866		
<i>Public Hospital obds:</i>								
Selected DRGs		87,022	14%	14,936	10%	101,958	14%	
All DRGs		604,280		145,539		749,819		
<i>Private Hospital Separations:</i>								
Selected DRGs		7,099	8%	29,587	33%	36,686	21%	
All DRGs		87,425		90,924		178,349		
<i>Private Hospital obds:</i>								
Selected DRGs		71,951	14%	71,207	21%	143,158	17%	
All DRGs		501,169		342,663		843,832		

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Question 30

Outcome 2 (Health)
Hansard page 268–269

Senator Bishop asked:

Please provide the number of visits per veteran to a hospital, from Age 65, state by state, then nationally, also provide the same data for last 4 years of a veterans life.

Answer:

The answer to this question is not readily available and would require detailed and complex analysis.

It is suggested a meeting be arranged with the Senator to explain the nature of the available data and explore ways of providing the type of information requested.

Question 31

Outcome 2 (Health)
Hansard page 269.

Senator Bishop asked:

What proportion of private hospital usage is paid for with the Gold Card?

Answer:

The following table lists the proportion of Private Hospital activity as reported in the Departmental Management Information System attributed to Gold Card holders for 2000/2001. Gold card holders as a percentage of the treatment population is also provided.

	NSW	Vic	Qld	SA	WA	Tas	TOTAL
Expenditure	97.3%	98.4%	97.7%	98.1%	98.2%	99.1%	97.8%
Separations	96.7%	97.6%	96.0%	97.7%	97.4%	98.7%	96.7%
Percentage of Gold Card to total treatment population	83.4%	85.2%	78.5%	80.5%	77.9%	87.7%	82.2%

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Question 32

Outcome 2 (Health)
Hansard page 270.

Senator Bishop asked:

How many disabled children of veterans are there? Do we have those figures? How many of those are in receipt of benefits from Centrelink?

Answer:

Neither the Department of Veterans' Affairs nor Centrelink collect information on the number of disabled children of veterans.

Question 33

Outcome 3 (Office of Australian War Graves)
Hansard page 279.

Senator Bishop asked:

What is the size of the proposed new area?

Answer:

The 'enlarged zone' that was announced at the end of February 2002 encompasses approximately 10,000 hectares of the Somme area. It is anticipated that one third of this area will be developed. The 'enlarged zone' is both further south than and has no overlap with the original area nominated.

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Question 34

Outcome 3 (Office of Australian War Graves)
Hansard page 280.

Senator Bishop asked:

When did you first initiate that process of consultation or objection?

Answer:

The first official announcement on the original site was made by the French Prime Minister on Thursday, 15 November 2001. This was followed by media speculation that war graves would be affected. At this time, no Australian war graves were at threat. On Tuesday, 20 November 2001 the Commonwealth War Graves Commission's (CWGC) Area Director in France, Mr Mike Johnson, wrote to the CWGC contact in the French Ministry of the Interior, seeking further details of what was proposed and voicing the concerns within the Commonwealth that Commonwealth war graves could be affected. The Area Director's letter was sent on behalf of the CWGC representing all the Member Governments.

The 'enlarged zone' was announced through media sources rather than directly from the French Government on 26 February 2002. Minister Vale wrote immediately to Minister Downer asking for his assistance in pursuing this issue through diplomatic channels as well as via the actions undertaken by the CWGC. On Wednesday 27 February 2002, the Commission's Director General, Mr Richard Kellaway, directed Mr Mike Johnson to press the French Authorities for further details and to voice the Commission's concerns, including Australia's, to contacts within the French Government.

The Director, Office of Australian War Graves met with Mr Richard Kellaway in London on Thursday 8 March 2002 to obtain more information of action planned regarding this issue and to raise Australia's strong concerns. On Friday, 8 March 2002, Richard Kellaway wrote to the French Minister of the Interior reiterating the Member Nation's concerns on this proposed new area. This letter was copied to the French Ambassador in London who responded that the French Government was very much aware of the concerns being voiced and had pledged to minimize any effect that this project might have on military cemeteries.

The following week, Minister Vale and Minister Downer issued a joint press release detailing the actions that they had taken. On Tuesday afternoon, 12 March 2002, the Australian High Commissioner to London, Mr Michael L'Estrange, was directed to register Australia's strong concern regarding any development that may require the relocation of Australian war graves at the CWGC's quarterly meeting to be held the following day in London. At this meeting on Wednesday 13 March 2002, Mr L'Estrange did stress Australia's strong desire that these graves be left undisturbed. Britain, New Zealand, Canada and India fully supported Australia's position.

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Concurrently, on Tuesday 12 March 2002, Australia's Ambassador to Paris, Mr Bill Fisher, was instructed to write to the French Interior Minister, Mr Daniel Vaillant. He was asked to:

- a. seek clarification of the potential impact on Australian war graves of the current version of the proposal to build the third Paris airport;
- b. register the strong concerns of the Australian Government about any development that may require the relocation of Australian graves and to stress the Government's strong desire that these graves be left undisturbed;
- c. advise the French Interior Minister of the Australian Government's expectation of full consultation in regard to any plans that may require the relocation of Australian war graves; and
- d. emphasise the historical and cultural significance of the Somme region to Australians, particularly those related to servicemen who died or were injured in defending the Western Front in the two World Wars.

Ambassador Fisher has written as instructed.

Question 35

Outcome 3 (Office of Australian War Graves)
Hansard page 284.

Senator Bishop asked:

What protocols, if any, the Australian Government is party to that regulate this issue of relocation of war graves or war cemeteries. what is the appropriate phrase, whether it be 'reasons of state' or 'overriding public concern.' You could also provide us with what is meant by that; under what circumstances the host government can invoke it; if there are any obligations upon the host government to consult with our government; and if there are any appeal mechanisms?

Answer:

As a member nation of the Commonwealth War Graves Commission (CWGC), Australia is a signatory to the Commonwealth/French War Graves Agreement of 1951. This Agreement regulates the CWGC's war cemeteries and memorials in France. The Agreement states that the CWGC may have free use of the land selected in French territory in perpetuity; however, these sites remain in the ownership of the French State. If the French State wish to put any site to an alternative use, the CWGC would expect the French to negotiate with the CWGC and would welcome support from member governments.

This Agreement was clarified at the International Conference of the Red Cross (ICRC) held in 1959. The ICRC agreed to convene two successive conferences of government experts to

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draft two additional Protocols associated with the Geneva Conventions of 1949 regarding the Law of Armed Conflict. Australia and France are both parties to these Protocols known as the *Final Act of the Diplomatic Conference on the Re-affirmation and Development of International Humanitarian Law Applicable in Armed Conflict*. Article 34 of Protocol One sets out the arrangements for dealing with 'war dead' that result from international armed conflicts. A copy of the relevant Article is attached.

Article 34.4 (b) of Protocol One presumes that disturbance of war graves is not to be undertaken lightly. The key phrase from the Protocol relevant to this situation is 'overriding public necessity'. There is no further definition of this phrase; consequently, it must be taken as its natural meaning. The project must be of a public nature, it must be a necessity (both in principle and in that particular place) and the need for the project must be sufficient to override the need not to disturb the war graves. Whilst these Protocols, like the Geneva Conventions, are not directly enforceable, countries who are signatory to them are expected to comply with their requirements.

There is no requirement stated in the Protocol for formal consultation regarding the decision to exhume the remains of war dead; however, there is no reason to believe that the French would not consult with the Commission when considering such exhumations just as they have in the past. The Protocol states that once the host country has deemed the matter to be one of 'overriding public necessity', then that country must treat the remains exhumed with respect, give notice to the home country of the intention to exhume the remains together with details of the intended place of re-internment.

There are no formal appeal procedures specified as part of these Protocols. Therefore, governments wishing to be involved as individual nations would need to pursue this matter through normal diplomatic channels.

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Article 34—Remains of deceased

1. The remains of persons who have died for reasons related to occupation or in detention resulting from occupation or hostilities and those of persons not nationals of the country in which they have died as a result of hostilities shall be respected, and the gravesites of all such persons shall be respected, maintained and marked as provided for in Article 130 of the Fourth Convention, where their remains or gravesites would not receive more favourable consideration under the Conventions and this Protocol.

2. As soon as circumstances and the relations between the adverse Parties permit, the High Contracting Parties in whose territories graves and, as the case may be, other locations of the remains of persons who have died as a result of hostilities or during occupation or in detention are situated, shall conclude agreements in order:

(a) To facilitate access to the gravesites by relatives of the deceased and by representatives of official graves registration services and to regulate the practical arrangements for such access;

(b) To protect and maintain such gravesites permanently;

(c) To facilitate the return of the remains of the deceased and of personal effects to the home country upon its request or, unless that country objects, upon the request of the next of kin.

3. In the absence of the agreements provided for in paragraph 2 (b) or (c) and if the home country of such deceased is not willing to arrange at its expense for the maintenance of such gravesites, the High Contracting Party in whose territory the gravesites are situated may offer to facilitate the return of the remains of the deceased to the home country. Where such an offer has not been accepted the High Contracting Party may, after the expiry of five years from the date of the offer and upon due notice to the home country, adopt the arrangements laid down in its own laws relating to cemeteries and graves.

4. A High Contracting Party in whose territory the gravesites referred to in this Article are situated shall be permitted to exhume the remains only:

(a) In accordance with paragraphs 2 (c) and 3; or

(b) Where exhumation is a matter of overriding public necessity, including cases of medical and investigative necessity, in which case the High Contracting Party shall at all times respect the remains, and shall give notice to the home country of its intention to exhume the remains together with details of the intended place of reinterment.

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Question 36

Outcome 4 (Service Delivery)
Hansard page 266.

Senator Bishop asked:

Please provide the committee with a copy of the analysis done on DVA by the Government Actuary in relation to the Hospital Health models, and any formal acceptance by the Department of the same.

Answer:

Attached is a copy of the report from the Government Actuary of its review of DVA health expenditure projection models.

All recommendations of the Actuary have been accepted. Formal acceptance is evidenced by the change in the forward estimates, which have been agreed with the Department of Finance and Administration.

***Attachment:** Australian Government Actuary—Review of DVA expenditure projection models.
Available in electronic form.*

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Question 37

Outcome (All Outcomes)
Hansard page 273.

Senator Bishop asked:

Has there been any correspondence received concerning public liability costs, in particular for Anzac Day ceremonies?

Answer:

Yes.

Three representations have been received from local councils and a Member of Parliament seeking Commonwealth assistance to fund public liability insurance for memorial halls in rural areas and coverage for Anzac Day marches.

Question 38

All Outcomes

Senator Bishop asked:

For each year of the contract with IBMGSA how many mobile phones have been issued to (a) DVA staff, (b) Repatriation Commission and (c) ministerial staff?

Answer:

There were 313 mobile phones on issue in May 1997 at the commencement of the outsourcing contract with IBMGSA. The number of mobile phones issued to DVA under the IBMGSA contract is listed below.

Of course some of these phones are replacement phones:

1997/98: 39
1998/99: 82
1999/00: 155
2000/01: 141
2001/02 (to end of February): 40

Note that data is not readily available to provide an historical breakdown of mobile phones issued to (a) DVA staff, (b) Repatriation Commission and (c) Minister's Office. However currently there are approximately 486 'active' mobile phones appearing on monthly invoices. Of these 3 are held by the Repatriation Commission and 6 by the Minister's Office.

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Question 39

All Outcomes

Senator Bishop asked:

Of those mobile phones issued in each year, how many were replacement phones due to (a) loss or (b) upgrade?

Answer:

Mobile phones are supplied to DVA upon the submission of Additional Service Requests (ASRs) to IBMGSA. The ASR acquisition process does not differentiate between phones that are being replaced as a result of loss or upgrade. However, four ASRs specifically identified that new phones were being ordered to replace ones that were lost and another ASR identified that the original phone had been stolen.

In order to identify potential replacement phones, ASR records that indicated the requestor wished to retain their current mobile phone number (sim card) were extracted. The numbers, which include the above five phones, are as follows:

Replacement mobile phones in each year

1997/1998	0
1998/1999	6
1999/2000	58
2000/2001	19
2001/2002 (to Feb 2002)	6

Question 40

All Outcomes

Senator Bishop asked:

What was the cost of mobile phone supply and support in DVA for each of the 3 years?

Answer:

The cost of mobile phone supply paid to IBMGSA for each of the contract years:

1997/98: \$8,190
1998/99: \$13,366
1999/00: \$25,265
2000/01: \$34,968
2001/02 (to date): \$15,920

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Question 41

All Outcomes

Senator Bishop asked:

What guidelines exist for the supply and use of mobile phones in DVA?

Answer:

Attached is the Chief Executive Instruction 10.3, which prescribes Departmental policy and procedures governing electronic communication, including mobile phones.

Mobile telephones are made available to individual officials for official purposes and they are personally accountable for all call charges.

Proposals for mobile telephones need to be approved by: the Chief Executive, the President, the Deputy President, the Commissioner or the relevant Division Head in National Office or the relevant Deputy Commissioner in a State Office. Approval may also be given for the installation of a mobile telephone in an official motor vehicle. Within the terms of this CEI, delegates may specify conditions of use in their approval of a mobile telephone.

The following criteria are to apply for the determination of eligibility for official mobile phones:

- (a) officials whose duties require them to be absent from their normal workplace on frequent occasions;
- (b) who during such absences will be away from departmental telephone facilities; and
- (c) whose duties require them to frequently conduct departmental business via a telephone.

The Department is responsible for the payment of accounts for official mobile telephones. The official who was issued with the telephone is responsible for reimbursing the Department for the costs of non-official calls.

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CHIEF EXECUTIVE INSTRUCTION No. 10.3

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10.3 ELECTRONIC COMMUNICATION

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9.	References	3
10.	Penalties	3

1 Introduction

1.1 The Chief Executive Officer has given this Chief Executive Instruction (CEI) pursuant to Section 52 of the Financial Management and Accountability Act 1997 and Financial Management and Accountability Regulation 6. This CEI prescribes departmental policy and procedures governing electronic communication.

1.2 This CEI is to be read in conjunction with the Department's 'Information Technology Security Policy' and the 'Online policy for Internet, Intranet and E-mail users'.

2. General telephone/facsimile use

2.1 All phone/fax calls using Departmental facilities should only be made for official purposes. Before making a phone/fax call, consider if it is cheaper to write or use Electronic Mail. All calls should be kept as short as possible, especially STD/ISD calls which are charged on a time basis.

2.4 Mobile telephones (which incur higher charges) should not be used to make a call when an office phone is readily available. Individual officials to whom mobile phones are assigned are personally accountable for all call charges.

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3. Policy for approving STD/ISD access

3.1 Within each DVA office, staff at a locally specified level and above will be allocated direct access to STD facilities from their telephones, eg. the specified level at National Office is Executive Level 2 (DVA Band 3).

3.2 Below the specified level, all requests for direct STD access are to be submitted to the local IT Coordinator through the individual staff member's Branch Head or equivalent. Generally, this is to provide direct STD access to operational staff who have regular contact with many clients outside metropolitan areas.

3.3 The availability of the abbreviated speed dialling capability in the PABX should be considered as an alternative to full STD access. The abbreviated speed dialling facility provides access to frequently called numbers for all users of the PABX (eg. in National Office, all State Offices are stored in the speed dialling facility and the caller can dial a set prefix followed by the required extension number to access a particular number.) This facility can be programmed to cover other departments, private companies etc.

3.4 Requests for full STD access should show the reason that the abbreviated dialling system is not sufficient for the official's normal operational requirements.

3.5 Permanent direct access to ISD facilities will only be granted with the approval of the Division Head, Corporate Development in National Office or the relevant Deputy Commissioner in a State Office.

4. Private STD, reverse charge calls and operator connected calls

4.1 Private STD calls may be made only through the switchboard operators and only with the specific approval of a supervisor. The cost of the call is to be recovered by the Receiver of Public Monies (RPM) who will, upon payment by the official for the call, issue an official receipt.

4.2 If an official has to make a private STD call when the switchboard is unattended, the call should be made through the Telecom operator on "011". The details of the call must be reported to the official's supervisor and to the DVA switchboard operator.

4.3 If an official accepts a private STD/ISD reverse charge call, the details of the call should be reported to the DVA switchboard operator and reimbursement to the Department arranged through the RPM.

4.4 Information on mobile phone calls, operator connected, directly dialled and reverse charge STD/ISD calls will be provided to DVA management. This information can be used to identify private STD/ISD calls for which no reimbursement has been made to the Department. If abuse of the facility is evident then, after due warning, disciplinary action may be taken against any member of staff found making private calls without prior approval.

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5. Semi-official telephones

5.1 Semi-official telephones may be provided in the private residence of the Minister and the Chief Executive. Generally, the Department is to meet the total cost of semi-official telephones for the Minister and the Chief Executive.

6. Mobile telephones

6.1 Mobile telephones are made available to individual officials for official purposes and they are personally accountable for all call charges.

6.2 Proposals for mobile telephones need to be approved by: the Chief Executive, the President, the Deputy President, the Commissioner or the relevant Division Head in National Office or the relevant Deputy Commissioner in a State Office. Approval may also be given for the installation of a mobile telephone in an official motor vehicle. Within the terms of this CEI, delegates may specify conditions of use in their approval of a mobile telephone.

6.3 The following criteria are to apply for the determination of eligibility for official mobile phones:

- (a) officials whose duties require them to be absent from their normal workplace on frequent occasions;
- (b) who during such absences will be away from departmental telephone facilities; and
- (c) whose duties require them to frequently conduct departmental business via a telephone.

6.4 The Department is responsible for the payment of accounts for official mobile telephones. The official who was issued with the telephone is responsible for reimbursing the Department for the costs of non official calls.

7. Telephone credit cards

7.1 Telephone credit cards (domestic or international) and stored value telephone cards may be issued to officials who frequently conduct departmental business while absent from the office.

7.2 Proposals for telephone credit cards need to be approved by the Chief Executive, the President, the Deputy President, the Commissioner or the relevant Division Head in the case of National Office or the relevant Deputy Commissioner in a State Office.

7.3 Telephone credit cards are to be treated in the same manner as other official credit cards. The official who is issued with the telephone credit card is responsible for verifying that the billing statement is correct and for the payment of the costs of non official calls.

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8. Other means of electronic communication

8.1 Officials may be provided with access to the Department's computing systems, which may include the Internet, the Intranet and E-mail. The Department's computing systems are to be used only for official purposes and officials must comply with the Department's 'Information Technology Security Policy' and the 'Online policy for Internet, Intranet and E-mail users'.

8.2 Some officials, eg SES, are entitled to other means of electronic communication as part of their conditions of service. This may include mobile telephones, telephones in motor vehicles, the home use of a PC and remote access to the Department's computing systems.

9. References

FMA Act:	14, 41, 60
FMA Regulations:	N/A
FMA Orders:	N/A
Delegation:	N/A
Related Instructions:	CEI 10.1 Fringe Benefits Tax
Related Publications:	Information Technology Security Policy Online policy for Internet, Intranet and E-mail users

10. Penalties

FMA Act s.14. An official or Minister must not misapply public money or improperly dispose of, or improperly use, public money. Maximum penalty: Imprisonment for 7 years.

FMA Act s.41. An official or Minister must not misapply public property or improperly dispose of, or improperly use, public property.
Maximum penalty: Imprisonment for 7 years.

FMA Act s.60(1). An official or Minister must not use a Commonwealth credit card, or a Commonwealth credit card number, with the intention of obtaining cash, goods or services otherwise than for the Commonwealth.
Maximum penalty: Imprisonment for 7 years.

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Question 42

All Outcomes

Senator Bishop asked:

What was the total charge for calls made from mobile phones in (a) DVA, (b) the Repatriation Commission, (c) the Minister's Office, (d) the War Memorial and (e) other agencies?

Answer:

Rent and call charges from mobile phones:

(a) DVA

1997/98: \$140,857

1998/99: \$130,554

1999/00: \$132,884

2000/01: \$146,184

2001/02 (to date): \$69,975

(b) Secretary & Repatriation Commission

1997/98: included in (a) DVA¹

1998/99: \$ 750

1999/00: \$2,119

2000/01: included in (a) DVA

2001/02: included in (a) DVA

(c) Minister's Office

1997/98: included in (a) DVA

1998/99: \$9,791

1999/00: \$6,525

2000/01: included in (a) DVA

2001/02 (to date): included in (a) DVA

(d) War Memorial

1997/98: \$4,870

1998/99: \$12,355

1999/00: \$11,935

2000/01: \$15,954

2001/02 (to date): \$7,601

¹ Included in (a) DVA. DVA's General Ledger did not record these costs separately in those financial years.

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(e) Office of War Graves and Veterans' Review Board figures are included in (a) DVA.

Defence Service Home Insurance

1997/98: \$4,545

1998/99: \$4,352

1999/00: \$5,099

2000/01: \$4,420

2001/02 (to date): \$1,993

Question 43

All Outcomes

Senator Bishop asked:

What arrangements exist for the reimbursement of personal calls on mobile phones?

Answer:

Managers in the various business units monitor the charges and types of call/services made for each mobile phone.

In accordance with the Chief Executive Instruction, the official who was issued with the mobile telephone is personally accountable for call charges on the mobile phone allocated to them and must reimburse the Department for the cost of non-official calls. For each billing cycle, individuals are required to acquit their mobile telephone account, identifying non-official calls, the cost of which the user must reimburse to the Collector of Public Monies using a specific cost centre code.

Question 44

All Outcomes

Senator Bishop asked:

How much has been reimbursed for personal calls from mobile phones in total in each of the same years?

Answer:

1997/98: \$521

1998/98: \$1,298

1999/00: \$1,091

2000/01: \$571

2001/02 (to date): \$782

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Question 45

All Outcomes

Senator Bishop asked:

How many palm pilots or similar devices are leased from the contractor, what guidelines exist for their procurement, and which officers have them allocated?

Answer:

To date there are no palm pilots or similar devices leased from IBM Global Services Australia (IBMGSA).

There are no specific guidelines regarding the procurement of palm pilots in DVA at this point in time, however the Chief Executive Instruction 5.3 on Procurement and Contract Management provides the appropriate guidelines for all procurement. A copy of the Chief Executive Instruction 5.3 is attached.

Although the Department is aware that a few officers have obtained palm pilots, these have been purchased directly by individual areas and no central record currently exists.

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CHIEF EXECUTIVE INSTRUCTION No. 5.3

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5.3 PROCUREMENT OF PROPERTY AND SERVICES

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Annex A: Summary and Sequence of Approvals for Procurement of Property and Services.

1. Introduction

1.1 This Chief Executive Instruction prescribes the framework for the Department of Veterans' Affairs (DVA) to conduct procurement activities under the *Financial Management and Accountability (FMA) Act 1997* (Cth), and under the Financial Management and Accountability Regulations (FMAR).

2. Application

2.1 This CEI 5.3 applies to all activities relating to the procurement of property or services and is to be read in addition to CEIs 5.1 'Approving Proposals to Spend Public Money', 5.2 'Entering into Commonwealth Liabilities' and 5.27 'Mandatory Reporting Arrangements for Contracts and Standing Offers'.

3. Principles and policies for procurement of property and services

3.1 In accordance with the Commonwealth Procurement Guidelines the core procurement principle is *value for money*. It is underpinned by four supporting principles:

- *efficiency and effectiveness;*
- *accountability and transparency;*
- *ethics; and*
- *industry development.*

4. Commonwealth procurement guidelines

4.1 Under FMAR 8, any person performing duties in relation to the procurement of property or services must have regard to the Commonwealth Procurement Guidelines

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(CPGs). If that person takes action that is not consistent with the CPGs they must make a written record of their reasons for doing so.

5. Department of Veterans' Affairs procurement and contracting manual

Any person performing duties in relation to the procurement of property or services must have regard to the Department of Veterans' Affairs Procurement and Contracting Manual (PCM). If that person takes action that is not consistent with the PCM they must make a written record of their reasons for doing so.

6. Accountability and reporting

6.1 Persons performing duties in relation to the procurement of property or services are accountable for their actions and decisions and for the outcomes arising from them. Accordingly, well documented accounts and thorough records concerning procurement decisions must be kept. This includes the recording of delegations and decisions of delegates.

6.2 Reporting also includes:

- gazettal of procurement opportunities;
- gazettal of contracts where the total estimated cost to the DVA is \$2,000 or more; and
- recording contract and indemnity data on a contract and indemnity register (where a national contract and indemnity register has been established all contract and indemnity data must be recorded on that system).

6.3 For more detail in relation to accountability and reporting refer to CEI 5.27 Mandatory Reporting Arrangements for Contracts and Standing Offers, the CPGs and the PCM.

7. Consultation with the contract advisory unit

7.1 The role of the Contract Advisory Unit (CAU) is to:

- develop and promulgate DVA procurement policy;
- develop and promulgate DVA standard procurement documentation including, but not limited to, contract and request for tender documents;
- provide procurement training for DVA staff;
- provide legal and commercial advice to those DVA staff conducting procurement activities; and
- where directed by the Repatriation Commission or DVA Executive, take carriage of particular procurement activities.

7.2 Persons involved in the procurement of property or services must ensure that in relation to each procurement activity the CAU:

- agrees to the terms and conditions of any agreement, contract or arrangement to be entered into between the Commonwealth and the prospective supplier;
- agrees to any draft request for tender, expression of interest or request for proposal documentation; and,
- is consulted in relation to the procurement method.

7.3 Paragraph 7.2 does not apply to procurement activities that can be classified as 'simple procurement'. For the purposes of this CEI, 'simple procurement' means procurement that is: less than \$2000.00; or low risk and less than \$10,000. However, persons

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involved in 'simple procurement' may still consult the CAU should they require any assistance.

8. Procurement approvals

8.1 There are two mandatory procurement approvals to be exercised. These approvals are made by officials who have been delegated by the DVA Chief Executive (refer also to CEI No.1):

- the 'approver' delegate (refer to CEI No.5.1); and
- the 'liability' delegate (refer to CEI No.5.2).

8.2 A summary and sequence of approvals for procurement of property and services is at Annex A to this Chief Executive Instruction.

8.3 For procurement other than 'simple procurement', it is recommended that the 'liability' delegate be a different person from the 'approver' delegate.

9. Business cases

9.1 It is recommended that for each procurement activity a business case be approved by the 'approver' delegate.

9.2 The 'business case' identifies the activities, options and resources required for a procurement project to commence, and demonstrates that the procurement is achievable, publicly defensible, and accords with government and DVA policy.

9.3 If you require further information in relation to business cases please refer to the PCM.

10. References

FMA Act:	Sections 5, 14, 26, 27, 44, 45, 52, 53, 54, 61 and 65.
FMA Regulations:	3, 6-13 (inclusive), 21.
FMA Order:	N/A
VEA:	Section 181
Delegation:	N/A
Related Instructions:	CEI No.1 Delegations and Authorisations CEI No.3 Drawing Rights CEI No.4.3 Approved Advances CEI No 5.1 Approving Proposals to Spend Public Money CEI No.5.2 Entering into Commonwealth Liabilities CEI No.5.4 Payment of Accounts CEI No.5.11 Claims Against the Commonwealth CEI No 5.22 Grants CEI No 5.27 Mandatory Reporting Arrangements
Related publications:	Department of Veterans' Affairs Better Practice Guide No 1 Procurement and Contracting Manual

11. Penalties

FMA Act s.14. An official or Minister must not misapply public money or improperly dispose of, or improperly use, public money. Maximum penalty: Imprisonment for 7 years.

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Annex A

**SUMMARY AND SEQUENCE OF APPROVALS FOR PROCUREMENT OF
PROPERTY AND SERVICES**

IDENTIFY NEED OR REQUIREMENT AND DEVELOP A BUSINESS CASE



IT IS RECOMMENDED THAT A 'BUSINESS CASE' APPROVAL BE OBTAINED
FROM THE 'APPROVER' DELEGATE



ASSESS MARKET, SELECT METHOD OF PROCUREMENT, DEVELOP TENDER
DOCUMENTATION ETC



**OBTAIN FMAR 9 OR 10 APPROVAL TO EXPEND PUBLIC MONEY FROM
'APPROVER' DELEGATE**



ISSUE REQUEST FOR TENDER ETC AND EVALUATE OFFERS



OBTAIN APPROVAL FROM 'LIABILITY' DELEGATE
(SIGN CONTRACT OR AGREEMENT)

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Question 46

All Outcomes

Senator Bishop asked:

How many officers have dial-in access and what is the annual cost of that service?

Answer:

DVA currently has 586 users who have RAS (Remote Access Service) dial-in access. These users are made up of three main groups, senior staff with Australian Workplace Agreement (AWA) entitlements, IT support staff and other departmental officers/IBMGSA staff.

Under their AWA, all SES staff are entitled to a home PC with a separate telephone line for internet usage and dial-in access. The Department reimburses these officers for their dedicated line phone bill. Currently this group numbers 42 officers. Estimated cost for this financial year is \$12,160. The Department also incurs costs associated with an internet provider. The July to December 2001 costs were \$17,166.

IT support staff are able to access the DVA network via the call-back function.

An officer with the call-back function accesses DVA's network by first dialling into the Department. This initial call is cut off and the officer is automatically 'called-back' which activates the connection. The call-back function incurs a local call cost to the Department. These costs are not able to be readily identified from other local call charges.

The third category includes other departmental officers and IBMGSA staff who use their own telephone line to dial-in at no cost to the Department.

Question 47

All Outcomes

Senator Bishop asked:

How many laptop computers have been leased from IBMGSA in each year of the contract?

Answer:

In accordance with the requirements of the Strategic Information Services Agreement (SISA) IBMGSA provided 250 laptops to DVA in Year 1 (1997/98).

A further 42 laptops (7 in 1997/98) have since been acquired from IBMGSA under the Additional Service Request (ASR) process.

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Number of laptop computers leased from IBMGSA in each year of the contract:

1997/98: 257

1998/99: 22

1999/00: 10

2000/01: 3

2001/02 (to date): 0

Total: 292

Question 48

All Outcomes

Senator Bishop asked:

How many laptops have been replaced for (a) loss and (b) upgrade?

Answer:

- (a) Records indicate there have been no lost laptops and therefore a need for replacement under these circumstances has not arisen.
- (b) No laptops have been upgraded. A departmental wide laptop refresh is scheduled to take place in April/May 2002.

Question 49

All Outcomes

Senator Bishop asked:

Do all DVA staff have access to the Internet?

Answer:

DVA provides Internet access via its local/wide area network. All DVA staff with access to the LAN/WAN therefore have Internet access.

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Question 51

All Outcomes

Senator Bishop asked:

What supervision is made of sites visited by DVA staff? Is there prohibition on particular sites, and if so how is that policed?

Answer:

The *'DVA Policy and Guidelines for Internet/Intranet & E-mail Users'* document provides comprehensive guidelines regarding the appropriate use of the Internet. It is applicable to all staff, contractors and any other persons with access to DVA systems. This policy is published on DVA's Intranet, it is drawn to the attention of new employees, and staff are periodically reminded of it.

The transmission and receipt of most web traffic passing through the DVA Internet Gateway is automatically logged and reports on Internet usage are produced and analysed on a weekly basis.

At this time, DVA relies on the effectiveness of its staff education process rather than systemic blocking of specific sites. Although restricting access to specific sites that may violate departmental policy is technically feasible, current web access control (or "proxy") software makes the process unmanageable. DVA IT infrastructure support staff are in the process of upgrading the web "proxy" software to facilitate more effective and manageable content control and auditing.

DVA encourages staff to use the Internet as a general information facility and to familiarise themselves with contemporary technology. Many staff take advantage of that opportunity to browse the Internet during their lunchtime and before/after work.

Question 52

All Outcomes

Senator Mark Bishop asked:

What was the cost of Internet usage in DVA for 2000–01?

Answer:

Internet to the desktop cost for 2000–01 was \$288,770.

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Question 53

Outcome 4 (Service Delivery)
Hansard page 287.

Senator Bishop asked:

In relation to agency arrangements to maintain an expanded network of Veterans' Affairs offices, delivering services to members of the Veteran community living in regional Australia:

- (1) What is the total cost of running the rural service delivery arrangements through this network?
- (2) What amounts were appropriated for the setting up and on-going administration of that network, the line items that were appropriated for that, and how much additional funding is required to be allocated internally to meet its actual running costs?

Answer:

1. The costs associated with agency arrangements consist of payments to contractors, contract management and support costs and set-up costs. Contract management and support costs are reported as part of DVA's normal administrative costs and depend on the age of the network and the provisions of individual contracts. As the development issues associated with agency arrangements are resolved, support costs decrease. The network is now at a relatively mature stage.

Payments for agency arrangements for last financial year totalled \$ 684,834(excluding GST).

2. The 97/98 Budget measure provided a total of \$138,000 indexed per annum for Agency Arrangements. In 2001–2002 the amount had become, through indexation, \$146,000 administered funding.

However, actual payments made to the agencies between 1998–99 and 2000–01 exceeded the budget allocation and were supplemented by monies from departmental running costs. In the 2001–02 Budget, the "Maintain Rural and Remote Service Delivery Arrangements" initiative continued the Government's funding for these service delivery arrangements and contributed a further \$500,000 per annum in administered funds.

Consequently, for 2001–02, total funding to meet DVA's agency payment arrangements were drawn from both these initiatives and provided \$646,000 in administered funds and \$135,300 in supplemented departmental funds.

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The following table provides further data.

ALLOCATION (Administered allocation only)	97/98* ('000)	98/99** ('000)	99/00*** ('000)	00/01 ('000)	01/02 ('000)
Improvement in Services in Rural and remote Areas	69	138	140	142	146
Maintain Rural & Remote Service Delivery Arrangements	0	0	0	0	500
Internally Supplemented through Departmental Costs	31	420	508	543	135
TOTAL PAYMENTS to AGENCIES	100	558	648	685	781

*This was the first year of the agency program and funding for 6 months was applied. Agency arrangements at Mildura commenced July 97, three NSW Centrelink sites and NGAC commenced mid year.

**DVA's new accounting system (DOLARS) was implemented.

***The first year of accrual budgeting.

Question 54

Outcome 4 (Service Delivery)

Hansard page 288.

Senator Mark Bishop asked:

In relation to agency arrangements to maintain an expanded network of Veterans' Affairs offices, delivering services to members of the Veteran community living in regional Australia who conducted the evaluation. (Ms Barr "*I would have to check who was on the team that conducted the review. There was an external; capacity. The Strategic Review Organisation is a central one; however, there is an officer located in New South Wales, and I am reasonably sure she was involved in that review*". But it would probably be best if we took the question on notice and provided the detail to you).

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Answer:

A national evaluation of Service Delivery Arrangements was concluded in early 1999. It was conducted by the Strategic Support Branch and included the work of an independent consultancy, Excelerated Consulting Pty Ltd. A project officer from the Veterans' Services team located in the NSW State Office assisted the evaluation.

This evaluation concluded that the network was performing satisfactorily, that the approach to contracted agents enabled DVA to have a presence where it was not viable to establish its own office and that they were well received by the Veteran community and ex-service organisations.

This evaluation is supplemented by regular evaluations that are undertaken by State office staff who are responsible for the management of the contracts.

Question 55

Outcome 4 (Service Delivery)
Hansard page 289.

Senator Bishop asked:

In relation to agency arrangements to maintain an expanded network of Veterans' Affairs offices, delivering services to members of the Veteran community living in regional Australia, please provide details of the three types of arrangements for delivery of services, the location of each of the sites and the category of service that is provided, in terms of the levels 1, 2 and 3 outlined by Mr Hay, and the costings associated with the provision or the funding of each of the agencies.

Answer:

There are three types of agency arrangements that distinguish the different levels of service to be provided to the Veteran community:

- Level 1 is the provision of general information about DVA services;
- Level 2 is the provision of general information about DVA services and the accessing of specific information for individual Veterans; and
- Level 3 consists of Level 2 services and Community Development. Community Development involves consultation with Veteran community groups, identifying needs and gaps in services, and improving access for Veterans to local health and community services.

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The costs associated with agency arrangements consist of payments to the contractors, contract management and support costs and set-up costs. Contract management and support costs are reported as part of DVA's normal administrative costs and vary according to contract provisions. Payments made for agency arrangements by State for the 2000–01 financial year (GST exclusive) were:

NSW	\$289,273
Victoria	\$157,154
South Australia	\$ 25,005
Queensland	\$200,837
Tasmania	\$ 12,565
TOTAL	\$684,834 (no GST)

The list of agency sites and their level of service follows.

State	Level 1	Level 2	Level 3
NSW		Centrelink - Tamworth - Orange - Wagga Wagga Govt Access Centre - Gilgandra - Grenfell - Oberon	Centrelink - Dubbo - Port Macquarie - Coffs Harbour - Bega*
VIC			Bendigo Health Care Group - Bendigo Mildura Rural City Council - Mildura
QLD	Queensland Govt Agent Program - Agnes Waters - Aramac - Augathella - Babinda - Barcaldine - Beaudesert - Bedourie - Biloela - Birdsville - Blackall	Centrelink - Cairns - Gladstone - Mackay - Roma - Rockhampton - Thursday Island	Emerald & District Development Association - Emerald

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State	Level 1	Level 2	Level 3
	<ul style="list-style-type: none"> - Blackbutt** - Boonah - Boulia - Camooweal - Canonvale - Clermont - Collinsville - Cooktown - Crow's Nest** - Croydon - Cunnamulla - Dirranbandi - Eidsvold - Georgetown - Goombungee - Herberton - Hughenden - Inglewood - Injune - Isisford - Jandowae - Jundah - Kalbar** - Kilkivan - Laidley - Lowood - Malanda - Maleny - Middlemount - Miles - Mirani - Mitchell - Monto - Moranbah - Moura - Mt Garnet - Mt Morgan - Mundubbera - Murgon - Normanton - North - Stradbroke - Island - Ravenshoe 		

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State	Level 1	Level 2	Level 3
	<ul style="list-style-type: none"> - Richmond - Sarina - Springsure - St George - Stanthorpe - Surat - Tara - Texas - Thargomindah - Wandoan - Weipa - Windorah - Winton - Yeppoon 		
SA	Australian Country Information Service (ACIS) <ul style="list-style-type: none"> - Karoonda - Coonalpyn - Tintinara - Lameroo - Pinnaroo 	Centrelink <ul style="list-style-type: none"> - Mt Gambier 	
TAS	Service Tasmania <ul style="list-style-type: none"> - Hobart - Smithton - Queenstown - Launceston*** - Burnie - Georgetown - St Helens - Triabunna - New Norfolk - Oatlands - King Island - Glenorchy - Huonville - Beaconsfield - Campbell Town - Devonport - Sheffield - Sorell - Deloraine - Scottsdale - Flinders Island 		

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State	Level 1	Level 2	Level 3
	<ul style="list-style-type: none"> - Longford - Ulverstone - Bridgewater - Rosny Park 		

- * Bega—Community Development is undertaken by Bega Meals on Wheels
- ** Rural Transaction Centre
- *** Launceston—Also covered by Retirement Services Centre (Centrelink)

Question 56

All outcomes
Hansard pages 289–290.

Senator Bishop asked:

In relation to the 155 contractors engaged by the Commission about which Senate Estimates enquired on 30 May 2000 (Question 8):

- (a) How many of those does DVA pay tax and workers' compensation for?
- (b) How many are engaged under section 181(5) of the Act, and how many under the Public Service Act?
- (c) Who has the delegation to engage such contractors, and what endorsement of the Commission is required, if any?
- (d) How many of the 155 are paid for out of program funds, and how many are paid from running costs?
- (e) Please update the table attached to Question 8, 30 May 2000.
- (f) How many of these contractors work in DVA beside permanent staff?
- (g) What is their average lengths of service?
- (h) What is the range and years of service of these persons?

Answer:

The Department does not have comprehensive and centralised data on contractors to be in a position to respond to all aspects of this question. At present, the Department has full data on individual contractors who are paid from program costs which would allow an update to the May 2000 figures only.

The current data will be reviewed and a full response to this question will be provided as soon as possible.

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Question 57

All Outcomes
Hansard page 292.

Senator Bishop asked:

Did the impact of the GST flow through to the car rental arrangement through which DVA obtains its cars?

Answer:

It is difficult to isolate the impact of the GST on the car rental arrangement DVA has for its SES vehicles.

Taking a snapshot of the cost of DVA's SES vehicles as at March 2000 and March 2002 indicates that the average cost of the lease increased by approximately \$50 per month or 7.5%. Factors influencing this increase include changes to interest rates, management fees and insurance and maintenance costs. The cap for entitlements has remained unchanged for DVA SES officers.

Question 58

All Outcomes
Hansard page 292.

Senator Bishop asked:

How many SES staff have upgraded to a higher model car since the GST was introduced?

Answer:

Since the introduction of the GST, a different range of models now falls within the cap which has remained constant. About two thirds of SES officers have changed their model of vehicle since the introduction of the GST.

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Australian War Memorial

Question 59

Senator Bishop asked:

I refer to page 11 of your annual report for outcome 1.3, National Collection, an underspend of \$26.265 million and a significantly reduced budget for the current year of \$38.522 million. Can you explain those fluctuations?

Answer:

The fluctuations between the 2000–01 budgeted and actual figures relate to the Capital Use Charge (CUC) and a change in reporting requirements.

The 2000–01 budgeted amount of \$79m for Output 1.3, National Collection, includes a proportion of the estimated total CUC (\$73.45M). As this output is responsible for the management of the Memorial's largest asset, it was allocated a high proportion of the CUC. However, in the 2000–01 financial statements, the CUC is no longer recognised on the face of the Statement of Financial Performance, but as a dividend paid to the government as owners (refer to the annual report, page 114, note 9A). Department of Finance policy is to account for the charge as a dividend, therefore it is no longer recognised as an expense allocated across outputs. It was not possible to amend the budget estimate to reflect this change in reporting requirements.

The 2000–01 actual figure of \$52.7M also includes a large Write Down of Assets expense relating to a decrease in the valuation of the collection asset, which was not anticipated in the preparation of the budget (refer Australian War Memorial Annual Report page 109 note 5D).

Question 60

Senator Bishop asked:

Regarding the level of employee expenses and capitalisation:

“Whether it is direct employee or later capitalised as part of an asset, there will have to be a line showing the initial outgoing somewhere, won't there? If you have an expense, it has to be expensed in the accounts somewhere.”

Answer:

The Memorial's total salary costs in cash terms for 2000-01 was \$13,784,984. Of that, \$1,048,598 directly related to projects that increased the value of the Memorial's assets (Collection, Software and Exhibitions). This amount was capitalised, i.e. the operating costs were reduced and approximately \$1m was recognised as an increase in the value of the assets, and will be depreciated and reported as an expense over the life of the asset.

The total cash amount for salary costs is not shown as a single figure in the accounts because the expenditure relates to the acquisition or improvement of an asset. However, the

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Statement of Cash Flows includes the full amount with \$12,736,386 under “Operating Activities” as cash used for “Employees” and \$1,048,598 under “Investment Activities” as a component of cash used for “Purchase of property, plant and equipment”. In addition to cash salary expenses, another \$109,092 was accumulated as a provision for leave accrued and not taken. This amount is included in the salary expense amount of \$12,845,478 that is shown in the Statement of Financial Performance.

Australian Accounting Standard 21 *Acquisitions of Assets* requires all assets to be measured at the cost of acquisition. This includes the cost of the asset itself, but also includes expenses such as professional fees, installation, and site preparation. The cost of an asset therefore includes any incidental costs directly attributable to bringing the asset to the location and condition necessary for its intended use.

Memorial staff expertise in the development of software, exhibitions, and collection restoration and preservation directly enhances the value of the relevant asset, and this cost is attributed to the asset rather than expensing in the Statement of Financial Performance.

In summary, in accordance with Accounting Standards and the Department of Finance and Administration guidelines only the total salary expense (on an accrual basis) that relates to operating activities is shown in the Statement of Financial Performance. However, the total cash used for salaries is included in the Statement of Cash Flows.

The Memorial's actual number of staff in 2000–01 was 249 compared to 215 in 1999–2000.