

Senate Standing Committee on Foreign Affairs, Defence and Trade
Additional Estimates 2010–11; 23 February 2011
Answers to questions on notice from Department of Veterans' Affairs

Question: 1 & 2

Outcome All: Program All

Topic: AWM – Correspondence in Relation to Additional Funding for the Memorial

(FADT Hansard Proof 23 February 2011, p 113)

Senator RONALDSON asked:

Senator RONALDSON—Mr Campbell, could you please take on notice to provide me with any correspondence between the minister, the department, any other department or the memorial in relation to the question of funding and additional funding for the memorial.

Mr Campbell—Yes, certainly

Answer

Yes. A copy of the correspondence is provided with redactions relating to personal information of third parties or where the correspondence included other information not relevant to the question or is Cabinet-in-confidence. The following table provides details of the correspondence:

| Correspondence | From | To | Dated |
|---|---|---|--------------|
| Letter regarding financial position of Australian War Memorial (AWM) | GOWER, Steve, Director, AWM | WATT, Ian AO | 31.3.09 |
| Covering letter to 31 March 2009 letter from Director, AWM to Secretary, Department of Finance and Deregulation | ADLER, Rhonda, Assistant Director, AWM | CAMPBELL, Ian, Secretary, DVA | 1.4.09 |
| Action Brief concerning use of collection depreciation funding for new AWM storage facility | GOWER, Steve, Director, AWM | GRIFFIN, Alan, the Hon, former Minister for Veterans' Affairs | 8.9.09 |
| Letter seeking approval of expenditure for purchase of additional storage facility | GRIFFIN, Alan, the Hon, former Minister for Veterans' Affairs | TANNER Lindsay, the Hon Minister for Finance and Deregulation | 9.9.09 |
| Letter regarding AWM purchase of Australia Post building as a storage facility | GOWER Steve, AWM Director | GRIFFIN, Alan, the Hon, former Minister for Veterans' Affairs | 14.12.09 |
| Letter concerning funding cuts to AWM | COSGROVE PJ General, Chairman of Council of the Memorial | GRIFFIN, Alan, the Hon, former Minister for Veterans' Affairs | 22.3.10 |
| Letter concerning funding cuts to AWM | COSGROVE PJ General, Chairman of Council of the Memorial | GRIFFIN, Alan, the Hon, former Minister for Veterans' Affairs | 25.5.10 |

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| Letter regarding review of funding arrangements | TUNE, David Secretary, Department of Finance and Deregulation | CAMPBELL, Ian Secretary, DVA | 9.10 |
| Letter concerning AWM's funding position | Minister SNOWDON | GILLARD Julia, the Hon Prime Minister Cc: Minister for Finance and Deregulation; and Treasurer | 14.10.10 |
| Response to letter of 14 October 2010 concerning AWM funding position | GILLARD Julia, the Hon Prime Minister | Minister SNOWDON | 21.10.10 |
| E-mail referral | BERRY, J, Department of Defence | Minister SNOWDON'S office | 26.10.10 |
| Letter outlining the Department of Veterans' Affairs 2011-12 Budget proposals – <i>Cabinet-in-Confidence exempt in full</i> | Minister SNOWDON | GILLARD Julia, the Hon Prime Minister Cc: Minister for Finance and Deregulation; and Treasurer | 29.10.10 |
| Covering letter to 29.10.10 Budget proposals letter - <i>Cabinet-in-Confidence exempt in full</i> | BAIN, R, Chief of Staff to Minister Snowdon | CHALMERS, J, Office of the Treasurer, Chief of Staff | 1.11.10 |
| Covering letter to 29.10.10 Budget proposals letter <i>Cabinet-in-Confidence exempt in full</i> | BAIN, R, DVA Chief of Staff to Minister Snowdon | BAKER, A, Office of the Minister for Finance and Deregulation | 1.11.10 |

S. J. Gower AO AO(Mil)
Director



copy.

Ref: 08/4185

31 March 2009

Dr Ian Watt AO
Secretary
Department of Finance and Deregulation
King Edward Terrace
PARKES ACT 2600

Dear Dr Watt

I thought it timely that I wrote to you again in relation to the Australian War Memorial's financial position. I last wrote to you on 10 July 2008 at which time I expressed Council's concern in relation to the planned removal of depreciation funding. Our Minister had also asked that I initiate discussion with officers of your Department in relation to this matter. Until now, I have not been in a position to provide further comment on the situation.

However, several recent events now place me in a much better position to provide you with an overview of the Memorial's financial capacity in terms of delivering its charter under the *Australian War Memorial Act 1980*.

The Memorial's Council met on 10 and 11 March 2009. At the time, I was unable to provide members with any definite information in relation to the outcomes of *Operation Sunlight* and the JPACC enquiry into the impact of the efficiency dividend of small agencies, but I did alert them to the fact that I was not expecting any changes that would assist the Memorial's funding position moving forward.

At the time of *Operation Sunlight* initiatives being implemented, the Memorial offered to be involved in the working groups established to canvass options for consideration by Government. While there are a number of initiatives involved, you will appreciate that the one of most interest to the Memorial was possible Net Cash Funding arrangements aimed at replacing the current funding of non-cash expenses such as depreciation.

Since the Council meeting, the Memorial has received formal advice of the proposed arrangements. While we were hoping for a more flexible use of these funds, as initially supported by your representatives in the working groups we were involved in, it now seems that this concept has been adopted only partially. The Memorial is certainly appreciative of the opportunity to transfer, on a one-off basis, a proportion of collection depreciation funding to its general budget, as it will provide some relief to the pressures



we are facing in framing the 2009/10 Budget. However, I would be hopeful that this principle could be continued and extended further for funding in lieu of all other asset class depreciation expenses.

As you would appreciate, costs associated with the collection asset development and care are diverse and the strict application of accounting standards means that there is little flexibility in how depreciation funds can be applied to the broader management of the collection. The Memorial could certainly make such funding go a lot further if some additional flexibility were available. If it were possible to manage funding on an overall business basis, as opposed to the current accounting model, we could address a number of ongoing operational funding requirements.

The Minister for Veterans' Affairs has been fully briefed on the Memorial's funding position and the likely impacts on Memorial staffing and programs that will be necessary in order to reach a balanced budget for 2009/10. I would mention that at this stage of budget development, it is expected that we will need to reduce our staffing level by at least nine in order to live within the salary budget. Costs associated with the non-salary side of Memorial business will need to be reduced by almost \$1 million to achieve budget. There will be no option but to reduce programs. All possible options are being considered by senior management during April for presentation to Council in May.

I should also mention that the Memorial is running very close to reporting an operating deficit this financial year. We had not sought approval for a deficit as we had budgeted for revenue from sponsorship to achieve a surplus. However, as you will appreciate, the current economic climate is not as we predicted when formulating budget forecasts. The acquisition over the years of such funds has, to a degree, masked our inherent appropriation limitations. That said, we are monitoring the overall position closely, and will advise the Minister and yourself as soon as we are aware of any pending operating deficit position.

Unlike, say, the National Museum of Australia, which is funded to around \$10m more than the Memorial for general operational costs, (incidentally with less collection, exhibitions and visitation) we rely heavily on non-government funding sources to support core functions as defined under the *Australian War Memorial Act 1980*. This is a concern as this source of revenue, achieved through a variety of commercial activities, is in no way secure and its forecast reduction has placed us under considerable pressure.

I will, of course, keep you abreast of the Memorial's financial position as appropriate. I do appreciate the efforts of the Memorial's Agency Advice Unit, in particular the leadership provided by Joan Ross, who demonstrates an appreciation of the Memorial's funding position.

In summary, I seek your support for greater flexibility in the use of funds currently provided for management of the Memorial's key assets: Collection; Exhibitions; Software; Buildings; and Equipment. Funding for general operating expenses has been reduced, and there is considerable pressure on our ability to deliver core functions. It may well be that Council has to seek additional funding assistance from Government.

Yours sincerely



Australian War Memorial
 Australian Tourism Awards
 Major Tourist Attraction
 HALL OF FAME

509/0195

09/516

Ref: 08/4185

Ms Schuman
to Roacher.

1 April 2009

6/2
 Mr Ian Campbell PSM
 Secretary
 Department of Veterans' Affairs
 PO Box 21
 Woden ACT 2606

Dear Mr Campbell

I am writing on behalf of the Director.

He has asked that I provide you with a copy of a letter sent to the Secretary, Department of Finance and Deregulation in relation to the Memorial's funding position.

Yours sincerely

Rhonda Adler
 Assistant Director
 Branch Head, Corporate Services



Australian War Memorial
ACTION BRIEF

Minister for Veterans' Affairs

B09/0751
Brief No. AWM S09-30

USE OF COLLECTION DEPRECIATION FUNDING FOR NEW AWM STORAGE FACILITY

Critical Date: Nil

Purpose/Reason: To advise you of the Memorial's proposal to fund the purchase of an additional storage facility for the National Collection and to request that the Minister for Finance and Deregulation, Mr Lindsay Tanner MP, be approached to seek approval.

Key Issues:

- You will be aware that for some time Council has been examining various strategies to address the increasing shortage of storage space for the National Collection. An NPP for this purpose was submitted in the last financial year but was not successful.
- A facility in Mitchell, currently owned by Australia Post, adjacent to the Memorial's storage annexe, is now on the market. The facility offers both an immediate increase in storage capacity as well as potential for redevelopment in the longer term, and addresses the key principles of cost efficiency and proximity to existing facilities.
- At its last meeting, Council approved in principle to seek to purchase this building (pending approval by the Department of Finance and Deregulation) to use existing Collection Depreciation reserves for this purpose.
- The total expenditure is estimated to be \$2.5M, including the expected purchase price of approximately \$1.7M, the additional funds would be used for immediate enhancements to make it suitable for collection storage.
- The proposed expenditure is within the Memorial's existing Collection Depreciation budget.
- In accordance with amounts prescribed in relation to Section 35 (1) of the *Australian War Memorial Act 1980*, your approval is required for contracts exceeding \$1M.

Financial Impact: Yes – The use of existing AWM Collection Depreciation reserves.

Sensitivity: There will be criticism should the Memorial not be able to accept large objects into store; for example, the already donated Caribou aircraft.

Consultation: Yes. The Secretary DVA is aware of this proposal, and has discussed it with the then Secretary DoFD.

Recommendation:

In the first instance, I request that you note this proposal.

As the approval of the Minister for Finance and Deregulation is required to expend the funds in the way that is proposed, I have attached a draft letter for your consideration. It is recommended that you sign the drafted letter [Attachment A] to the Minister for Finance and Deregulation, the Honourable Mr Lindsay Tanner MP.

AWM Contact Officer
Nola Anderson
Assistant Director National Collection
Phone: 6243 4297

AWM Director
Steve Gower
8 September 2009
Phone: 6243 4262

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| Comments: | <p style="text-align: center;">(SIGNED) NOT SIGNED</p> <p style="text-align: center;">Alan Griffin 8/9/09</p> |
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ATTACHMENTS

A - Draft letter to Mr Lindsay Tanner MP.



The Hon Alan Griffin MP
Minister for Veterans' Affairs
Federal Member for Bruce

The Hon Lindsay Tanner MP
Minister for Finance and Deregulation
Parliament House
CANBERRA ACT 2600

Dear Minister Lindsay

I am writing in relation to the Australian War Memorial's existing storage facilities which have reached capacity. As a result, the Memorial's ability to develop the National Collection is increasingly compromised. The Memorial has briefed me on an unexpected opportunity to purchase an existing facility as one part of its strategy to address this issue. The proposal would seem to offer many advantages compared to much more expensive options.

The facility under consideration is adjacent to the Memorial's existing storage annexe in the Canberra suburb of Mitchell, and offers a solution that gives cost and efficiency benefits as well as close proximity to existing facilities.

Based upon an independent inspection and valuation, the total expenditure is estimated to be no more than \$2.5 million, including the purchase price expected to be of the order of \$1.7 million. The additional funds would be for enhancements to make the site suitable for collection storage. The proposed purchase option would give the Memorial a building that is both expedient and immediately useful, and would ease storage pressure for at least five years.

The Memorial can fund the proposed purchase from its existing collection depreciation reserves, depending on your approval. This funding has been appropriated originally for the care and preservation of the National Collection. This proposal is for purchase of storage directly related to safeguarding that collection.

Further information about this proposal can be obtained from the Director of the Memorial, Steve Gower, on telephone (02) 6243 4225.

I seek your agreement for the Memorial to use \$2.5 million of its collection depreciation funds to purchase and modify the adjacent building. This will remove the short term need for the Memorial to seek additional funding of up to \$15 million through the NPP process to address pressing storage requirements.

Yours sincerely

Alan Griffin

9 SEP 2009

Parliament House, Canberra ACT 2600
Tel: (02) 6277 7820 Fax: (02) 6273 4140
Alan.Griffin.mp@aph.gov.au

S.N. Gower AO AO(Mil)
Director



The Honourable Alan Griffin MP
Minister for Veterans' Affairs
Parliament House
CANBERRA ACT 2600

14 December 2009

RE: B09-0751 – AWM Purchase of storage facility

Dear Minister

Please find attached Minister Brief no. B09-0751 from the Australian War Memorial to you concerning the purchase of the Australia Post building as a storage facility for the Memorial's National Collection.

You will note that the purpose of the brief was to seek the approval of the Minister for Finance and Deregulation for funds to be sourced from the Memorial's depreciation funding. While it is understood that approval to source the funds in this way is yet to be finalised by the Minister for Finance and Deregulation, I have spoken to the Secretary of the Department of Finance and Deregulation, who has indicated his support for us to proceed in this way. I understand the Minister for Finance and Deregulation has been briefed accordingly.

The Memorial is now seeking your approval to spend up to \$1.85M for the above purchase, given that your approval is required for any expenditure of funds above one million dollars under the *Australian War Memorial Amendment Regulations 2007*.

The timeframe for this matter is now quite urgent as the vendor has recently received a competing offer for the building.

Our evaluation of the property is between approximately \$1.7M and \$1.8M. However, we have been advised by the agent that they currently have an offer of \$1.8M, and to secure the property the Memorial may need to make an offer of up to \$1.85M.

I have discussed this matter with the Chairman of the Memorial's Council, and this course of action has his full support.

Should you require any further detail on this matter, I can be contacted directly on 6243 4262.

Yours sincerely



HALL OF
FAME

AUSTRALIAN
TOURISM AWARDS

STAFF IN CONFIDENCE

WVS:



General PJ Cosgrove AC MC
Chairman of Council

Australian War Memorial

GPO Box 345 Canberra ACT 2601
Telephone: (02) 6243 4294
Facsimile: (02) 6243 4218

22 March 2010

The Honourable Alan Griffin MP
Minister for Veterans' Affairs
Parliament House
CANBERRA ACT 2600

Dear Minister

I thought it worth writing to let you know in advance of discussions that took place at the recent Council meeting about the Memorial's deteriorating funding position. It is an ongoing area of concern that you and I have discussed previously.

As you are aware, our funding for operational costs has reduced over the past few years through the compounding effect of the efficiency dividend. In addition, the more recent funding reduction through the application of a 2% increase in the efficiency dividend and withdrawal of services previously provided by the NCA has added pressure to an already 'tight' financial position. In summary, the net impact of reductions in funding, and inflationary cost increases over the past 5 years, is around \$4.8m. Our recent NPP submission seeking an increase to base funding of \$5m was not successful: fundamentally it sought to restore our purchasing power of five years ago.

Council has been most mindful of the need to reduce programs over this period, and the Memorial was able to avoid making any significant cuts to staff until the current year (when we needed to reduce the numbers by 9). The Memorial adopted a range of strategies to lessen the impact of the reduction in funding, such as: applying the efficiency dividend in part to our capital funding; funding some staffing costs from capital budgets where appropriate; increasing non-government funding where possible, and, increasingly moving as many as possible of the workforce to a non-ongoing status to provide increased flexibility to respond to budget reductions. We seem now to have fully exploited these approaches. For the forthcoming budget the Memorial is now at the stage of implementing a program of staff reductions and some reductions to services and programs. I think it is important that I now let you know what the implications of these reductions may be.

The Memorial has commenced the development of the 2010/11 Business Plan and its associated internal budget for consideration by the Council at its May 2010 meeting. The budget will be prepared under the new Collection Acquisition and Development budget (CADB) which has replaced the previous collection depreciation funding model. The CADB provides a fixed amount of \$7.2m/year in lieu of the previous \$8.5m/year (\$1.3m of the \$8.5m was transferred to running costs) available to maintain the national collection which is now valued at just under \$1 billion. Eighty percent of the \$7.2m is allocated to the cost of essential professional staff necessary to restore and preserve the collection, its artworks, military records (diaries, plans, maps, photographs etc). The CADB is not indexed for inflation and will be eroded by inflation and increased staff costs.

STAFF IN CONFIDENCE

STAFF IN CONFIDENCE

At our present funding base we will need to implement additional staff reductions and cuts to services and programs. Over the next financial year, we will launch a staff restructure program to achieve efficiencies which in the short term would be of the order of 6 staff. If funding is not restored, further reductions will be needed in future years also. Some impacts may be more obvious (eg reduced services to veterans and general visitors, no public programs unless private sponsorship can be secured, no temporary exhibitions other than travelling exhibitions funded by your DVA commemorative program, reduced dissemination of military history via conferences and courses, and a significantly reduced promotion and advertising campaign which will impact on visitation). As further options which we least prefer, we will if necessary revisit closing the Memorial one day per week and consider imposing a fee for public car parking on the site.

Less obvious initially, but directly associated with services to the general public and gallery development, will be the Memorial's reduced ability to preserve and enhance the collection, and provide access to military documents, conserve items to support exhibitions, and respond to the ever increasing number of public enquiries – an area of demand that we expect to increase significantly in the lead up to the 100th anniversary of World War 1. Behind the scenes, corporate support impacts include reduced administrative support in areas such as recruitment, procurement, travel services, and IT services etc. Reviews of cleaning standards, facilities maintenance and other general services are being undertaken in search of cost savings. Initiatives such as the printing of the Official History of Peacekeeping, and the development of an indigenous data base cannot be contemplated at this stage.

A very large part of the Memorial's success as a world-class institution and its costs are related to its people who deserve fair and competitive remuneration. In this regard however we do not know the outcome of the new Enterprise Bargaining Agreement negotiations. Unions have placed a request for a 4% increase for staff, whereas management has offered a 1.5% increase to minimise staff reductions. Based on current average costs per employee, we estimate that every additional 1% in wage costs will require a reduction of 3 staff across the Memorial.

We will continue to deliver to the highest standard possible within our available resources. The reality of our position, no doubt reflected in many other very important areas of Commonwealth activity, is that we have to adjust what we can do to what we can afford. The Council felt that you should be advised of the situation.

I look forward to our next meeting to provide you with our usual post-Council briefing, and to discuss any of the above, in greater detail.

Yours sincerely

STAFF IN CONFIDENCE

General PJ Cosgrave AC MC
Chairman of Council

COPY



Australian War Memorial

GPO Box 345 Canberra ACT 2601

Telephone (02) 6243 4234

Facsimile (02) 6243 4218

25 May 2010

The Honourable Alan Griffin MP
Minister for Veterans' Affairs
Parliament House
CANBERRA ACT 2600

Dear Minister

I am writing to you as a follow-up to my letter of 22 March 2010 regarding the Memorial's funding position. At last week's Council meeting it was resolved that I would write again to emphasise Council's concerns about the impact on the Memorial's operations caused by the reduction in funding; and to seek support for reconsideration of a New Policy Proposal to restore the Memorial's funding base. As you would expect, Council operates from the point of view that the primary role of the Memorial is to appropriately honour those men and women who have served, and those that have fallen by being the Nation's pivotal place of commemoration. We are getting rapidly to the stage where this outcome will be jeopardised.

The position summarised in my last letter remains valid. Within those financial constraints, management recently prepared a balanced budget for the forthcoming financial year for Council's consideration. This was endorsed but the resolution came at the expense of:

- 7 staff positions following a reduction of 9 this last year, 8 in FY08/09 and 22 forecast for FY 11/12 – my comment is that this will not only erode our ability to deliver our essential 'product' but will become a public issue;
- essential programs being not funded, such as:
 - the indigenous data base;
 - publishing all official histories of peacekeeping and humanitarian operations, (except the first volume), and;
 - national education curriculum online access
- reductions in activities including:
 - a cap on expenditure for national ceremonies and commemorative events including ANZAC Day and Remembrance Day (an example would be reducing considerably the number of seats hired for ANZAC Day);
 - market place presence and promotions restricted essentially to regional NSW;
 - IT infrastructure replacement;
 - no participation in any local community events;

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- easing of cleaning and facilities maintenance standards and environmental controls;
- building and grounds maintenance; and
- support for the National Service memorial dedication

I know you are keenly aware of the outstanding developments that have occurred at the Memorial over the last decade. In 1996 the Memorial was stagnating. There were few events other than ANZAC and Remembrance Days, the galleries were rundown and in need of renewal, outreach programs were very limited, travelling exhibitions were non-existent, and there were serious morale problems. Attraction and retention of skilled staff was difficult, and chronic under-funding and poor governance oversight resulted in a \$2.0 million annual deficit.

In a very real sense, the Memorial is a victim of its own success. There is now a community expectation of the standards that have been delivered and the services routinely provided. In the cultural sector it is the Memorial and the National Gallery of Victoria (NGV) that are alone widely regarded as genuine world class institutions. For the Memorial, this is something everyone can be proud of. The concerted effort by some Council members and senior management has seen the appropriation being supplemented by funds generated by sponsorships, donations, e-Business, shop profits, a food and beverage contract, bank interest and staff consultancies. These extra funds not only have enhanced the quality of what has been provided, but have essentially paid for ALL commemorative activities (including ANZAC and Remembrance Days). This fact is little known nor seemingly appreciated.

In grappling with this situation, and with an overwhelming desire to arrest the inexorable decline, Council considered a number of options including closure of the Memorial and/or Research Centre one day each week, introduction of entry and parking fees, and the reduction of Memorial expenditure on travelling exhibitions, national ceremonies, and other public programs. From an informal discussion you had with the Director, you are aware of these and their implications. Council believes options such as closing the Memorial on some days and charging of fees for entry or parking to be amongst the least desirable outcomes. Accordingly, Council resolved to seek additional funding from government to maintain the high level of excellence established over the past ten years.

It is Council's view that the Memorial's National Collection and skilled staff are extraordinarily important, and the true value of those assets is only realised if the collection is made available through public programs. A reduction in funding and skilled staff jeopardises the value of the collection, and the potential for it to be translated into outstanding public programs.

Council resolved to draw to your attention the implications of the loss of valuable and experienced staff that has occurred already, and which will continue over successive financial years. By FY 14/15, staff levels are forecast to reduce by almost 50. This will occur over the very period this institution should be gearing up for what should be a series of demanding and major centenary commemorative activities. The clear

outcome of the staff losses is that the Memorial will be unable to make the contribution expected by Government and the nation.

I believe that the exercise of any other option will only put off temporarily this inescapable trend. Council appreciates the very real constraints in Government funding caused by current economic circumstances. However, I am obliged to raise this matter with you and to seek a solution to the Memorial's funding constraints. I reaffirm the need for \$5 million of funding sought in the previous unsuccessful New Policy Proposal. I remember the Prime Minister on ANZAC Day enquiring about how we were doing under the general economic stringencies applied to whole of government and the Director and I replied that we were 'struggling'. I believe that it would be useful for you and I to see the PM on this matter to plead our case for some necessary relief.

Yours sincerely



Australian Government

Department of Finance and Deregulation

**David Tune PSM
Secretary**

Our Ref: SEC0003806

Mr I Campbell PSM
Secretary
Department of Veterans' Affairs
PO Box 21
WODEN ACT 2606

Dear Mr Campbell

Thank you for your request regarding assessment of the current financial position of the Australian War Memorial (AWM). My Department has reviewed the current funding arrangements for the AWM in line with its functional responsibilities as specified in the *Australian War Memorial Act 1980* (the Act).

[REDACTED]

The AWM has indicated that if additional funding is not provided it will need to introduce serious cost reduction measures from 2011 in order to remain financially viable.

[REDACTED]

[REDACTED]

[REDACTED]

If the AWM is not in a position to implement further efficiencies, it is the responsibility of the Minister for Veterans' Affairs to determine the most appropriate approach to pursue to ensure the AWM can operate viably in the future.

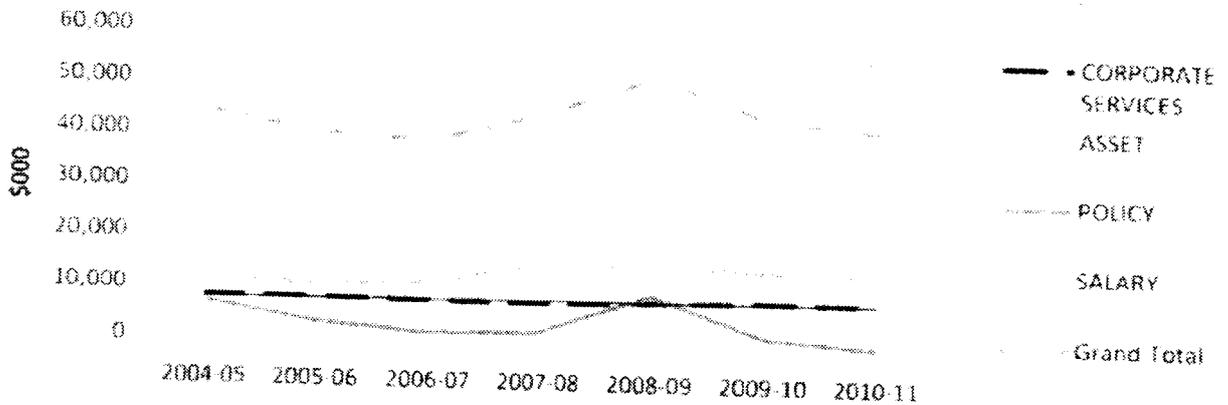
Yours sincerely

David Tune
September 2010

[REDACTED]

Expenses

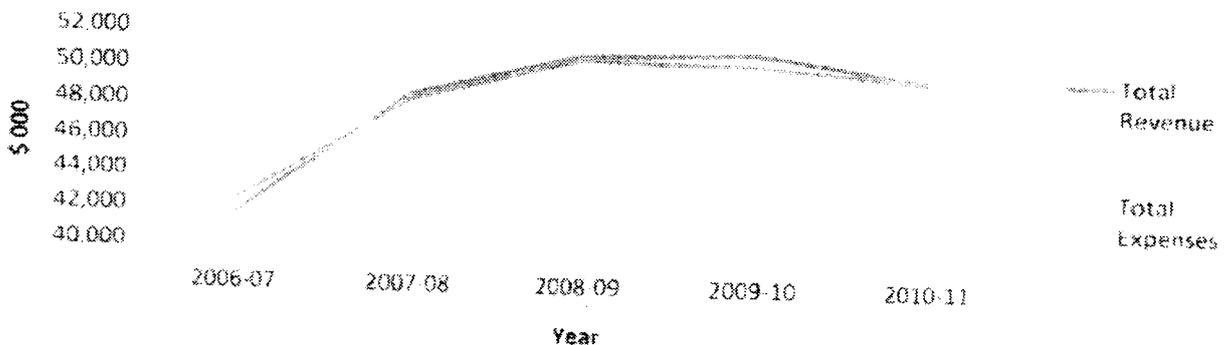
Chart 2: AWM Council Approved Budget 2004-05 to 2010-11



Note: Data sourced from internal AWM data provided to Department of Finance and Deregulation.

- Salary expenses comprise the largest expenditure outlay for the AWM at 38% of total expenditure. These expenses have increased by 11% from 2004-05 to 2010-11, which is relatively modest in comparison with broader trends across the Australian Public Service.
- Asset expenditure comprises the second largest expenditure outlay for the AWM at 34% of total expenditure. Asset expenditure has increased 29% between 2004-05 and 2010-11.
- The greatest variable influencing AWM expenditure over this period has been funding for new Government initiatives. In the 2007-08 Budget, the Government announced funding of \$9.3 million for the *East Precinct Redevelopment*. No new policy measures have been introduced since the 2008-09 Budget.

Chart 3: Total AWM Revenue vs. Total AWM Expenses 2006-07 to 2010-11



Note: Data sourced from Department of Veterans' Affairs Annual Reports and Portfolio Budget Submissions

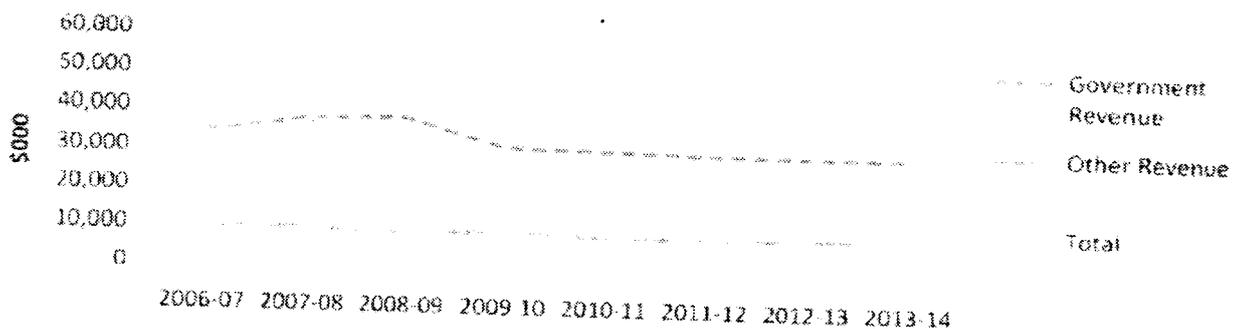
Financial analysis of the Australian War Memorial (AWM)

Key Points

- Government revenue declined by 9% over the period 2006-07 to 2010-11, and is expected to decline further over the forward years.
 - This decline can be attributed to a number of factors, including the absence of new policy proposals and the application of the Efficiency Dividend.
- Non-government revenue, which comprised around 23% of total AWM resourcing in 2010-11, has increased steadily over the decade, with a slight decline in 2009-10 to 2010-11.
- AWM expenditure has largely tracked AWM revenue over time. The AWM has been able to compensate for lower Government funding by expanding its sources of non-Government revenue.

Revenue

Chart 1: AWM Portfolio Budget Statement Forecasts 2006-07 to 2013-14



Note: Data sourced from Department of Veterans' Affairs Portfolio Budget Submissions

Government Revenue

- PBS data indicates Government funding for the AWM is projected to decline by 10.5% from 2006-07 to 2013-14. This decline does not include additional future Efficiency Dividends being taken by Government.
- The largest portion of Government revenue decline was in 2007-08 and 2008-09. This was due to the expiry of funding for new policy proposals such as the 'East Precinct Redevelopment'.

Other Revenue

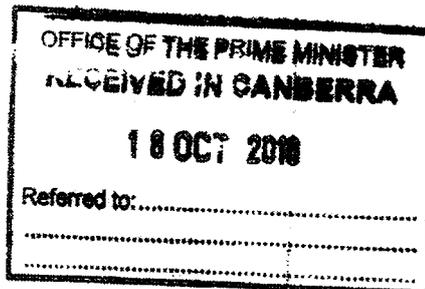
- A large proportion of revenue for the AWM is sourced from the non-Government revenue. Since 2009-10, other revenue has comprised around 23% of total AWM funding.
- Over 2006-07 to 2013-14, non-Government revenue is also expected decline, but only by 1%.



Notes to [unclear]

The Hon Warren Snowdon MP
Minister for Veterans' Affairs
Minister for Defence Science and Personnel
Minister for Indigenous Health

The Hon Julia Gillard MP
Prime Minister
Parliament House
Canberra ACT 2600



Dear Prime Minister

I am writing to draw to your attention a matter relating to the Australian War Memorial's funding position. As part of my incoming Minister's briefings, I have become aware that the level of funding for this national institution has been of concern to its governing Council for the past few years.

Verification of the situation be undertaken by the Departments of Finance and Deregulation, and Veterans' Affairs. This followed a briefing by the Council Chairman, General Peter Cosgrove.

I believe the Memorial has presented a case to restore its base funding to a reasonable level. With the Centenary of the First World War fast approaching, I support the need for the Memorial to also position itself to respond to community expectations.

I have attached some additional background information, and I look forward to discussing this issue with you in more detail. Copies of this correspondence have been forwarded to the Minister for Finance and the Treasurer.

Yours sincerely

 **WARREN SNOWDON**

14 OCT 2010

BACKGROUND TO CURRENT DISCUSSION IN RELATION TO THE MEMORIAL'S FUNDING POSITION

The Memorial recognises the need to operate within available funding and continues to do so. However, ongoing reduced funding and cost increases have resulted in significant reductions to staff and programs compared to those that we could deliver five years ago. Some key examples include:

- reduced ability to service the increased demand for commemorative ceremonies. The recent National Service memorial dedication ceremony is an example of the high expectations stakeholders have of the Memorial, regardless of funding pressures;
- no ability to support the Official History program - a core function;
- reduced ability to service public enquires relating to the collection and Australia's military history;
- no ability to develop temporary exhibitions;
- a much reduced ability to promote the Memorial externally except to Sydney and local region; and
- reduced Public programs, with the only regular event being the daily closing ceremony and this is only due to the support of a sponsor.

In an attempt to insulate core activities as much as possible from budget pressures, behind the scenes activities have also been savagely cut over a period of several years. This cannot go on as it carries with it considerable risks that must be recognised, including:

It should be noted that the Memorial's appropriation is lower than comparable national institutions, despite having the highest visitation numbers. The Memorial has consistently been able to deliver first-rate exhibitions and public programs through outstanding management, corporate support, and resourceful self-generated revenue activities.



RECEIVED
21 OCT 2010

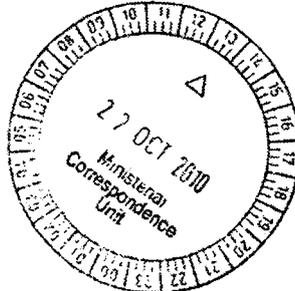
21 October 2010

MIO / 2651

PRIME MINISTER

CANBERRA

The Hon Warren Snowdon MP
Minister for Veterans' Affairs
M1 49
Parliament House
Canberra ACT 2600



21 OCT 2010

Warren

Dear Minister

I am writing in response to your letter of 14 October 2010 concerning the Australian War Memorial's (the Memorial) funding position.

The Memorial is a key national and cultural institution. Its work is important in grounding both our sense of history and identity as a nation. I am strongly supportive of its work and, in particular, I want to ensure that it maintains its popular external engagement events. I would be concerned at any suggestion that these might be ceased or the Memorial closed for one day per week to deal with cost pressures that may eventuate next financial year.

The Government will need to carefully consider the issues raised in your letter to ensure that the Memorial can continue to carry out its functions properly and to determine the reasons for the resourcing pressure. Because I take this issue very seriously, I ask that you bring forward a Cabinet submission together with the Minister for Finance and Deregulation to be considered in the 2011-12 budget context.

This submission should comprehensively deal with the range of functions of the Memorial, including options to maintain its important external engagement events, detail cost pressures and provide options to mitigate these. It should also take account of work undertaken by the Department of Veteran's Affairs at the behest of the previous Minister and detail suggestions for the Centenary of ANZAC and other important WWI anniversaries.

Should a New Policy Proposal be proposed, consistent with the Government's budget rules it should set out appropriate offsets from within the broader Defence portfolio.

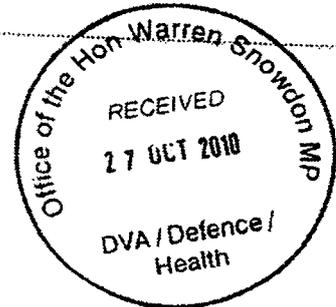
Given your letter indicates that the Memorial has a balanced budget for this financial year, I would hope that there will be no decisions to pare back these external events prior to the consideration of this Cabinet Submission through the budget process.

Yours Sincerely

Julia Gillard

Mutandadzi, Birgith

From: Berry, Joanne MRS [Joanne.Berry@defence.gov.au]
Sent: Tuesday, 26 October 2010 2:37 PM
To: MCU
Subject: request for referral [SEC=UNCLASSIFIED]
Attachments: Scan05-10-2010 1604.pdf; Scan12-10-2010 1340.pdf



UNCLASSIFIED

The office of the Minister for Defence has received the attached correspondence from the Hon Peter Dutton MP concerning Proposed funding cuts to the Australian War Memorial. The Department of Defence considers that the issues raised more appropriately fall within the portfolio responsibilities of the Minister for Veterans' Affairs.

Also

The office of the Minister for Defence has received the attached correspondence from [redacted] expressing gratitude to all ADF personnel. The Department of Defence considers that the issues raised more appropriately fall within the portfolio responsibilities of the Minister for Veterans' Affairs.

It would be appreciated if you could confirm, at your earliest convenience, that you agree to take carriage of the correspondence and on confirmation of that advice, the Department of Defence will formally refer the correspondence to your Minister's portfolio for consideration.

Many thanks

Jo Berry

MINDEF Editing Officer
Directorate of Ministerial and Parliamentary Liaison Services
R1-5-A004
Russell Offices, Russell ACT 2600
Ph: 02 6265 7062

| | |
|--|--|
| Minister for Veterans' Affairs | |
| No: | |
| Reply by | Action |
| <input checked="" type="checkbox"/> Minister | <input type="checkbox"/> Acknowledge |
| <input type="checkbox"/> Chief of Staff | <input checked="" type="checkbox"/> Response |
| <input type="checkbox"/> Adviser | <input type="checkbox"/> Phone Call |
| | <input type="checkbox"/> Information |
| | <input type="checkbox"/> NFA |
| <input type="checkbox"/> Department | <input type="checkbox"/> Urgent by |
| Other | |
| <input type="checkbox"/> Invis | |
| <input type="checkbox"/> Campaign | <input type="checkbox"/> Refer to |
| <input type="checkbox"/> Constituents | |
| <input type="checkbox"/> Background | |
| Comments: | |

IMPORTANT: This email remains the property of the Department of Defence and is subject to the jurisdiction of section 70 of the Crimes Act 1914. If you have received this email in error, you are requested to contact the sender and delete the email.





Peter Dutton MP

Federal Member for Dickson
Shadow Minister for Health and Ageing



The Hon Stephen Smith MP
Minister for Defence
Parliament House
CANBERRA ACT 2600

Stephen,
Dear Minister

Please find enclosed correspondence I have received from a constituent of mine, [redacted] of Lawnton, with regard to proposed cuts in funding to the Australian War Museum in Canberra.

[redacted] is a proud Vietnam Veteran and is very concerned that such an important monument for all Australians should be restricted of necessary maintenance funds.

I would be pleased if you would provide me with information so that I can adequately respond to [redacted] concerns.

Thank you for your time and assistance with this matter.

Yours sincerely

Hon Peter Dutton MP
Federal Member for Dickson
Shadow Minister for Health & Ageing
pod:ld

Encl.

29 September 2010

Strathpine Office Shop 3/199 Gympie Rd, Strathpine
Mobile Office Regular caravan visits throughout the electorate
Postal PO Box 2012 Strathpine Centre 4500
Phone 3205 9977 (Pine Rivers) 1300 853 640 (Esk-local call) **Fax** 3205 5111
Email peter.dutton.mp@aph.gov.au **Web** www.peterdutton.com.au



----- Original Message -----

From:

To: Peter.Dutton@daph.gov.au

Sent: Tuesday, September 14, 2010 1:06 PM

Subject: The AWM

Good afternoon Peter,

I'm not sure how much influence you can have on this issue that I'm bringing to your attention but thought I should give it a go anyway. You are probably aware of the recent news story about the cut in funding to our magnificent Australian War Museum in Canberra. As a war veteran (Vietnam) I consider that decision absolutely disgraceful. I am the first to admit that 5 million dollars is a lot of money but in this context it is peanuts compared to the sums of money that the new Gillard government has been and is still throwing around. For example \$10 BILLION to buy out a couple of independents springs to mind. And goodness knows how much will go on the proposed NBN. Last figure I read was \$45 billion. Against those figures \$5 million is a paltry amount.

I consider that what they are proposing here is a smack in the eye for all past and serving men and women of our defence forces and also the people of Australia as a whole. The AWM is an Australian icon and is recognised around the world as one of the best there is.

As I said above, I'm not sure what you can do about this issue. I'm just hopeful that you will be able to bring it to the attention of the people who are responsible for the decision and maybe get it reversed.

Just to emphasize the point of wastage. The attached message below arrived on the veterans website this morning. I'm a bit gob smacked to be honest.

In closing Peter, I would like to wish you well for the up and coming political term. We live in interesting political times. I'm still trying to get my head around the fact that the LNP won the majority of votes by a country mile but still came second. Beats me.

Cheers for now

Senate Standing Committee on Foreign Affairs, Defence and Trade
Additional Estimates 2010–11; 23 February 2011
Answers to questions on notice from Department of Veterans' Affairs

Question 3

Outcome All: Program All

Topic: Ray Brown – Processing of Permanent Impairment Claims

(FADT Hansard Proof 23 February 2011, p 116)

Senator RONALDSON asked:

Senator RONALDSON—Just on that matter, Mr Brown from the Injured Service Persons Association has contacted me suggesting there was only one person in the military rehabilitation and compensation group in Sydney processing permanent impairment claims; is that correct? I understand that Mr Brown has asked some questions about staffing in these areas; have you responded?

Mr Campbell—It is not correct in the way that Ray articulated that. I actually responded to that letter today, so if you would like I will give you a copy of my response to him.

Senator RONALDSON—I am sure Mr Brown would not be unhappy with that. Whether you want to check with him first, but I think that might be useful.

Mr Campbell—Given that he actually circulated his letter to you and to Minister Stone, but I check with Ray and I think the letter will answer most of the issues.

Answer

Mr Campbell wrote to Mr Ray Brown on 23 February 2011 addressing Mr Brown's concerns. A copy of this letter was sent to the Foreign Affairs, Defence and Trade Committee Secretariat on 31 March 2011.



Australian Government
Department of Veterans' Affairs
OFFICE OF THE SECRETARY



Dr Kathleen Dermody
Secretary
Foreign Affairs, Defence and Trade Legislation Committee
Parliament House
CANBERRA ACT 2600

Dear Dr Dermody

During the Foreign Affairs, Defence and Trade Additional Estimates Hearing on 23 February 2011, I offered Senator Ronaldson a copy of my response to a letter from Mr Ray Brown of the Injured Service Persons Association, in relation to processing of permanent impairment claims.

Mr Ray Brown wrote to me after the hearing to advise he had no objections to providing my response to Senator Ronaldson.

I have enclosed a copy of my response for the Committee.

Yours sincerely

Ian Campbell
Secretary

31 March 2011

ENCL

LOVETT TOWER
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AUSTRALIA

TELEPHONE (02) 6289 6736
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COPY

Mr Ray Brown
National President
Injured Service Persons Association
PO Box 1164
ST MARYS NSW 2760

Dear Mr ^{Ray}Brown

Thank you for your letter of 24 January 2011 about DVA staffing numbers.

It is my understanding that while you are not expressing any concern about a delay in the case you refer to in your letter, you are concerned about how continuity of service is maintained when staff take leave.

I note that the matter you raise in your letter relates to a SRCA Permanent Impairment (PI) claim being managed in the NSW State Office. The NSW State Office had the required level of staff needed to manage their projected workload in relation to SRCA PI and performed above all required targets for this work category for the whole of the 2009-10 year. I have received a report on the case to which you refer. As the correspondence was received by the NSW Office on 28 January, and a determination was made on 31 January, there was no material delay in actioning the matter.

Workload distribution and staffing allocation is managed nationally in order to achieve a national outcome. Not every function is performed at all locations. For example, SRCA PI claims are processed in all locations except Hobart, MRCA PI claims are processed in Brisbane and Perth. Each quarter a major review is conducted against projected workloads and staff availability in each location. Workload changes are then managed on a weekly basis in response to changes in workload and the departure/arrival of staff. If a function is unavailable in a particular location due to the absence of a staff member, work can be transferred to another location.

The benefits of the DVA national network were demonstrated during the recent adverse weather events in Queensland when we were able to ensure the continuity of services through the transfer of functions and work within our network. Indeed our networked resources allowed us to contribute to the broader Government response.

It is becoming increasingly important for DVA to maximise the opportunities provided by our network of locations. It is equally important that as we refine our processes we continue to ensure that veterans receive the very high standard of services that they deserve.

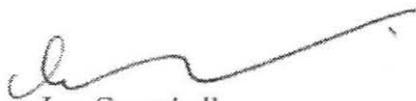
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I welcome feedback from the veteran community about our services. As an ESO leader and advocate, you are well placed to provide that feedback. If you become aware of a specific matter where you are concerned that our networked operations have adversely impacted our service delivery, I would appreciate you raising the matter with me.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ian Campbell', with a long, sweeping horizontal stroke extending to the right.

Ian Campbell
Secretary

23 February 2011

Senate Standing Committee on Foreign Affairs, Defence and Trade
Additional Estimates 2010–11; 23 February 2011
Answers to questions on notice from Department of Veterans' Affairs

Question 4

Outcome All: Program All

Topic: Appointment of Director of Australian War Memorial

(FADT Hansard Proof 23 February 2011, p 125)

Senator RONALDSON asked:

Senator RONALDSON—Can I ask whether the date that you were advised of this will be made public after the official announcement is made, presumably after tonight, probably tomorrow morning? Will you take on notice, Parliamentary Secretary, as to when General Gower was advised of his appointment? Because in the context of this current debate in relation to funding and who said what when, I actually think it is quite important.

Answer

On 11 November 2010, the Minister wrote to Major General Gower offering an 18 month extension to his appointment as Director of the Australian War Memorial, subject to consideration by the Government and the Governor-General.

Senate Standing Committee on Foreign Affairs, Defence and Trade
Additional Estimates 2010–11; 23 February 2011
Answers to questions on notice from Department of Veterans' Affairs

Question 5

Outcome All: Program All
Topic: 2010-11 PBS and PAES
(Written Question on Notice)

Senator RONALDSON asked:

The PBS and the PAES for 2010-11 show significant variation in staffing numbers across the Department's three outcomes.

| | Outcome 1 | Outcome 2 | Outcome 3 | Total |
|-------------------|-----------|-----------|-----------|-------|
| 2009-10 Estimated | 1,020 | 824 | 118 | 1,934 |
| 2009-10 Actual | 1,130 | 686 | 126 | 1,942 |
| 2010-11 Estimated | 992 | 801 | 114 | 1,907 |

- For outcome 1: in 2009-10, estimated figure was 1,020 and the actual figure was 1,130; in 2010-11, this figure is expected to be 992.
 - For outcome 2: in 2009-10, the actual figure was 686, compared with the May expectation of 824. The 2010-11 figure between the PBS and the PAES remains the same at 801.
 - For outcome 3: in 2009-10, the actual figure was 126, up from the 118 estimated in May. The 2010-11 figure is unchanged at 114.
 - This gives a total actual staff, on these figures, of 1,942 actual vs. 1,934 estimated in 2009-10, and 1,907 staff estimated to be involved in the three outcomes over this year.
1. How can you employ more staff across the three outcomes, but have reduced staff expenses shown in Table 3.2.1a?
 - a) There were eight more staff 'actually' employed than were 'estimated' to be employed in FY 2009-10, yet staff expenses were \$4.36m less than expected.
 - b) When the Budget was presented in May last year, in FY 2009-10, the estimated "employee benefit expenses" was \$182,535,000.
 - c) When the Additional Estimates Statement was tabled this month, the actual "employee benefits expenses" was \$178,168,000.
 2. Can the Department also confirm the number of staff presently engaged in the collation of 'Nominal Roll' data and the present work they are undertaking.

Answer

1. Actual staff employed in 2009-10 was less than estimated within the 2009-10 PBS. This is consistent with the decrease in employee expenditure of \$4.36 million. If the 2009-10 Estimated Actual number of employees are added across all outcomes, the total is 1,962, not 1,934 as shown in the table in the question.

It is important to note that that employee benefits expenditure not only includes direct salary costs such as wages but also costs such as superannuation expenses, leave and entitlements, separation and redundancies, payroll tax and other employee expenses (Note 3A {page244} of the 2009-10 Annual Report refers). These costs account for approximately 18% of total employee benefit expenditure and can vary from year to year as these types of expenditure

are impacted by other factors in addition to the number of staff employed by the organisation.

The overall decrease in employee expenditure is attributable to a combination of the decrease in staff as well as the flow on reductions in the indirect costs outlined above. This was particularly evident in superannuation expenses for the department.

2. The Department maintains three commemorative Nominal Rolls that are publicly available via the web - World War Two, the Korean War and the Vietnam War. In addition, a series of web pages on the main DVA website provide access to a Nominal Roll of the First Gulf War.

| Conflict | Year first Published | Number of Names (approx) |
|----------------|----------------------|--------------------------|
| World War Two | 2002 | 1.1 million |
| Korean War | 2005 | 18,000 |
| Vietnam War | 2007 | 61,000 |
| First Gulf War | 2000 | 1,800 |

The Department's Nominal Roll team consists of three FTE (+0.3 FTE x EL1 manager) who field requests from the general public for factual additions and amendments to the Rolls.

In the 2009-10 financial year, the Nominal Roll team received 3,175 enquiries from the public, of these 1,251 (39%) required extensive follow-up research, involving careful research using service records which could be held by DVA, Defence Records or National Archives, before any amendment is made to a Roll. The websites are refreshed once a month to update the publically available data.

While the Nominal Rolls team's primary function is commemorative, the nominal roll team also provides support to the statistical, compensation and health research functions within the Department. The team also provides advice to historical / military researchers and various support services to the public in matters such as using and interpreting information on the Nominal Rolls websites and other potential sources of similar information.

Senate Standing Committee on Foreign Affairs, Defence and Trade
Additional Estimates 2010–11; 23 February 2011
Answers to questions on notice from Department of Veterans' Affairs

Question 6

Outcome 1: Program 1

Topic: Centenary of Anzac Commission

(FADT Hansard Proof 23 February 2011, p 124)

Senator RONALDSON asked:

Senator RONALDSON—So was the commission discussed with PMAC or the round table, prior to its announcement?

Mr Campbell – Not with the round table, and I could not speak for sure, because the then Minister had his own conversations with PMAC, so I could not speak for what conversations the Minister –

Senator RONALDSON – Just take that on notice for me. Who is formally represented on the Commission?

Answer

No, the Commission was not discussed with the Prime Ministerial Advisory Council on Ex-Service matters prior to its announcement.

The Commission comprises the Right Honourable Malcolm Fraser PC AC CH, former Prime Minister, the Honourable Bob Hawke AC, former Prime Minister, Mr Warren Brown, editorial cartoonist and journalist, Rear Admiral Ken Doolan AO RAN (Retd), National President of the RSL, Major Matina Jewell (Retd), former ADF serving member and peacekeeper and Ms Kylie Russell, veterans' advocate and nurse.

Senate Standing Committee on Foreign Affairs, Defence and Trade
Additional Estimates 2010–11; 23 February 2011
Answers to questions on notice from Department of Veterans' Affairs

Question 7

Outcome 1: Program 1.2

Topic: Disability Pension Reform

(Written Question on Notice)

Senator RONALDSON asked:

With regards to the costings provided for disability pension reform:

- a) How many staff were involved in the preparation of the answer to Senator Kroger's question about this in May last year?
- b) How many staff were involved in the preparation of the answer to my question from last October's estimates?
- c) Given the inaccuracies contained in the answer, what steps has the Department taken to ensure that accurate responses are prepared in the first instance?

Answer

- a) There were three staff directly involved in preparing the answer to Senator Kroger's question from May 2010. There were several other staff indirectly involved in the provision of information.
- b) There were three staff directly involved in preparing the answer to Senator Ronaldson's question from October 2010. There were several other staff indirectly involved in the provision of information.
- c) The answer in May 2010 was not incorrect. In the absence of any specific guidance contained within the question asked by Senator Kroger, the costing provided was calculated using a set of assumptions to develop an estimate of the cost of a one-off increase of 11.4 per cent to disability pensions under the *Veterans' Entitlements Act 1986*.

As indicated by the Secretary to the Senate Standing Committee in October, this method of calculation was used at that time because this issue had been the subject of some discussion with the veteran community and it was important to use a consistent formula in which assumptions had not changed. On this basis the Department made a conscious decision not to update the costing using a revised set of assumptions, something it did with many of the other responses provided to questions taken on notice at the May Committee Hearing.

The response to the question on notice received in October 2010 was then calculated using more recent assumptions, including updated population projections and projected future indexation. As the May response was estimating the cost of a one off increase the impact of future indexation had not been included in the estimate. Subsequent revisions and refinements of the costing and the future impact have now accounted for this assumption.

The Department will continue to ensure that responses to questions on notice are accurate.

Senate Standing Committee on Foreign Affairs, Defence and Trade
Additional Estimates 2010–11; 23 February 2011
Answers to questions on notice from Department of Veterans' Affairs

Question 8, 9, 10,

Outcome 1: Program 1.4

Topic: AWM – Second D&E Platoon (Lost Platoon)

(Written Question on Notice)

Senator XENOPHON asked a range of questions about the existence and recognition of the Second D and E Platoon, or the so called 'lost platoon' during the Vietnam War. A combined answer to these questions from both the Department of Veterans' Affairs and the Australian War Memorial is provided below.

Answer

On 29 May 2008, the Hon Dr Mike Kelly MP, Parliamentary Secretary for Defence Support, announced that the Government and the Department of Defence had been "able to determine" that the Second D&E Platoon "did indeed exist . . . as part of the Australian Task Force". Dr Kelly also mentioned that the platoon had not been formally raised and trained as a sub-unit in Australia before deploying. (Parliamentary Secretary for Defence Support, media release 019/2008, 29 May 2008).

The naming and recognition of military units and formations is the responsibility of the Department of Defence. The compiling and maintaining of unit and formation records was the responsibility of the Army. The operational records, particularly the unit war diaries, were generally scrupulously maintained in Vietnam and they comprise an invaluable, detailed and comprehensive record of the Australian military involvement. The Australian War Memorial (AWM) is the principal repository of these operational records which currently comprise an extensive collection of approximately 750 metres of shelf space in the Memorial's archives. These records contain detailed information on the orders, operational activities, casualties and other data on the operations of all units, including the D&E Platoon, during the military commitment of the Australian Task Force in Vietnam.

There was no equivalent requirement for the Australian Task Force to preserve many of its administrative records during the almost six-year-long involvement in Vietnam. It was rare for units to retain records such as unit roll books and other ephemera which were periodically destroyed. In the case of the unit records of the Headquarters Company of 1st Australian Task Force, there is no evidence in the form of consignment notes or other records that such material were retained or sent to the Memorial for accession into the collections.

In recent years, AWM staff have carried out exhaustive searches of relevant Army records in the Memorial's collections (including extant roll books, commander's diaries, establishment tables, *etc.*) but found no documentary evidence of the formation of a Second D&E Platoon. The Memorial acknowledges that it would not be uncommon for soldiers to refer to their units and formations by a variety of unofficial names and nicknames.

The activities and experiences of the D&E Platoon and its members on operations in South Vietnam are comprehensively covered in the forthcoming final volume of the official history of Australian involvement in the Vietnam War, *Fighting to the Finish: The Australian Army and the Vietnam War, 1968-1975*, by Ashley Ekins with the late Dr Ian McNeill, currently in production with the publisher Allen & Unwin, for publication at a date to be confirmed. The bravery of the soldiers of this sub-unit is acknowledged, particularly during the night ambush action, commanded by Captain Tom Arrowsmith MG at the village of Thua Tich in late May 1969.

The AWM and the Department of Veterans' Affairs (DVA) recognise all Vietnam veterans equally, regardless of the unit they served in, and they are consequently entitled to the same recognition for military service and the same level of benefits from DVA.

Senate Standing Committee on Foreign Affairs, Defence and Trade
Additional Estimates 2010–11; 23 February 2011
Answers to questions on notice from Department of Veterans' Affairs

Question 11

Outcome 1: Program 1.4

Topic: Special Accounts Expense

(Written Question on Notice)

Senator RONALDSON asked:

Under program 1.4 the Department indicates a 'special account' expense listed for approximately \$34 million each year over the forward estimates:

- a) What is the expense for?
- b) Why did it not appear in the budget papers in May?

Answer

- a) The 'special account' expense of approximately \$34 million each year represents estimated payments from the Defence Service Homes Insurance (DSHIS) Special Account for the provision of domestic building insurance to members of the Defence Force and certain other persons. The enabling legislation for this Special Account is the *Defence Service Homes Act 1918*, section 40.
- b) DVA has reported on this Special Account in the previous financial years. In the May 2010 budget papers, this amount was included in Table 3.1.2: Estimates of Special Account flows and balances (page 73). This has been included in PAES 2010-11 under program expenses in order to provide additional information on Special Account payments. This conforms with Finance's guidance on the presentation of outcomes and program expenses.

Senate Standing Committee on Foreign Affairs, Defence and Trade
Additional Estimates 2010–11; 23 February 2011
Answers to questions on notice from Department of Veterans' Affairs

Question 12

Outcome 1: Program 1.1

Topic: Income Support Claims being Processed

(Written Question on Notice)

Senator Ronaldson asked:

During the Supplementary Budget Estimates in October last year about the number of income support claims being processed, the Secretary said in relation to a discussion about the number of income support processing claims:

'If this has caused some confusion for you and your colleagues, then I think we will in our additional estimates document look at putting some clarifying words in.'

1. Can you tell me which page of the Estimates Statement the clarification appears on?
1(a). Given there is no clarification, can you explain the reasons why it is not there?
2. What work has gone on since our discussion in October last year to quantify and clarify these figures?
3. Can you guarantee that they will be addressed by the time of the Budget and the release of the Portfolio Budget Statement?

Answer

1 & 1(a).

The Department annually reviews Key Performance Indicators and deliverables. This is reported in the May Budget papers. Additional Estimates reports on financial changes that have occurred since the budget. Changes in headings or wording are done, in consultation with the Department of Finance and Deregulation, in the subsequent Portfolio Budget Statements.

2 & 3.

The figures contained in the Portfolio Additional Estimates Statements 2009-10 (Revised Budget) have been confirmed. The table below details the categories of claims reported in the Portfolio Budget Statements and the Portfolio Additional Estimates Statements in the 2009-10 financial year:

Income Support New Claims

| Claim Type | PBS Budget | PBS Revised Budget | Variance |
|---------------------------------|-------------------|---------------------------|-----------------|
| | 2009-10 | 2009-10 | |
| Service Pension | 3,462 | 3,883 | |
| Income Support Supplement | 1,920 | 1,603 | |
| Qualifying Service | 1,271 | 1,714 | |
| Subtotal | 6,653 | 7,200 | 547 |
| Age Pension | | 197 | |
| Commonwealth Senior Health Card | | 2,439 | |
| Gold Card | | 584 | |
| Orange Card | | 80 | |
| Subtotal | 0 | 3,300 | 3,300 |
| Total | 6,653 | 10,500 | 3,847 |

The parameters were changed to include social security age pension claims and claims for various cards to give a more complete indication of the workload in the Income Support area.

The Department is currently developing its 2011-12 Portfolio Budget Statements and this publication will include details of claims for qualifying service and the following card claims: Commonwealth Seniors Health (CSHC) Card; Repatriation Health Card — For All Conditions (Gold Card) and Repatriation Pharmaceutical Benefits Card (Orange Card). Additionally the PBS will also include a clarifying statement within the description of deliverables.

Senate Standing Committee on Foreign Affairs, Defence and Trade
Additional Estimates 2010–11; 23 February 2011
Answers to questions on notice from Department of Veterans' Affairs

Question 13

Outcome 1: Program 1.7

Topic: Legislation – Younger War Widow's Claims

(FADT Hansard Proof 23 February 2011, p 119)

Senator RONALDSON asked:

Senator RONALDSON—Parliamentary Secretary, there seems to be some issues with Defence in relation to these sorts of matters. Would you, perhaps, take on notice these matters and can I ask, please, when you are taking them on notice, for an overview of Defence's processes in relation to these sorts of issues and whether there is a review underway in relation to those processes. I do not think there is anyone in this room that would not say that we just need to make sure this does not happen; we just cannot afford this sort of stuff. I mean, it is not right, and I am confident in what you are saying, Mr Campbell, that DVA is doing its bit.

Mr Campbell—The other agencies are, I think, applying their legislation; so, in the end, we may have a real legislative problem—as in, the Commonwealth.

Senator RONALDSON—Can you take that on notice, as well, Parliamentary Secretary. If there is an issue with legislation, I would be utterly amazed if between you and me we could not get this resolved very quickly with our respective parties and, I think, in fairness to the Independents and others, I would be utterly amazed if they were not also prepared to fast-track, to avoid this sort of situation, which I think is pretty intolerable, I have got to say.

Answer

In general, the ADF, DVA and ComSuper use similar broad definitions to define dependants, but there are differences between the organisations with respect to recognising interdependent partners. It is also important to note that legislation administered by the three organisations provide for different benefits for individuals in a range of circumstances. As such, the purpose of the benefit, the individual's circumstances, and the ADF member's choices in relation to those benefits may impact on outcomes for individuals.

The type of information required to recognise unmarried partners as dependants across organisations is generally similar. However, the main difference arises where Defence was not aware of an ADF member's unmarried partner ('interdependent partner') prior to the ADF member's death, whereas for DVA this makes little difference.

In Defence, applying for recognition of an interdependent partnership enables an ADF member and their partner to access a range of conditions of service and benefits, such as subsidised housing, separation allowance and reunion travel. In the event of the death of the ADF member, their dependents (including an interdependent partner) are eligible to receive a range of financial assistance, including a specific bereavement payment consisting of four times the member's gross fortnightly pay and a period of continued housing subsidy.

Defence requires an ADF member to apply for recognition of an interdependent partnership where the ADF member seeks to have benefits provided. Generally, the ADF member must submit an application and statutory declaration that:

- proves that their partner is a person who lives in a common household with them on a permanent basis in a bona fide, domestic, interdependent partnership, although not legally married to the ADF member, and has done so for at least 90 days; and
- includes four forms of documentary evidence (such as a Will, joint household bill, and statutory declarations from next of kin or close relatives).

In situations where a member's application does not meet the normal eligibility criteria above, there is a discretionary power that allows a member's partner to be recognised as an interdependent partner, where exceptional circumstances exist that would warrant such recognition.

Where an ADF member does not seek formal recognition of the interdependent partnership, their partner will not ordinarily be recognised as a dependant by Defence and, as such, they will not generally be able to access the range of conditions of service and benefits available to interdependent partners.

In Defence a spouse, of a member, means a person who is married to the member in accordance with the *Marriage Act 1961*. There is no application process for a married spouse to be recognised as a dependent.

The support provided by DVA is designed to help the member's dependants in the event of the member's death. The *Military Rehabilitation and Compensation Act 2004* (MRCA) allows that a formal relationship may not have been recognised prior to the death, but enables the partner to be recognised provided that the person can show they lived with the member in a bona fide domestic relationship.

To be considered a wholly dependent partner of a deceased member under the MRCA, a person must have been:

- (a) a partner of the member immediately before his or her death; and
- (b) wholly dependent (for economic support) on the member before his or her death.

Criterion (a) will be satisfied where the person was:

- legally married to the member; or
- in a bona fide domestic relationship with the member immediately before his or her death, irrespective of the length of the bona fide domestic relationship.

The DVA assessment of partner status includes consideration of evidence similar to that used by Defence, and includes:

- the length of the relationship, financial aspects of the relationship, including joint ownership of property and sharing day to day expenses;
- whether a sexual relationship exists;
- the reputation and public aspects of the relationship, that is, whether others consider the people to be in a de facto relationship;

- the nature of the relationship, including the degree of commitment to a shared life and the care and support of any children.

For a marital or couple relationship to exist for ComSuper purposes the member and partner must have been living together in a bona fide domestic basis for a continuous period of at least three years.

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Question 14

Outcome 2: Program 2.1

Topic: Posttraumatic Stress Disorder Treatment - Dr Robert Tym

(FADT Hansard Proof 23 February 2011, p 97)

Senator FAULKNER asked:

Senator FAULKNER—Thank you for that. In relation to the material that I forwarded—and I stress that I am in no position to make professional judgements about its efficacy in any way—has that been forwarded on, do you know?

Mr Douglas—I do not know. I would have to take that on notice.

Senator FAULKNER—You might let me know. I have formally forwarded this to the Minister for Defence, Science and Personnel and the Minister for Veterans' Affairs. Happily, I can do that in one letter because it is the same person—it saves a stamp. I will no doubt hear in the short order from Mr Snowden what he suggests the next steps might be. I appreciate the information you have provided. That is helpful.

Answer

Dr Robert Tym wrote to Senator the Hon John Faulkner seeking a trial of a visual test for persistent peripheral oscillopsia as a diagnostic screen for PTSD; and ocular saccade manoeuvre as an intervention for PTSD. A reply to Senator Faulkner from the Minister for Veterans' Affairs, the Hon Warren Snowden MP, was forwarded to the Senator on 17 February 2011.

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Question 15

Outcome 2: Program 2.5

Topic: VVCS Collocation – Launceston

(FADT Hansard Proof 23 February 2011, p 100)

Senator RONALDSON asked:

Mr Campbell—We would have to look at the table. Launceston expires at the end of the month. Obviously we have run out of options there.

Senator RONALDSON—I do not want to get bogged down on this. Are you going to sign a long-term lease or are you going to sign a short-term lease in relation to Launceston?

Mr Campbell—I would have to take that on notice.

Answer

Launceston VVCS Centre is a stand alone Office. It is not co-located with a Department of Veterans' Affairs office.

A lease was signed to allow VVCS to remain in the current premises in Launceston from 11 March 2011. The period for this lease is a three year agreement (with a three year option).

Market testing was conducted prior to a decision to continue in the current premises.

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Question 16

Outcome 2: Program 2.5

Topic: VVCS Expenses

(Written Question on Notice)

Senator RONALDSON asked:

1. In 2009-10 VVCS had actual expenses of \$19.766 million, down from a revised budget for 2009-10 in May last year of \$25.09 million.
 - a) Is there an explanation for such a substantial decrease in the cost of the service for 2009-10?
 - b) Was this not anticipated at Budget time last year?
 - c) Is this trend likely to continue?

2. If the trend is likely to continue, why has the 2010-11 revised budget increased the estimate from last May by \$300,000?
 - a) Is it usual for these figures to jump around so significantly?
 - If yes, why?
 - b) If no, then why are they doing so now?

Answer

1. a) VVCS Counselling services did not reduce in the 2009-10 year, and there was no decrease in the cost of VVCS Services.

Expenditure recorded against this item includes not only VVCS counselling services but also expenditure on a range of more general mental health related activities. The variation in expenditure was due to several factors across a number of budget measures under this Outcome. These factors included delays to the development and implementation of a number of pilot projects; longer lead times required to implement more complex initiatives, including those arising from the *Independent Study into Suicide in the Ex-Service Community*; more complex negotiations on individual initiatives; and , on one occasion, delayed invoicing by a contractor. This has led to variances totalling approximately \$3.3m. In addition, corrections to some 2008-09 expenditure records were processed during 2009-10. This had the effect of creating credits in 2009-10, reducing overall expense figures, and accounted for approximately \$1.6m of the variance.

1. b) No. It was anticipated that funds would be expended during the 2009–10 financial year.
1. c) We would anticipate a slight downwards revision of the amounts published in the 2010-11 budget statements, but we do not expect any further underspends in the out years.
2. a) The 2010-11 revised budget increased the estimate from last May by approximately \$300,000 as there were minor adjustments made to four budget measures. This adjustment was approximately 1.26 per cent of the total budget. It is not uncommon for minor adjustments to be made to reflect the timing of individual initiatives.

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Question 17

Outcome 2: Program 2.7

Topic: Dunt Review

(Written Question on Notice)

Senator RONALDSON asked:

Can the Department provide an update of the implementation of recommendations from the Dunt Review, including:

- A breakdown of the implementation of recommendations from the Dunt Review;
- An analysis and progress update of evaluation which was required by those recommendations;
- Further work which is being undertaken in response to Prof Dunt's recommendations; and
- An analysis of those areas where Defence and DVA are working together on specific recommendations.

Does the Department have a protocol on the handling of clients with identified mental health needs? If such a protocol does exist, will the Department provide advice on the evaluation process, both in terms of staff training, and of the protocol itself.

Answer

Professor David Dunt undertook two reviews for Government during 2008 – the *Mental Health Care Review in the Australian Defence Force and Transition through Discharge* and the *Independent Study into Suicide in the Ex-Service Community*. Both reports, together with the Government responses were released in May 2009. The ADF Mental Health Care Review had 52 recommendations – 49 were accepted and the remaining 3 were partially accepted. Defence has primary carriage of implementation of this report. The Suicide Study had 21 recommendations – all were accepted, with one accepted in principle.

In relation to the Suicide Study, as at 23 March 2011, eight recommendations have been finalised and fully implemented:

- 5.1 – “Deliver a seamless transition service” – the intent of this recommendation has been accepted and management arrangements to ensure ongoing seamless transition services operate under the auspices of Defence/DVA Links;
- 5.2 – “Consideration of a national roll out of Lifecycle pilot to enhance transition support” – the final report from the study has been accepted and learnings are being incorporated into current programs as appropriate, informing the second phase Lifecycle projects and any future project proposals considered by Defence and DVA;
- 5.3 – “Family friendly transition services”: - Defence Community Organisation and Defence Families Australia are now delivering family friendly programs and transition seminars. These now include a presentation called ‘LifeSMART’. VVCS has strengthened its family inclusive practice policy and changes have been incorporated in its “Stepping Out” program to ensure content addresses potential impact on families during the transition process;

- 6.3 – “Appointment of members to the Veterans’ Review Board (VRB) with mental health qualifications”. In late 2010, the Government appointed two psychologists as members of the VRB, in addition to a number of members with legal qualifications who have extensive experience in mental health matters or representing people with mental health issues;
- 7.2 – “Use of historical military service records should not be used routinely in the investigation of fraud cases” is complete;
- 7.3 – “Tip off cases should only be investigated where there is further substantiation and where there are reasonable chances of success. Reliance on anonymous ‘informant networks’ alone is insufficient to form the basis of subsequent investigation” is complete;
- 9.2 – “Involvement of psychiatrists or GPs with an interest in mental health in VVCS centres” is complete; and
- 9.5 - “Incorporating evaluation of innovative programs in areas such as mental health care into DVA research priorities” is complete.

A further four recommendations have elements finalised and work continues on the remaining elements for the following recommendations:

- 6.1 – “Initiatives such as the Single Claim Form, Separation Health Examination (SHE), Client Liaison Unit and the use of case coordinators to manage complex cases.” The single claim form trial has been completed and findings reported to the Repatriation Commission and the Military, Rehabilitation and Compensation Commission in December 2010. Further work with the aim of a single claim process in preference to a single claim form is currently being undertaken. A new SHE process will be developed under the auspices of the Support to Wounded, Injured or Ill project that is currently being lead by Defence. The Client Liaison Unit was established in 2007 and continues to operate. Thirteen case coordinators commenced duties in January 2010 in Brisbane, Sydney, Melbourne and Perth.
- 6.2 – “Extension of the Temporary Special Rate (TSR), a separate claims process for claims involving chronic mental health conditions and establishment of a protocol for managing the provision of advice to clients at risk of self-harm.” Agreement to necessary amendments required to Departmental Guidelines to assist delegates with managing claims of this nature has been reached as well as specific circumstances under which a period of TSR can be extended. The Department is now in the final stages of updating the relevant material to reflect these changes. It is expected that this material will be finalised by the end of May 2011. A Protocol has been approved following consultation with the National Mental Health Forum and is attached for information.
- 7.1 – “Development of guidelines for diagnosis and assessing service connection to supplement the Statement of Principles” The intent of this recommendation has been incorporated with Recommendation 6.2 above. Training in use of revised diagnostic protocols has been completed for people determining claims for compensation, including psychiatric conditions.
- 9.1 – “Further development of DVA’s mental health strategy, in particular suicide and alcohol misuse.” A review of DVA’s mental health strategy will be undertaken during 2011 and will incorporate outcomes of the Australian Centre for Posttraumatic Mental Health’s Evaluation of DVA’s mental health initiatives undertaken since 2006. The final evaluation report has been received and is currently being considered. The Right Mix website and associated resources have been updated and released.

Significant progress has been made on implementation in a further seven recommendations:

- 2.1 – “Review of Operation Life Suicide Prevention Workshops” – the review is currently being undertaken by the Australian Institute for Suicide Research and Prevention (Griffith University) and is expected to report by the end of July 2011;
- 5.4 – “Acknowledgement of ADF members leaving with mental health issues” – Defence has advised that a scoping study is currently underway with a reporting date of June 2012;
- 5.5 – “Establishment of a Keeping In Touch program post discharge” – the ‘touchbase’ pilot website is operational and was launched in December 2010. The pilot will be completed in December 2011;
- 6.4 – “Increase access to psychiatric and psychological advice” – A services agreement has been finalised for the provision of psychiatric advice. Arrangements for the provision of psychological advice are nearing completion. It is anticipated that arrangements will be in place by end of April 2011;
- 6.5 – “Revision of incomplete claims processes” – The Rehabilitation and Compensation Blueprint was finalised in December 2010 and revised business processes are being considered as part of the business requirements phase of the rehabilitation and compensation design. Business requirements are expected to be completed by June 2011;
- 8.1 – “Review of volunteer pension officers” – The Report on the Review of DVA funded ESO Advocacy and Welfare Services was released by the Minister on 14 February 2011 and implications for this recommendation are being considered; and
- 9.4 – “Review of PTSD programs” – the review is currently being undertaken by the Centre for Military and Veterans Health and is expected to report by the end of June 2011.

Of the remaining two recommendations:

- 3.1 – A suicide study in a full cohort of post Vietnam veterans will be not considered until the Family Study currently underway has been completed; and
- 9.3 – Extension of the “Hard to Engage” and “Barriers to Social and Vocational Rehabilitation” Lifecycle initiatives to the Keeping In Touch cohort will be considered as part of the evaluation of the touchbase pilot (Recommendation 5.5 above).

The Dunt Suicide Study provides a key platform to assist the Government to improve mental health services for the veteran and ex-service community.

There are five joint recommendations regarding transition. DVA and ADF are jointly actioning these recommendations. As advised above, three of these recommendations, relating to the provision of a seamless transition service (5.1, 5.2 and 5.3) have been finalised.

One DVA specific recommendation from Professor Dunt’s study, which was accepted by Government, was to implement a system of case coordination for clients with complex needs who have caused, or may be in danger of causing, self-harm or harm to others.

In response to this recommendation DVA implemented a case coordination model, engaged and trained case coordinators, who commenced accepting referrals from all DVA business areas in January 2010. Case coordinators are based across four sites - Brisbane, Sydney, Melbourne and Perth but cover clients from all locations.

Case coordinators support high risk clients and their families to access all DVA entitlements and provide additional support to minimise the risk of self harm and improve the general quality of life for the client. They also provide a DVA primary point of contact for the client and assist them and their families with other psychosocial needs external to DVA. Case coordinators act as the primary contact for the client and consenting third parties, for example, doctors or counsellors. Participation in case coordination is voluntary.

When all the client's agreed needs have been met, case coordination will continue to monitor and support the client for a further 12 months to ensure the gains that have been achieved are maintained and the client is able to effectively self manage.

A post project implementation review is scheduled for the last quarter in 2011 and will focus on examining how well the case coordination process has operated which will include an examination of client attainment against individual goals and plans.

A protocol for Managing the Provision of Advice to Clients at Risk of Self-Harm was approved by the Repatriation Commission and the Military Rehabilitation and Compensation Commission on 16 June 2010 following consultation with the National Mental Health Forum (the Department's peak Ex-service Organisation consultation forum on mental health matters). An all staff instruction was issued on 13 July 2010. A copy of the protocol is attached.

To ensure ongoing and appropriate training for staff, including the regular promotion of protocols and guidelines for relating to and interacting with clients with mental health issues, the Department has developed a *Challenging Behaviours Reference and Desktop Guide*.



Australian Government

Department of Veterans' Affairs

Protocol
for managing the
provision of advice
to clients at risk
of self harm

Protocol for Managing Provision of Advice to Clients at Risk of Self-Harm

This protocol is to ensure that DVA, in accordance with Information Privacy Principle 11(1)(c)¹, has robust, understandable and consistent work practices in managing the delivery of advice to clients at risk of self harm.

1. Identifying a client who may be at risk

There are various ways to identify a client who may be at risk of self-harm. If any of these are present this Protocol will apply to all actions being taken by the Department in relation to this client.

An appropriate notation should be made on DVA systems to alert other staff (VIEW and /or DEFCARE or CADET).

Some of the most typical ways to identify a client at risk are:

- a previous threat has been made via the phone or in person to DVA
- a treating health professional report
- a report from the client's representative e.g. Solicitor, ESO
- a report from a family member
- advice from CLU.

2. Identifying the relevant advice

Usually it will be the provision of advice that denies a claim or benefit that is likely to cause the most anxiety. However, for some clients it may be any contact from DVA, so this protocol must be followed where any advice or information is to issue for a client who has been identified at potential risk.

The most common types of advice which must be considered are:

- denial of a claim for compensation or associated benefits including reductions to incapacity payments;
- denial of a claim for disability pension or an increase in pension;
- denial of a claim for war widows/ widowers pension;
- denial of a claim for service pension;
- notification of an overpayment.

¹ It is considered, on reasonable grounds, that the disclosure is necessary to prevent or lessen a serious and imminent threat to the life or health of the individual concerned or of another person - see s.14 of the *Privacy Act 1988*

3. Managing provision of the advice

i. Conduct an internal case conference

Any client that is identified in Steps 1 and 2 must be subject to an internal case conference between the actioning staff member and their Manager. A template has been developed for this purpose (see Attachment A) and should be used in all identified cases and then attached to the client's file (in paper and/ or electronic form).

A thorough analysis of the advice and surrounding circumstances should be undertaken and this may involve consultation with other internal stakeholders such as VVCS and/or CLU. This conference should include establishing any other impacts the advice may have across DVA such as offsetting or changes to payments or benefits. Interagency impacts may also be identified at this stage.

ii. Consult the treating health professional

The clients treating health professional should be consulted about the impact of the advice on the client. Treating health professionals will usually be either a psychiatrist or psychologist or, for some clients, it may be their general practitioner.

Initially it would not be necessary to give details of the advice only to say that advice needs to be provided which may provoke anxiety for the client. Any guidance provided by the treating health professional must be followed - this would include both the timing of advice issuing as well as the form of providing that advice.

If the treating health professional recommends delaying the delivery of the advice due to the clients current condition, a plan should be discussed with the health professional as to when and/or how it will be appropriate to deliver the advice. Factors that may need to be considered might be a client's right to a review or appeal and any time constraints there, creation of a larger overpayment situation the longer the advice is withheld, etc.

It would not be acceptable to plan to take no action at all in relation to issuing formal advice. It may be acceptable to delay action for a considerable length of time in relation to the provision of information only eg updated booklets or publications.

iii. Develop an option for providing the advice

There are only a limited number of options for providing advice and the recommended option will have been agreed to with the treating health professional. Advice may be provided:

- via the client's representative or advocate;
- directly to the client via the mail;

- directly to the client in person;
- directly to the client over the phone.

If the client has an authorised representative (may be a family member) or advocate, this should be the preferred option. They will usually be in the best position to know when to talk with their client.

When we need to provide advice directly, the preferred option is in person, however for clients residing in isolated areas this may be more difficult to achieve. Face to face meetings should generally not take place at the client's home. Some suggested ways for meeting are:

- invite the client to attend a DVA office;
- meet the client at the office of their representative;
- meet the client at the office of their rehabilitation provider or treating health professional.

iv. Deliver the advice

The clients treating health professional should be notified about when the advice is to be delivered if they are not attending the meeting.

When delivering the advice to the client whether in person or over the phone:

- arrange a time convenient for the client;
- have a team leader/ manager present;
- invite the client to bring a support person with them such as their spouse;
- if a client has a representative they must be invited to the meeting.

Others considerations

In addition there are a number of other factors that should be considered:

- a. The advice should not be provided on a Friday or prior to a major commemorative event or holiday such as ANZAC Day or Christmas Day.
- b. Consideration should be given to having the treating health professional attend the meeting, subject to the client's agreement.
- c. The actual advice should be reviewed for clarity, readability and client comprehension.
- d. Ensure the advice contains relevant appeal rights and any relevant claim forms if appropriate.
- e. Ensure the positive points are emphasised if appropriate eg Gold Card, continuity of benefits such as disability or service pension, incapacity payments, health treatment, etc.
- f. Have relevant contact details easily available eg phone number for the client's treating health professional.

Managing Advice to Clients At Risk of Self Harm

Name of Client: _____
 File reference: _____
 Staff member completing form: _____

Advice reviewed by team leader/supervisor:

Name _____ Signature _____ Date _____

Client known to:

| | Yes | No |
|------|--------------------------|--------------------------|
| VVCS | <input type="checkbox"/> | <input type="checkbox"/> |
| CLU | <input type="checkbox"/> | <input type="checkbox"/> |

Representative:

Name: _____
 Phone no: _____
 Address: _____

Case conference:

DVA areas involved:

- RCG
- Income Support
- VVCS
- CLU
- IPG
- Other:

Other agencies/departments involved:

- Centrelink
- ComSuper
- Child Support
- Defence
- Other

Other impacts/outcomes identified: _____

Treating Health Professional consulted:

| | Yes | No | Name/s |
|--------------|--------------------------|--------------------------|--------|
| Psychiatrist | <input type="checkbox"/> | <input type="checkbox"/> | |
| Psychologist | <input type="checkbox"/> | <input type="checkbox"/> | |
| GP | <input type="checkbox"/> | <input type="checkbox"/> | |

Delivering the advice:

How: In person Phone Mail

Date _____ Place (if in person) _____

Treating health professional notified _____

Important contact numbers:

Psychiatrist: _____

Psychologist: _____

GP: _____

Other contact numbers:

VVCS: 1800 011 046

Life Line 24/7: 13 11 14

Men's Line 24/7: 1300 789 978

ESO: _____

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Question 18

Outcome 1 & 2: Program All

Topic: Client Files – Multiple Eligibility

(Written Question on Notice)

Senator Ronaldson asked:

How does the Department manage client files where the client has eligibility under more than one Act?

– For example: if a client has multi-eligibility, do they have more than one file?

- If yes, why?
- Is there a note on each file indicating that I am multi-eligibility?
- If not, why not?

Answer

Whilst client files are important in managing clients' claims it is the Department's Veterans' Information Enquiry System (VIEW), which is accessible by DVA staff dealing with clients' claims, that cross references eligibility across all legislation under which a client has known eligibility. This ensures that staff are aware of the existence of all files relating to an individual when processing and determining claims.

The Department's current file systems have been in place since World War II, with many beneficiaries now having more than one file. Various files are created in order to store claim/s and other relevant paper information, these files differ according to the Act under which the claim is lodged.

The original file system that applied to claimants under the *Repatriation Act 1920*, the predecessor legislation to the VEA, relied on a combination of the administering state indicator, a war code (identifying the conflict in which the veteran served) and a number which originally related to the veteran's service number. This system has developed to cater for extension of entitlements to additional categories of veterans, such as the Commonwealth and Allied veterans who do not have identification numbers from the Australian Defence Force and to address the fact that the ADF has not issued service numbers since 2002. Additionally, an eligible beneficiary under the VEA may have a medical file, a pension file, a hospital file, a Veterans Vocational Rehabilitation Service file and an Advocacy file, all linked by a common file number.

The file numbering system that applies to SRCA claimants was inherited from the Department of Defence in 1999 when DVA became responsible for the management of SRCA claims. It involves the raising of separate files for separate claims, and includes additional files for rehabilitation, Administrative Appeals activity and the Transition Management Service as required.

In addition, with effect from 1 June 2010 the processing of compensation claims under the VEA, the SRCA and the MRCA was consolidated into one Liability Determinations section. Previously, there were two separate claims processing areas – one processing claims under the VEA and one processing claims under the SRCA and the MRCA. The new model ensures that processing staff have an increased awareness of the entitlements across all legislation administered by the Department, are familiar with the range of files that may be relevant when processing claims by people with multiple eligibility and are better able to provide assistance across all legislative areas.

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Question 19

Outcome 3: Program 3.1

Topic: Additional Funding for Centenary of Gallipoli – Allocation of \$5m for Centenary of Anzac

(FADT Hansard Proof 23 February 2011, p 113)

Senator HUMPHRIES asked:

Senator HUMPHRIES—Is it possible that Senator Lundy was referring to some other sum of money which has been delivered to the memorial for the making of the First World War or the memorial of monument of some sort.

Mr Campbell—This is the first I have heard of any comment by Senator Lundy. Your description appears to be slightly different to Senator Ronaldson's. I took Senator Ronaldson's to be a broad allocation of \$5 million for the centenary of ANZAC, but you appear to be saying that Senator Lundy—

Senator HUMPHRIES—I am not saying it is anything. I am saying: is it possible that there is some other allocation that Senator Lundy was confusing this \$5 million that Senator Ronaldson was referring to with?

Mr Campbell—I would have to have a look. This is the first I have heard of the statement, so I would have to have a look at it.

Senator FEENEY—Let us take it on notice.

Answer

The Department is not aware of a commitment of \$5 million for the Anzac Centenary/Centenary of Anzac, or of an allocation of \$5 million towards a national memorial.

Senator Lundy has advised there was a misunderstanding on her part. No such funding had been allocated.

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Question 20

Outcome 1: Program 1

Topic: AWM Additional Funding

(Written Question on Notice)

Senator RONALDSON asked:

Following the announcement by the Prime Minister on 3 March 2011 of an additional \$8 million per year for the Australian War Memorial:

1. What will the breakdown of new funding be?
2. When will the money first appear in the Memorial's appropriation?
3. What will the funding be spent on?
4. Is the funding linked to the introduction of an entrance and/or parking fee at the Memorial?
5. Will the funding be 'operational' funding or form part of the Cultural Depreciation Allowance (equity funding)?
6. Will the 50 jobs forecast to be lost over the next five years be saved as a result of this additional funding?
7. What will the \$1.7 million 'to begin the redevelopment of the Memorial's First World War galleries' provide?
8. What does the Memorial plan to do with the World War One galleries through redevelopment?
9. When did the Prime Minister's office request access to the Australian War Memorial to make this announcement?
10. To whom was this request made and who approved the request?
11. Will the findings of the joint Department of Finance and Deregulation and the Department of Veterans' Affairs review be released publicly?
12. If not, why not?
13. When was the Review due to be completed?
14. When was the review completed?

Answer

1, 3 and 5.

The detailed 2011-12 Budget will be presented to Council of the Australian War Memorial for its consideration and approval in May 2011. It is planned that the additional funding will be allocated to:

- restoring and maintaining staffing levels;
- ensuring current programs such as public events, gallery performances, smaller commemorative ceremonies and temporary exhibitions etc can continue to be delivered;
- restoration of collection development, documentation and preservations programs;
- addressing information technology infrastructure replacement requirements;
- enhancing and increasing information accessible via online services; and
- ensuring the AWM can respond to increased numbers of public enquiries and increased demand for multimedia requests, research centre services, education programs and historical professional advice expected to be generated by interest in the Centenary of Anzac.

2. The money will be appropriated from 2011-12, subject to the approval of Parliament.

4. No.

6. Yes.

7. The funding provided to commence the World War One galleries will allow for a project definition study to take place. It will form the basis for the development of a further funding proposal. A project team will be established which will include a group to develop the overall concepts for the new galleries. A number of consultants will also be engaged to assist in the development of the project, such as a project management consultant, architect, exhibition designer, quantity surveyor and heritage consultant.

8. As with previous gallery redevelopments, the World War One galleries will close during the redevelopment. A temporary display of World War One related material in an alternative space is planned.

9. 2 March 2011.

10. The request was made to and approved by the Director of the Australian War Memorial.

11. and 12.

No. The review is a Cabinet document. When a similar request was made under the FOI Act for this document it was not provided on the basis that it was an exempt document under section 34 of the *Freedom of Information Act 1982*.

13. The review requested by the Prime Minister was to be completed in time for consideration in the context of the 2011-12 Budget.

14. A brief, dated 24 February, on the outcomes of the Review was provided by the Department of Finance and Deregulation to Cabinet for its consideration.

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Question **21, 22, 23, 24**

Outcome 1: Program 1.4

Topic: AWM – Second D&E Platoon (Lost Platoon)

(Written Question on Notice)

Senator XENOPHON asked a range of questions about the existence and recognition of the Second D and E Platoon, or the so called 'lost platoon' during the Vietnam War. A combined answer to these questions from both the Department of Veterans' Affairs and the Australian War Memorial is provided below.

Answer

On 29 May 2008, the Hon Dr Mike Kelly MP, Parliamentary Secretary for Defence Support, announced that the Government and the Department of Defence had been "able to determine" that the Second D&E Platoon "did indeed exist . . . as part of the Australian Task Force". Dr Kelly also mentioned that the platoon had not been formally raised and trained as a sub-unit in Australia before deploying. (Parliamentary Secretary for Defence Support, media release 019/2008, 29 May 2008).

The naming and recognition of military units and formations is the responsibility of the Department of Defence. The compiling and maintaining of unit and formation records was the responsibility of the Army. The operational records, particularly the unit war diaries, were generally scrupulously maintained in Vietnam and they comprise an invaluable, detailed and comprehensive record of the Australian military involvement. The Australian War Memorial (AWM) is the principal repository of these operational records which currently comprise an extensive collection of approximately 750 metres of shelf space in the Memorial's archives. These records contain detailed information on the orders, operational activities, casualties and other data on the operations of all units, including the D&E Platoon, during the military commitment of the Australian Task Force in Vietnam.

There was no equivalent requirement for the Australian Task Force to preserve many of its administrative records during the almost six-year-long involvement in Vietnam. It was rare for units to retain records such as unit roll books and other ephemera which were periodically destroyed. In the case of the unit records of the Headquarters Company of 1st Australian Task Force, there is no evidence in the form of consignment notes or other records that such material were retained or sent to the Memorial for accession into the collections.

In recent years, AWM staff have carried out exhaustive searches of relevant Army records in the Memorial's collections (including extant roll books, commander's diaries, establishment tables, *etc.*) but found no documentary evidence of the formation of a Second D&E Platoon. The Memorial acknowledges that it would not be uncommon for soldiers to refer to their units and formations by a variety of unofficial names and nicknames.

The activities and experiences of the D&E Platoon and its members on operations in South Vietnam are comprehensively covered in the forthcoming final volume of the official history of Australian involvement in the Vietnam War, *Fighting to the Finish: The Australian Army and the Vietnam War, 1968-1975*, by Ashley Ekins with the late Dr Ian McNeill, currently in production with the publisher Allen & Unwin, for publication at a date to be confirmed. The bravery of the soldiers of this sub-unit is acknowledged, particularly during the night ambush action, commanded by Captain Tom Arrowsmith MG at the village of Thua Tich in late May 1969.

The AWM and the Department of Veterans' Affairs (DVA) recognise all Vietnam veterans equally, regardless of the unit they served in, and they are consequently entitled to the same recognition for military service and the same level of benefits from DVA.