

Senate Foreign Affairs, Defence and Trade Legislation Committee
Budget estimates 2005–2006; June 2005
Answers to questions on notice from Department of Veterans' Affairs

Question 1

Outcome 1 (Compensation)

Topic: Benefits for convicted criminals

Senator Mark Bishop

(written question on notice)

- (a) In previous estimates evidence was given concerning the matter of a war widow jailed for manslaughter, receiving a war widow's pension upon the death of her husband—for whose death she was found guilty of manslaughter. Has any action been advised to change the law for such circumstances, and if so, what?
- (b) Another case has come to light whereby a convicted paedophile is reported as continuing to receive a pension, viz., the case of Derek Percy—refer Herald Sun, 8 May. What are the circumstances in this case and the law which enables such persons to continue to receive benefits whilst in prison. Is any action planned to address this matter?

Answer:

- (a) No. However, the Repatriation Commission is considering guidelines for implementation. These guidelines adopt the Forfeiture Rule whereby a person forfeits their pension, which has been gained as a result of their contributing to the death of a veteran.
- (b) Mr Percy is not a DVA pensioner.

Question 2

Outcome 1 (Compensation)

Topic: MCRS legal services

Senator Mark Bishop asked:

Once you are fully operational, how many cases are you expected to handle internally with this new resource? (Hansard p. 77)

Answer:

It is expected that 300 cases per year can be handled with the new resource.

Senate Foreign Affairs, Defence and Trade Legislation Committee
Budget estimates 2005–2006; June 2005
Answers to questions on notice from Department of Veterans' Affairs

Question 3

Outcome 1 (Compensation)

Topic: Deseal/reseal—non–SHOAMP related claims

Senator Mark Bishop asked:

What is the cost of these claims to date by way of lump sums? (Hansard p. 84)

Answer:

Lump sum permanent impairment payments to people who were involved in deseal/reseal activities but where acceptance of conditions was not dependant upon the SHOAMP report totalled \$3 856 078.80 as at 25 August 2005.

Question 4

Outcome 1 (Compensation)

Topic: Financial Information Service

Senator Mark Bishop asked:

The complaint I have comes out of New South Wales—Daryl Melham's seat. ... His office is complaining about the curtailment of the services in this area. Why was this, and when did it occur? (Hansard p. 90)

Answer:

The Veterans' Affairs Financial Information Service (VAFIS) previously provided by all DVA State Offices was discontinued by most State Offices as a result of a marked reduction in demand. Veterans and their dependants seeking financial information are generally referred to the Financial Information Service (FIS) provided by Centrelink, which has an extensive network of offices and geographic coverage.

In New South Wales the VAFIS was discontinued in 2002. However, one former VAFIS officer still answers financial questions.

The Victorian State Office has continued to provide a VAFIS service. Two officers provide information on investment options and effects on DVA benefits. Enquiries on Financial Information in other states, if received, are referred to the experienced FIS officers of Centrelink.

Senate Foreign Affairs, Defence and Trade Legislation Committee
Budget estimates 2005–2006; June 2005
Answers to questions on notice from Department of Veterans' Affairs

Question 5

Outcome 1 (Compensation)

Topic: Rehabilitation services under MRCS

Senator Mark Bishop asked:

What are the numbers referred to rehabilitation services and those with a successful outcome from rehabilitation under the MRCS. (Hansard p. 91)

Answer:

Between 1 July 2004 and 30 June 2005 (inclusive), 17 people were referred to rehabilitation services. Of these, 6 people required a vocational rehabilitation plan. One person, who required a vocational rehabilitation plan, has returned to work and the remaining 5 people are still undergoing rehabilitation.

Question 6

Outcome 1 (Compensation)

Topic: Rehabilitation under MRCS

Senator Mark Bishop asked:

Have any payment of entitlements been suspended as an encouragement to persons to undergo rehabilitation. (Hansard p. 91)

Answer:

No compensation entitlements have been suspended under the MRCA due to a person refusing or failing to undergo a rehabilitation assessment or to take part in a rehabilitation program.

Question 7

Outcome 1 (Compensation)

Topic: Response to Senate Committee report

Senator Mark Bishop asked:

When can we anticipate a response on the Senate committee report on “Administrative review of veteran and military compensation and income support”?

Answer:

The response was tabled in Parliament on 16 June 2005.

Senate Foreign Affairs, Defence and Trade Legislation Committee
Budget estimates 2005–2006; June 2005
Answers to questions on notice from Department of Veterans' Affairs

Question 8

Outcome 1 (Compensation)
Topic: Legal expenditure

Senator Ludwig asked:

Answer not received yet.

Question 9

Outcome 2 (Health)
Topic: Veterans' Home Care

Senator Mark Bishop
(written question on notice)

- (a) Of the new funds allocated to Homecare, what proportion is allocated to operating costs?
- (b) Since the extra funds have been provided, how many extra individuals have received services for the first time, and how many have had service hours extended?
- (c) How many clients have had services reduced since January this year?

Answer:

- (a) None of the additional \$13.1 million per annum allocated to Veterans' Home Care in 2004-05 is allocated to operating costs.
- (b) Since 1 January 2005, an additional 8,207 veterans and war widow/ers have been assessed for services for the first time.

Aggregate data on service hours is not readily available at recipients level. However, the number of approved hours nationally increased from 337,340 for the month of December 2004 to 360,712 for the month of May 2005.

- (c) No recipients have had services reduced since January 2005 due to program financial constraints. However, services can be reduced if assessors identify a reduced need for assistance, or when recipients no longer satisfy the eligibility criteria for Veterans' Home Care services.

As advised above, aggregate data on service hours is not readily available at recipients level.

Senate Foreign Affairs, Defence and Trade Legislation Committee
Budget estimates 2005–2006; June 2005
Answers to questions on notice from Department of Veterans' Affairs

Question 10

Outcome 2 (Health)

Topic: Dental Care Representation

Senator Mark Bishop

(written question on notice)

I've received a representation from a veteran who lost a filling en route Sydney/Singapore but says that DVA won't reimburse him the cost of the treatment he needed in Singapore.

- (a) What's the policy in cases such as this—even where the veteran was in Australian airspace when the mishap occurred?
- (b) Is there any possibility that this case could be reviewed?

Answer:

- (a) In circumstances where a veteran has received treatment overseas, the Department of Veterans' Affairs will only reimburse these costs where they involved the treatment of an accepted service-related disability.

Further to this, the veteran needs to notify the Department of their intention to travel overseas prior to their departure. The Department cannot guarantee payment for overseas treatment expenses where this notification did not take place.

Except for emergency treatment, the Department will only reimburse reasonable expenses. The veteran may, therefore, be reimbursed an amount equivalent to the cost of the treatment had it been provided in Australia.

The Department will not reimburse treatment expenses where the veteran decides to travel outside of Australia for the specific purpose of receiving treatment.

To claim the veteran needs to submit a claim under the Medical Expenses Privately Incurred scheme. The claim must be accompanied by the original accounts for the treatment.

Although the Department has the capacity to reimburse overseas treatment costs, subject to the above conditions, veterans are also strongly encouraged to consider taking out travel insurance.

Finally, consideration is only given to where the treatment was provided, not where the mishap preceding the treatment occurred.

- (b) If the veteran in question has submitted a claim under the Medical Expenses Privately Incurred scheme, the decision not to grant the claim can be reviewed.

However, the veteran will need to provide information, further to that supplied in support of the original application, for this review.

Senate Foreign Affairs, Defence and Trade Legislation Committee
Budget estimates 2005–2006; June 2005
Answers to questions on notice from Department of Veterans' Affairs

Question 11

Outcome 2 (Health)

Topic: RPBS

Senator Mark Bishop asked:

What proportion of RPBS veterans reach the threshold of 52 scripts a year? (Hansard p. 69)

Answer:

In the 2004 calendar year, 40 per cent of eligible veterans who accessed the Repatriation Pharmaceutical Benefits Scheme (RPBS) reached the threshold of 52 scripts a year.

Question 12

Outcome 2 Health/Output 6 (Corporate)

Topic: Military Compensation Schemes Liability

Senator Mark Bishop asked:

Could you give me an analysis of the reasons for the difference in liability over the two or three years in the two different schemes. (Hansard p. 73)

Answer:

On 1 July 2004 the Department assumed responsibility from the Department of Defence for the Military Compensation and Rehabilitation Service (MCRS) under the *Safety, Rehabilitation and Compensation Act 1988*. On the same date the Department also commenced the operation of the new Military Rehabilitation and Compensation Scheme (MRCS) under *the Military Rehabilitation and Compensation Act 2004*.

As a part of assuming responsibility for the MCRS a liability covering the cost of future claims was transferred to the Department from the Department of Defence. With the commencement of the MRCS on 1 July 2004 a liability is now also being recorded for future claims incurred under this Scheme.

At the time of the transfer to the Department of the Military Compensation Scheme the liability balance reported by and transferred from the Department of Defence stood at \$1,701.43 million, this being an estimate calculated by the Australian Government Actuary (AGA) of the liability at 30 June 2003.

The AGA has provided estimates of the liability balance of the Military Compensation Schemes for the next 9 years, these being calculated on the basis of benefits payable under the old Scheme (MCRS). These estimates will allow for the liability to be accurately reported by the Department in the forward estimates. The

Senate Foreign Affairs, Defence and Trade Legislation Committee
 Budget estimates 2005–2006; June 2005
 Answers to questions on notice from Department of Veterans' Affairs

table on the following page shows the total liability provision estimates as calculated by the AGA, for both Schemes for the financial years ending 2003 through to 2008.

Financial Year Ending	Liability Balance (MCRS)	Liability Balance (MRCS)	Total Liability Provision
30 June 2003	1,701.4	0	1,701.4
30 June 2004	1,751.6	0	1,751.6
30 June 2005	1,700.8	152.3	1,853.1
30 June 2006	1,651.2	310.1	1,961.3
30 June 2007	1,606.2	470.0	2,076.2
30 June 2008	1,565.6	633.0	2,198.6

* The report provided by the AGA was received after the financial statements for the year ending 30 June 2004 had been finalised. Therefore, an adjustment totalling \$151.67 million representing the increase for both the financial years 2004 (\$50.17 million) and 2005 (\$101.50 million) will be made to the closing balance of the liability at 30 June 2005.

An increase in a liability is funded by an increase in appropriation under accrual budgeting. Therefore, this increased appropriation recognises that the liability is increasing and provides the funding for the liability to increase.

During the preparation of the 2005–06 Portfolio Budget Statements (PBS), it was agreed with the Department of Finance and Administration (DoFA) that the increase in appropriation should be apportioned between the two Schemes and the relevant Outcomes on the basis of the estimated expenditure of the Schemes in 2004–05.

The following table shows a reconciliation of the movements in the liability provisions as presented in the 2005–06 PBS.

	MCRS (Old Scheme) (millions)	MRCS (New Scheme) (millions)	Total Liability (millions)
Transfer from Defence—as per AGA Estimate—30 June 2003	\$1,701.43	0	\$1,701.43
2005–06 PBS Est. Actual—2004–05—Outcome 1	\$103.57	\$9.95	\$113.52
2005–06 PBS Est. Actual—2004–05—Outcome 2	\$35.63	\$2.52	\$38.15
Estimated Liability Balance At 30 June 2005	\$1,840.63	\$12.47	\$1,853.10

Senate Foreign Affairs, Defence and Trade Legislation Committee

Budget estimates 2005–2006; June 2005

Answers to questions on notice from Department of Veterans' Affairs

2005–06 PBS Budget—2005–06—Outcome 1	\$67.78	\$13.65	\$81.43
2005–06 PBS Budget—2005–06—Outcome 2	\$23.31	\$3.46	\$26.77
Estimated Liability Balance At 30 June 2006	\$1,931.72	\$29.58	\$1,961.30

Although the overall liability provision balance is correct, the apportionment between the two Schemes differs from the estimates calculated by the AGA for each Scheme. Therefore, while the overall appropriation and liability provision balances are correct, changes will need to be made (in the 2005–06 Portfolio Additional Estimate Statements) to correct the apportionment between the two Schemes. This realignment will result in the appropriation of each Scheme and Outcome changing, however the overall appropriation and the total liability provision will remain unchanged.

The Department will continue to commission the AGA each year to calculate liability provision for the current and forward years. The resulting change in the appropriation to reflect the movement in the liability balance will continue to be reported in the Portfolio Budget Statements each year.

Question 13

Outcome 2 (Health)

Topic: Increase in health costs

Senator Mark Bishop asked:

What is the real percentage increase in health costs given the fall in the treatment population number? (Hansard p. 74)

Answer:

The average cost per gold card estimate from 2003–04 to 2008–09 is shown in the table below:

Year	Estimated Average Cost per Gold Card
2003–04*	\$11,450
2004–05#	\$12,400
2005–06#	\$13,900
2006–07#	\$15,200
2007–08#	\$16,800
2008–09#	\$18,450

* Final Figure

Estimates for 2004–05 and future financial years.

Senate Foreign Affairs, Defence and Trade Legislation Committee
 Budget estimates 2005–2006; June 2005
 Answers to questions on notice from Department of Veterans' Affairs

Note: The above estimates exclude the Residential Aged Care Subsidy and various minor items not directly related to veteran health care (e.g., health research).

Based on the estimates in the above table:

- the percentage increase from 2003–04 to 2004–05 is 8.3%
- the percentage increase from 2004–05 to 2005–06 is 12.1%;
- the percentage increase from 2005–06 to 2006–07 is 9.4%;
- the percentage increase from 2006–07 to 2007–08 is 10.5% and
- the percentage increase from 2007–08 to 2008–09 is 9.8%.

Question 14

Outcome 2 (Health)

Topic: Average annual growth rate in the cost of GP and specialist consultations

Senator Mark Bishop asked:

Do you have figures on the average annual growth rate in the cost of GP and specialist consultations over the last two years? (Hansard p. 75)

Answer:

The following annual growth rate is for the cost of GP consultations.

Financial Year (Australia)	Cost of GP consultations	Cost per Veteran
2002/03	\$138,198,411	\$447.92
2003/04	\$139,310,953	\$462.43
% increase	0.8%	3.2%

The following annual growth rate is for the cost of specialist consultations.

Financial Year (Australia)	Cost of specialists consultations	Cost per Veteran
2002/03	\$104,006,498	\$448.20
2003/04	\$106,550,038	\$470.28
% increase	2.4%	4.9%

Senate Foreign Affairs, Defence and Trade Legislation Committee
Budget estimates 2005–2006; June 2005
Answers to questions on notice from Department of Veterans' Affairs

Question 15

Outcome 2 (Compensation)

Topic: Dapsone study

Senator Mark Bishop asked:

What is the estimated population that might have been affected by the use of dapsone and the periods in which it was administered? (Hansard p. 88)

Answer:

Dapsone was used in Vietnam between September 1967 and February 1970. During this time it is estimated that 23,400 persons took the drug.

Question 16

Outcome 2 (Health)

Topic: Veterans Employment Training Scheme

Senator Mark Bishop asked:

What is the number of applicants who use the scheme and the number who get into work, both short term and long term. (Hansard p. 90)

Answer:

Since the scheme's inception in December 1997, there has been:

Referrals for Rehabilitation	1,722
Jobs Secured	565
Jobs sustained for 6 months or longer	433

Note: These figures are current to 31 March 2005.

Question 17

Outcome 2 (Health)

Topic: Veterans Employment Scheme

Senator Mark Bishop asked:

Has any review of the scheme been conducted apart from the CRS review you mentioned? (Hansard p. 90)

Answer:

Yes. An external evaluation of the scheme was completed in April 2000.

Senate Foreign Affairs, Defence and Trade Legislation Committee
 Budget estimates 2005–2006; June 2005
 Answers to questions on notice from Department of Veterans' Affairs

Question 18

Outcome 2 (Health)
 Topic: DMIS update

Senator Mark Bishop asked:

Can I get an update on the answer to question on notice 26, (from 5 November 2003 Hearing) outcome 2, Health DMIS? (Hansard p. 107)

Answer:

Current cost–benefit analysis indicates:

- the cost of DMIS to the end of 2004–05 was \$34.5M;
- estimated reductions in outlays (Administered) to the end of June 2005 were up to \$85M.

It is expected that savings will continue in the forward estimates and are expected to grow as new data marts come into operation.

DMIS costs and estimated savings

	2000–02	2002–03	2003–04	2004–05	Total
	\$ million				
DMIS Development cost— Access Economics report	17.7	6.0	5.6	5.2	34.5
Estimated savings—Access Economics report	8.1	24.6	25.7	26.6	85.0
Reduction in outlays (Administered)—Portfolio Budget Statement	20.8	14.0	15.0	31.5	81.3

The 2004–05 Budget provided funding to continue and expand the Managing Health Care Information programme. The expansion of the program is expected to result in savings of \$63.5 million over four years, and will cost \$21.5 million to administer, leading to a net saving of \$41.9 million over four years.

DMIS has eight data marts in operation:

- Private Hospitals;
- Community Nursing;
- Veterans' Home Care;
- Pharmacy;
- DOLARS (financial reporting from DVA's financial management system);
- Executive Decision Support System;
- Medical And Allied Health; and
- Compensation Business Processing.

Three other data marts are being developed for implementation in 2005–06.

Senate Foreign Affairs, Defence and Trade Legislation Committee
Budget estimates 2005–2006; June 2005
Answers to questions on notice from Department of Veterans' Affairs

Question 19

Outcome 3 (War Graves)
Topic: Boer War graves, South Africa

Senator Mark Bishop asked:

Are you aware if a contract has been let by the British Ministry of Defence to repair those graves? (Hansard p. 101)

Answer:

No. Approvals have not yet been obtained from South African authorities. Approvals are expected later this year following a further visit by the Director General, Commonwealth War Graves Commission.

Question 20

Outcome 3 (War Graves)
Topic: PNG press reports

Senator Mark Bishop asked:

Do you have any information on the media reports of skulls of Australian soldiers put on display for tourist purposes in Oro Province in PNG? (Hansard p. 103)

Answer:

The ADF has investigated the media reports, and this question should be referred to the Department of Defence.

Question 21

Outcome 3 Commemorations/Output 6 (Corporate)
Topic: Commemoration program

Senator Mark Bishop asked:

Can you give us a breakdown of where that \$8.6m is going to be spent in the next financial year? Is it for visits, delegations, memorials, educational material? Do we know what is going to be spent yet? (Hansard p. 95)

Answer: *Not received as yet.*

Senate Foreign Affairs, Defence and Trade Legislation Committee
Budget estimates 2005–2006; June 2005
Answers to questions on notice from Department of Veterans' Affairs

Question 22

Outcome 3 Commemorations/Output 6 (Corporate)

Topic: Commemoration program

Senator Mark Bishop asked:

Can you provide the Committee with a copy of the notional work program for the 2005-06 financial year? (Hansard p. 95)

Answer: *Not received as yet.*

Question 23

Output 6 (Corporate)

Topic: Electorate grants

Senator Mark Bishop asked:

Was there any differential posting time for government members as opposed to non-government members? (Hansard p. 96)

Answer:

The letters advising Members of Parliament of the availability of Electorate Grants under the 2005 Commemorations program were provided to the staff of the Ministers Office on 28 May 2005. All letters were posted by the close of business on 30 May 2005.

Question 24

Output 6 (Corporate)

Topic: Sick leave and unscheduled absences

Senator Mason asked:

For each of the last four financial or calendar years for which this information is available:

- a) what was the average number of sick leave days taken per full-time equivalent employee;
- b) what was the average number of days of unscheduled absence (encompassing all types of leave) taken per full-time equivalent employee.

Answer:

- (a) The following table lists the average number of sick leave days taken per Full Time Equivalent (FTE) employee.

Senate Foreign Affairs, Defence and Trade Legislation Committee
 Budget estimates 2005–2006; June 2005
 Answers to questions on notice from Department of Veterans' Affairs

Calendar year	2001	2002	2003	2004
Paid sick leave days per FTE	8.91	9.24	9.77	9.82
Unpaid sick leave days per FTE	0.48	0.43	0.60	0.46

(b) The following table lists the average number of days of unscheduled absence per Full Time Equivalent (FTE) employee.

The definition used for unscheduled absence includes personal and miscellaneous leave of less than 10 days, both paid and unpaid leave.

Calendar year	2001	2002	2003	2004
Unscheduled leave taken per FTE	7.75	7.31	9.72	9.15

Question 25

Output 6 (Corporate)

Topic: Sick leave and unscheduled absences

Senator Mason asked:

Does the department collect, collate and analyse data about unscheduled absence and/or sick leave, for example, which days of the week that employees are away, reasons for absence, dates of absence, employee's age, gender, length of service and work unit location?

Answer:

Yes. Data on unscheduled absence and sick leave is recorded on the Department's payroll and human resources information system. Therefore, complex analysis is possible based on date and duration of leave, absence reason and employee characteristics such as age, gender and work location. Examples of data analysis undertaken are:

- Unscheduled absence is reported in the Department's quarterly Balanced Scorecard and six-monthly Workforce Reports.
- The national absence management project, commenced in 2003–04, has included detailed reporting on absence patterns and trends to the Executive Management Group.

Senate Foreign Affairs, Defence and Trade Legislation Committee
Budget estimates 2005–2006; June 2005
Answers to questions on notice from Department of Veterans' Affairs

Question 26

Output 6 (Corporate)

Topic: Sick leave and unscheduled absences

Senator Mason asked:

Does the department record the number and/or percentage of working days lost due to unscheduled absence and/or sick leave in the Annual Report?

Answer:

Yes, the Department records the percentage of working days lost due to unscheduled absence in the Annual Report.

Question 27

Output 6 (Corporate)

Topic: Sick leave and unscheduled absences

Senator Mason asked:

Does the department record the cost of unscheduled absence and/or sick leave in annual financial statements?

Answer: No.

Question 28

Output 6 (Corporate)

Topic: Anzac Bridge, Sydney

Senator Mark Bishop asked:

How did Anzac Bridge in Sydney get named? What is the story there? (Hansard p. 108)

Answer:

The Premier of New South Wales, the Hon Bob Carr MLA, wrote to the then Minister for Veterans' Affairs, the Hon Bruce Scott MP, on 8 May 1998 seeking approval to rename the Glebe Island Bridge, Anzac Bridge. The bridge was to be dedicated to Australia's servicemen and women as a reminder of Australia's continuing respect for the sacrifice made by these men and women.

The Department of Veterans' Affairs was advised that Mr Carr had consulted the then State President of the Returned & Services League of Australia (RSL), Mr Rusty

Senate Foreign Affairs, Defence and Trade Legislation Committee
Budget estimates 2005–2006; June 2005
Answers to questions on notice from Department of Veterans' Affairs

Priest, who, after formal consultation with his membership, reported that there had been general support for the use of the word 'Anzac' in the new name of the bridge.

Mr Scott wrote to Mr Carr on 20 August 1998 to advise him that he had approved use of the word 'Anzac' for the bridge. Mr Scott noted the RSL's concerns that the bridge should not be depicted in any advertising and that due respect should be accorded to the name and meaning of the word 'Anzac'. The approval was subject to these conditions.

The bridge was renamed Anzac Bridge on Remembrance Day 1998.

Question 29

Output 6 (Corporate)

Topic: Efficiency dividends

Senator Carr asked:

- a) What financial impact will the increased efficiency dividend have on your Department/agency this financial year and in the out years?
- b) The increase in the efficiency dividend was announced in last year's elections, what plans have you made to meet it?
- c) What will this mean for staff numbers?
- d) Will any specific programs be cut? Please specify which ones and the size of the estimated savings?
- e) Will any core functions be affected by these savings measures?
- f) How will meeting the efficiency dividend affect your graduate recruitment plans?
- g) How will meeting the efficiency dividend affect your ability to retain experienced staff?

Answer:

(a) Since 2002–03 the Department of Veterans' Affairs (DVA) has delivered savings to Government in accordance with an Output Pricing Agreement, which expired 30 June 2005. During this period the Department has not been subject to the efficiency dividend. From 2005–06, DVA is subject to the efficiency dividend at the rate of 1.25% of annual appropriations. This rate reduces to 1% from 2008–09. The impact of the efficiency dividend for DVA is \$3.5 million in 2005–06, \$3.6 million in 2006–07, \$3.6 million in 2007–08 and \$3.1 million in 2008–09.

(b) The Department has a number of systems and procedural reviews planned to commence in 2005–06, the outcomes of which will assist in meeting the efficiency dividend. In light of the reducing veteran and war widow population, the Department is undertaking a major review of its service delivery framework to adjust to changing demands and to ensure efficient and high quality service delivery continues.

Senate Foreign Affairs, Defence and Trade Legislation Committee

Budget estimates 2005–2006; June 2005

Answers to questions on notice from Department of Veterans' Affairs

- (c) The net impact of the efficiency dividend in Full–Time Equivalent (FTE) staffing terms is difficult to quantify as any reductions will be offset to an extent by the implementation of new policy initiatives that require an increase in staffing. DVA will meet its efficiency dividend obligations in 2005–06 through a combination of reduced administrative and salary expenditures obtained through continuous improvement practices, and in the longer term through the review of the service delivery framework. Savings in salary expenditure will be achievable through natural attrition via retirements and resignations, along with the reductions in administrative expenditure.
- (d) It is not expected that programs will be cut.
- (e) It is not expected that any core functions will be affected.
- (f) The efficiency dividend will have no impact on graduate recruitment.
- (g) The efficiency dividend will not impact on the retention of experienced staff. Staff make their employment decisions according to their personal circumstances and career objectives, and the Department will continue to ensure that it remains competitive with other Commonwealth departments in the remuneration of its staff.

Question 30

Output 6 (Corporate)

Topic: AWAs

Senator Carr asked:

- a) How many staff are covered by AWAs in your Agency/Department?
- b) Can you provide a break down of AWA's by gender and by classification?
- c) Can you tell me how many of the staff on AWA's are paid more than the band for their classification under the certified agreement?
- d) Why were these staff not simply promoted to a higher classification?

Answer:

(a) As at 30 June 2005, 834 staff.

(b)

Classification	Female	Male	Total
APS4	3	7	10
APS5	0	2	2
APS6	228	178	406
EL1	105	160	265
EL2	42	74	116
SES	10	25	35

(c) Five.

Senate Foreign Affairs, Defence and Trade Legislation Committee
Budget estimates 2005–2006; June 2005
Answers to questions on notice from Department of Veterans' Affairs

- (d) For four staff, the increased salary reflects salary matching arrangements with their previous agency on transfer to the Department of Veterans' Affairs. For the fifth staff member, the increased salary is in recognition of particular professional skills and responsibilities.

Question 31

Output 6 (Corporate)
Topic: Performance pay

Senator Carr asked:

- a) Is performance pay available under your department/agencies certified agreement?
- b) If not how many staff in your Department/Agency are eligible for performance based pay?
- c) Please provide a breakdown of performance pay awarded for this financial year to date including the following details:
 1. How many staff have received performance pay?
 2. What levels are those staff at?
 3. What gender, a breakdown please?
 4. How much has each staff member received?
 5. When did they receive it?
 6. What was the rationale for the awarding of performance pay in each instance?
 7. Did the Department/Agency head receive performance pay?
 8. How much?
 9. When?
 10. On what grounds?

Answer:

- (a) Performance pay is not available under the Department's certified agreements. Performance pay was available in previous certified agreements until September 2004 to employees who were at the top of the salary range for their level.
- (b) Performance based pay is available to staff who are on an AWA. As at 30 June 2005, 834 staff are eligible for performance based pay.
- (c) (1) 2235 staff received performance based pay during 2004–05.

Senate Foreign Affairs, Defence and Trade Legislation Committee
 Budget estimates 2005–2006; June 2005
 Answers to questions on notice from Department of Veterans' Affairs

(c) (2–4)

Classification	Female	Male	Average Payment
APS1	9	9	\$334
APS2	52	46	\$348
APS3	184	124	\$384
APS4	119	76	\$514
APS5	265	198	\$471
APS6	313	262	\$1330
EL1	135	246	\$2236
EL2	47	93	\$3306
MO	7	8	\$1584
SES	10	32	\$7306

(c) (5)

Date of payment	Payments made
15/07/2004	2
12/08/2004	2
26/08/2004	4
09/09/2004	737
23/09/2004	1447
07/10/2004	10
21/10/2004	4
04/11/2004	1
02/12/2004	3
30/12/2004	3
27/01/2005	1
10/02/2005	12
24/02/2005	4
24/03/2005	3
30/06/2005	2

(c) (6)

AWA employees are eligible for performance payments after they have received a satisfactory performance assessment.

(c) (7–10)

The Department of the Prime Minister and Cabinet has advised the Department that it is responding to these questions for all agencies.

Question 32

Output 6 (Corporate)
Topic: Languages

Senator Ludwig asked:

- 1) A follow-up to a question Senator Ludwig asked in December ...
- 2) Regarding the employees that your department or agency has identified as having:
 - a) fluency
 - b) accredited translator
 - c) accredited interpreter.
- 3) Of these employees, please indicate what the department is doing in order to make full use of its employees skills in this regard, and please provide a breakdown of this between employees whose accreditation was paid for by the department and those whose were not?

Answer:

The Department does not identify language fluency or translator/interpreter accreditation for employees.

Australian War Memorial

Question 33

Australian War Memorial
Topic: Efficiency dividends

Senator Carr asked:

- a) What financial impact will the increased efficiency dividend have on your Department/agency this financial year and in the out years?
- b) The increase in the efficiency dividend was announced in last year's elections, what plans have you made to meet it?
- c) What will this mean for staff numbers?
- d) Will any specific programs be cut? Please specify which ones and the size of the estimated savings?
- e) Will any core functions be affected by these savings measures?
- f) How will meeting the efficiency dividend affect your graduate recruitment plans?
- g) How will meeting the efficiency dividend affect your ability to retain experienced staff?

Senate Foreign Affairs, Defence and Trade Legislation Committee
Budget estimates 2005–2006; June 2005
Answers to questions on notice from Department of Veterans' Affairs

Answer:

- a) Reduction of \$467,000 in general operational funding to be achieved from internal efficiency gains.
- b) Budgets and non-government revenue targets have been framed to take account of the increase.
- c) Staff numbers will not be affected.
- d) It is not expected that programs will be cut.
- e) It is not expected that any core functions will be affected.
- f) Not applicable.
- g) No impact is expected.

Question 34

Australian War Memorial

Topic: AWAs

Senator Carr asked:

- a) How many staff are covered by AWAs in your Agency/Department?
- b) Can you provide a break down of AWA's by gender and by classification?
- c) Can you tell me how many of the staff on AWA's are paid more than the band for their classification under the certified agreement?
- d) Why were these staff not simply promoted to a higher classification?

Answer:

- a) 3
- b) Two female, one male, all at SES Band 1
- c) Remuneration for SES is not provided for within the Memorial's Certified Agreement as per Government parameters.
- d) Not applicable.

Question 35

Australian War Memorial

Topic: Performance pay

Senator Carr asked:

- a) Is performance pay available under your department/agencies certified agreement?
- b) If not how many staff in your Department/Agency are eligible for performance based pay?

Senate Foreign Affairs, Defence and Trade Legislation Committee

Budget estimates 2005–2006; June 2005

Answers to questions on notice from Department of Veterans' Affairs

- c) Please provide a breakdown of performance pay awarded for this financial year to date including the following details:
1. How many staff have received performance pay?
 2. What levels are those staff at?
 3. What gender, a breakdown please?
 4. How much has each staff member received?
 5. When did they receive it?
 6. What was the rationale for the awarding of performance pay in each instance?
 7. Did the Department/Agency head receive performance pay?
 8. How much?
 9. When?
 10. On what grounds?

Answer:

- a) No. A general bonus to all staff is payable up to 2% if overall Memorial performance meets targets.
- b) 3
- c)
1. 3
 2. SES Band 1
 3. 1 male, 2 females
 4. As a response to this question involves the disclosure of “personal information” relating to an individual, I do not propose to provide such details for publication in the Hansard.
 5. August 2004
 6. Performance against Business Plan.
 7. Yes
 8. As a response to this question involves the disclosure of “personal information” relating to an individual, I do not propose to provide such details for publication in the Hansard.
 9. August 2004.
 10. Performance assessment by the employing body ie The Australian War Memorial Council.

Senate Foreign Affairs, Defence and Trade Legislation Committee
Budget estimates 2005–2006; June 2005
Answers to questions on notice from Department of Veterans' Affairs

Question 36

Australian War Memorial

Topic: Legal service expenditure

Senator Ludwig asked:

1. What amount did the Department/agency spend during the financial year 2004–2005 on outsourced legal practitioners (including private firms, individuals, the Australian Government Solicitor, and any others)?
2. What was the budgeted amount for outsourced legal practitioners in 2004/2005?
3. What amount did the Department/agency spend on internal legal services? (Provide an estimate if exact amount is unavailable.)
4. Does the Department/agency have an in-house legal section? If so, what was the 2004/2005 actual cost of this section? What was the budgeted amount for this section in 2004/2005? What is the budget amount for this section in 2005/2006?
5. What is the total projected expenditure on legal services for 2005/2006 for the Department/agency?
6. Which organisations or individuals were contracted to provide legal services to the Department/agency in 2004/2005?
7. In each instance, how much was each organisation or individual paid for these services?
8. Does the Department/agency use an open tendering or select tendering process (as described in the Commonwealth Procurement Guidelines, p 42) when procuring legal services?
9. If a select tendering process is used: (a) which method of select tendering is used and (b) which firms or individuals are currently eligible to tender for legal services?
10. If a multi–use list is used: (a) which firms or individuals are currently on that list and (b) when was the list last opened for applications?
11. In 2004/2005 did the Department/agency obtain any legal services using a direct sourcing procurement process? If so, provide details including the name of the provider, the work involved and the cost?
12. In 2004/2005 did the Department/agency procure any legal services under the thresholds required for ‘covered procurements’ (within the meaning of 8.6 of the Commonwealth Procurement Guidelines)? If so, provide details including the name of the provider, the work involved and the cost.
13. In 2004/05 did the Department/agency contract any legal firms to provide services other than legal services (such as consulting, conduct of policy reviews etc)? If so, provide details including the name of the firm, the project involved and the cost of the contract.

Senate Foreign Affairs, Defence and Trade Legislation Committee
Budget estimates 2005–2006; June 2005
Answers to questions on notice from Department of Veterans' Affairs

Answer:

1. \$7,615.82
2. \$80,000 reserve/pool
3. Nil in-house.
4. The Memorial does not have an in-house legal section.
5. Based on history, less than \$20,000 as there are no unusual requirements expected.
6. Australian Government Solicitor
Meyer Clapham Lawyers
Sparke Helmore Solicitor
7. Australian Government Solicitor \$3,129.00
Meyer Clapham Lawyers \$3,286.82
Sparke Helmore Solicitor \$1,200.00
Total \$7,615.82
8. The Memorial has not been subject to the CPG's prior to 1 January 2005. Future procurement of legal services will be in accordance with the CPGs. Mandatory requirements for CPGs only apply to the Memorial for procurement over \$400,000.
9. N/A to date
10. N/A to date
11. Refer to Answer to Q6
12. No
13. No

Question 37

Australian War Memorial

Topic: Languages

Senator Ludwig asked:

1. A follow-up to a question Senator Ludwig asked in December ...
2. Regarding the employees that your department or agency has identified as having:
 - a) fluency
 - b) accredited translator
 - c) accredited interpreter
3. Of these employees, please indicate what the department is doing in order to make full use of its employees skills in this regard, and please provide a breakdown of this between employees whose accreditation was paid for by the department and those whose were not?

Answer: Not applicable.