



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

PROOF

Main Committee

**MILITARY REHABILITATION AND
COMPENSATION AMENDMENT
(MRCA SUPPLEMENT) BILL 2011**

Second Reading

SPEECH

Thursday, 24 March 2011

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

SPEECH

<p>Date Thursday, 24 March 2011 Page 82 Questioner Speaker Robert, Stuart, MP</p>	<p>Source House Proof Yes Responder Question No.</p>
------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------

Mr ROBERT (Fadden) (10.55 am)—I rise to lend some comment on the Military Rehabilitation and Compensation Amendment (MRCA Supplement) Bill 2011, and in doing so I acknowledge across the chamber the Parliamentary Secretary for Agriculture, Fisheries and Forestry, the Hon. Mike Kelly, a veteran of Somalia and a man of great military experience—someone who you would expect, with a government that likes to flaunt its credentials in defence, the military and, indeed, national security, would be at the forefront of all that the government would do in this. He started his parliamentary life, of course, as the Parliamentary Secretary to the Minister for Defence but then, in the government's great wisdom in hindsight, it moved him to Forestry, Fisheries and Agriculture. That speaks volumes about how much this government cares about veterans, defence and national security. It is important that we look not at what a government says but at what a government does. When it takes its finest mind on defence and puts it with trees and fish, it sends a very clear message that that is how this government views defence.

This bill will bear testimony—be under no doubt—to the wanton indifference this government has to defence issues. The MRCA supplement bill seeks to make only minor amendments to the Military Rehabilitation and Compensation Act 2004. Indeed, it simply seeks to clarify entitlements with regard to certain allowances and supplements in order to ensure eligible widows and widowers are not overpaid. It is ostensibly a housekeeping bill. I agree with the government that the housekeeping amendments are appropriate. However, they are only appropriate and only necessary because the Labor government failed to conduct its appropriate due diligence when introducing the changes to the way that these certain pensions were paid. This bill is once more symptomatic of Labor's piecemeal approach to managing the Veterans' Affairs portfolio and caring for Australian veterans and defence.

Not only do you look at the way they act in moving the Parliamentary Secretary for Defence—a highly capable and professional military officer and politician—into trees and fishes; you simply need to look at the wide variety of mistakes in legislation that continues to bear testimony to this. So let us look at the background of this to understand how Labor got to this farcical position of having to legislate to fix up one more of its errors. On 20 September 2009, the Labor government changed the way certain pensions were paid under the pension reform package. The MRCA supplement became payable from 20 September 2009 and replaced the telephone and pharmaceutical allowances that were payable prior to that date. Under the MRC Act, compensation pension payments to eligible veterans and their dependants are paid weekly. However, under the Veterans' Entitlements Act 1986 and the Social Security Act 2001, payments are paid fortnightly.

Furthermore, under the MRC Act a weekly payment can be converted to a lump sum. Prior to 20 September 2009, where a lump sum was selected, the wholly dependent partner continued to receive the fortnightly pharmaceutical allowance. However, after 20 September, the pharmaceutical allowance became part of the weekly war widow pension and is therefore included in the calculation of the total lump sum payment. Stay with me; I know it is difficult for the Labor Party to comprehend where this is going. The result of these changes and these moves and the result of these legislative amendments that the government put in, and the reason for the introduction of this very bill, is that some widows who may have already received a lump sum, including the equivalent pharmaceutical allowance, may also be receiving the MRCA supplement. This could lead to a so-called double-dip of entitlements. Notwithstanding provisions which already exist in the legislation to prevent multiple entitlements from occurring, this bill seeks to clarify arrangements relating to the MRCA supplement and lump sum payments after 20 September 2009. The Labor Party is simply fixing up the mess that it legislated itself into.

Clearly, we support the bill. We support standing up for veterans and our defence community. We support Labor fixing up their own abhorrent mistakes. The end result is more important for the nation, and it is good that Labor comes forward and says *mea culpa*, indeed *mea maxima culpa*—'I have really stuffed up'.

But this is not about just the area of this particular bill. The issue of wanton disregard for veterans goes wider but is symptomatic and links through to this bill. Indeed, the coalition and the veteran and ex-service community

remain very sceptical of the Gillard Labor government's agenda when it comes to managing the full gamut of what is a complex Veterans' Affairs portfolio. It continues to be piecemeal in its detail, especially when unfortunately the government has dictated that only one quarter of the time of the minister—Minister Snowdon, who I have some high regard for; I think he is a very decent man—can be spent on the incredibly complex portfolio of Veterans' Affairs.

The Howard government had a full-time veterans' affairs minister. That is the regard in which we held the veterans in our community—a full-time minister. Again, as we started we said, 'Don't look at what the Labor government says. Look at what they do.' They have taken a highly competent former officer and parliamentarian in Mike Kelly and put him in charge of fishes and trees. We have Minister Snowdon, who is the Minister for Veterans' Affairs, the Minister for Defence Science and Personnel—another highly complex area—the Minister for Indigenous Health—yet another highly complex area—and now the Minister Assisting the Prime Minister on the Centenary of Anzac. I do not care how good a minister you are; you cannot deal with four challenging areas especially Indigenous Health, Defence Science and Personnel, and Veterans' Affairs. I do not care if Minister Snowdon is Superman. He is clearly and utterly unable, as anyone would be, to manage such portfolios in diverse and complex areas. But that is the degree of contempt and disdain that this government has for veterans and the defence community. Do not listen to what the government says. Watch what the government does.

Because you have a minister so overtaxed and across so many different areas, he is just not able to be across the detail. It is not his fault. This is what the Labor government dealt him. That is why we are seeing this bill today fixing a mistake from a previous bill yesterday. Perhaps that explains how the Labor government dropped the ball on the funding for the Australian War Memorial. Again, that is symptomatic of the ball being dropped by an overworked minister. This government had to be dragged kicking and screaming into providing the bare minimum of funding to ensure services at the War Memorial were maintained. It was an 11th-hour rescue package; it was at the 11th minute of the 11th hour. The Gillard Labor government denied there was even a problem and dismissed the growing calls from the Council of the Australian War Memorial. In fact, letters between the Council of the Australian War Memorial and the former Minister for Veterans' Affairs, Alan Griffin, belled the cat on the memorial's financial crisis more than 11 months ago.

The government were dragged kicking and screaming to provide the funding. They did not even come close to matching the coalition's \$25 million commitment for the refurbishment of the World War I galleries. Credit should go to my colleague the honourable senator Michael Ronaldson for fighting so hard to ensure that the War Memorial, an institution of national and historical significance, remains properly funded.

This bill, as once again it is incredibly disappointing to say, is just another in a series of ad-hoc, on-the-run policy revisions carried out by a government that moves its competent ministers out, overtaxes its current ministers and ensures that these mistakes continue to occur. I accept the provisions of the bill. I think we all agree that they are appropriate to ensure that people do not find themselves inadvertently double-dipping, especially widows finding themselves in the dreadful position where perhaps not of their own making or doing they are forced to repay funds back to the Commonwealth—as if the horror of losing their partner were not enough. I accept that these are appropriate to ensure that does not happen. But this bill is only necessary because this was not done properly in the first place. It is a failure of the duty of a minister to ensure they know what they are doing.

I find it fascinating to look at what Minister Snowdon said in his second reading speech on this bill. Poor minister, so overworked and I am sure he did not write his own speech: if he had he would not have said this:

The bill demonstrates the government's commitment to continually review, update and refine our operations to provide the optimum level of services and support to our current and former military personnel and their dependants.

May I say gently that I take enormous offence at the statement from the minister. Last week—only seven days ago—the government released the *Review of military compensation arrangements* report. Was it a week late? Was it a month late? It was 12 months late. How the minister can stand in the House and say that they are refining their operations to provide 'the optimum level of services' when they provide responses 12 months late is beyond me. I encourage the government to do this: try that optimum level of service out there in the community. Say to Centrelink, 'Don't bother responding to your constituents for 12 months', because clearly that is an optimum level of service. Say to the department of health: 'Don't bother getting back to people requesting a district of workforce shortage determination for 12 months', because that is an optimum level of service. I would say this to the parliamentary secretary when your constituents want you to look at forestry, fisheries and other areas: 'Don't reply to them, Sir. You've got 12 months.' That is because your senior minister says that is an optimum level

of service. I think this government has hit an all-time low in defining what service levels are. It is not surprising given that 90 per cent of their frontbench is from the unions with no experience in business. They would know if they had business experience what an optimum level of service was.

Secondly, the government is yet to release its response to the Podger review report, also known as the *Report of the review into military superannuation arrangements*. The Labor government has had this review, which deals with all veterans' issues, especially as to superannuation, for three years. So three years and still no response on the Podger review, but clearly, as Minister Snowdon says, they are reviewing, updating and refining their operations to provide an optimum level of service!

Thirdly, how can the minister possibly argue that he, along with the Gillard Labor government, is acting to provide optimum support for former military personnel and their dependants when they are actively trying to block right now, at this very second in the other place, the coalition's Defence Force Retirement and Death Benefits Amendment (Fair Indexation) Bill 2010? The reality is the coalition is the only party in the parliament who have a full range of full-time shadow ministers committed to ensuring an optimum level of service for our veteran community and our defence force. We are the only party that is properly engaged with military superannuation when it comes to indexation. We are the only party who want to see reviews paid for at taxpayer expense to be properly released in appropriate time frames to allow ex-service organisations and the community to respond to them. If this Labor government were serious about reform and about caring for veterans and their dependants—which they claim—and if this government were demonstrating their commitment—in the minister's own words to 'continually review, update and refine our operations to provide an optimum level of service and support to our current and former personnel'—then I would implore them to support the coalition's bill in the Senate right now. I have come straight from the Senate to here, where the minister for finance is railing against our bill whilst the Minister for Veterans' Affairs has been standing there saying that they are providing an optimum level of service and support to our veterans. There is a huge disconnect between both houses of parliament.

I remind the government that before the 2007 election, and leading into the 2010 election, they said they were committed to fair indexation of pensions and committed to supporting our veterans. I say to them now: where the rubber hits the road, when there is a bill in the Senate right now being debated this second, let us see where your level of commitment is to provide an optimum level of service and support to veterans. I hold a degree of respect for the parliamentary secretary, Mike Kelly. I know he wrote to the minister for finance imploring him to stand up and accept what they did in 2007 and index the military pensions. I know he wrote, and that is a testament to the man on the other side of the chamber. But the government did not listen to its own expert on defence and veterans' issues. The one person who actually knows what the hell is going in Defence was not listened to. And that is to the enduring shame of the Labor Party.

In wrapping up, may I say we support the housekeeping bill. We do not want to see widows or widowers inadvertently left out in the cold, faced with a bill from the Commonwealth. That is not how we want to see those who have given so much for our nation. We support Labor fixing its stuff-ups. It is not controversial, but it does demonstrate—it does show without a shadow of a doubt; it does put clearly on the table for all to see—that this government is not across the Veterans portfolio, it is not across the Defence portfolio and it is not committed to those who served and who serve our nation. If it were, it would have full-time ministers. If it were, it would look at the expertise on its front bench and it would use that expertise where it is best able to be used. If it were, it would back up and fulfil the promises it made to the Australian people. I implore the government to get its house in order on veterans and defence issues or, I guarantee, the nation will make sure its house is put in order.