



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



**HOUSE OF REPRESENTATIVES**

**BILLS**

**Veterans' Entitlements Amendment Bill 2011**

**Second Reading**

**SPEECH**

**Thursday, 16 June 2011**

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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## SPEECH

**Date** Thursday, 16 June 2011  
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**Questioner**  
**Speaker** Mr ROBERT

**Source** House  
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(Fadden) (NaN.NaN pm)

Mr ROBERT (Fadden) (12:08): I rise on behalf of the coalition to comment on the Veterans' Entitlements Amendment Bill 2011 and I acknowledge the Minister for Veterans' Affairs in the House this morning. There are three schedules to the bill. The opposition will not oppose the bill but will certainly move in the Senate for the bill, especially schedule 2, to be examined by a Senate committee to more fully understand the issue of the offsetting of compensation under multiple acts and to allow the various ex-service organisations, DSOs, to further provide any comment to the parliament on their view of the offsetting of compensation.

Before I move into the substantive detail of the bill, it is instructive, as we deal with veterans' entitlements, to let the House know that a mere hour ago the Senate decided to vote against the private member's bill in the name of Senator Ronaldson which would have provided fair, just and equitable indexation for defence pensions—DFRDB and DFRB—and would have brought them into line not only with the CPI but with the living cost index and with male total average weekly earnings, currently set at a bit above 27½ per cent. The private member's bill was put into the Senate in honour of the coalition's election promise that we would index pensions for those on DFRDB and DFRB to bring them into line with age pensions. It was our intent that we would rectify an injustice. Using the government's own words, today could be seen as 'fundamental injustice day' for the veterans of this nation—57,000 of them that have served in their nation's uniform for over 20 years.

In 2007, the Labor government went to the polls stating they would seek a fairer and more equitable indexation of defence pensions. That was their policy. That is what the soon-to-be Prime Minister Rudd, then the opposition leader, took to the Australian people. He stood there and promised that that was what he would provide the veterans. Whilst there was no opportunity for that government to come to this House and honour that promise, because they chose not to take that opportunity, we stood up with the courage of our convictions and told the veterans we would seek to legislate it and in the Senate we did that, but an hour ago the government joined by the Greens and Senator Xenophon chose to knock it down.

What I find particularly vexing is the hypocrisy and the effrontery of the Greens, who in the 2010 election went to the nation to say they would support equitable indexation of defence pensions. It was their election policy; they told the Australian people they would support it. People, I am sure, voted for them at face value. The Greens had the opportunity to do it, and they decided against it. Senator Bob Brown clearly looked for where the savings were. We estimated the cost over four years at about \$98 million; the government said \$175 million. Let us not quibble over the numbers, Minister. We presented to the Greens and to the Senate savings of up to \$280 million by slowing the rise of public servants from about 12.7 to 8.4 per cent. Over the forward estimates, that would have saved almost \$260 million. The Minister for Defence thought that was such a great idea that he took it himself and announced it as savings. The Greens wanted savings, they were given the savings and in the hour of the veterans' need the Greens, the Labor Party and Senator Xenophon were found wanting. At a time when they had the opportunity to stand up for the promises they had made to the Australian people, they were found wanting. At a time when vulnerable veterans needed the government and the Greens the most, they were found wanting.

Let it be known that the opposition will continue to honour the promise it made in the 2010 election. We will take it to the next election that we will index DFRDB and DFRB pensions by not only the CPI but MTAW and the new living cost index, because we are a party that honours its promises. That is the difference between the 'there will be no carbon tax under the government I lead' Labor Party and the opposition that honours its promise. When we say at an election campaign that we will do something, guess what—we will do it. We will not pull a stunt like that of the member for Lindsay in a land locked electorate who just prior to the last election was seen on an Armidale class patrol boat with the Prime Minister as if to say, 'I am strong on borders.' Guess what, member for Lindsay: you do not have a bloody border with the ocean—you are landlocked. What were you doing in Darwin on a naval warship apart from trying to show the Australian people, in some farcical way, that your party is strong on borders?

How many—over 10,000 illegal people and over 225 illegal boats? Spare me 'strong on borders'! The

coalition opposition will honour its promise. And the world and the nation knows that today, an hour ago, you decided not to honour your promise—and there is no running from it and there is no hiding from it, Minister. The veteran community know that you had the opportunity to honour your promise and you walked away from them. That is called fundamental injustice day, Minister.

Moving on to the bill, schedule 1 of this bill provides for a \$500 fortnightly payment to former Australian prisoners of war. Schedule 2 clarifies the operation of the Veterans' Entitlements Act 1986 with respect to the offsetting of compensation under multiple acts. Schedule 3 rationalises temporary incapacity allowances for veterans. As I have said, the coalition will not be voting against the bill in the House but we will seek to refer it to a Senate committee to further explore—particularly schedule 2—and to give veterans organisations the opportunity to fully understand and explore the concept of offsetting of compensation under acts.

In terms of schedule 1, from 20 September this year former Australian prisoners of war will each receive a \$500 payment each fortnight from the Australian government. It will be made to former military personnel and civilians who were taken prisoners of war during World War II and the Korean War. The payment will not be taxable and it will not affect a former POW's present access to income support under the VEA and the Social Security Act, or compensation payments under the VEA. It is considered a 'non-taxable supplement'. I am led to believe there are 900 Australians known by the department to be ex-prisoners of war. All known ex-prisoners of war will automatically receive the payment, which they will receive from 6 October. The coalition certainly supports the minister on this move.

I will put on the record that, as the minister would acknowledge, the coalition has a strong record of providing assistance to Australia's ex-prisoners of war. In 2001, all former Japanese prisoners of war received a \$25,000 tax-free, ex gratia payment from the Australian government. It was extended in 2003 to former Korean prisoners of war and, in 2007, to former German and Italian prisoners of war, who received similar payments. I am sure this move will be extremely welcomed by those Australian POWs who are eligible for the payment and by their families. I am certainly glad to be supporting the minister on this very worthwhile endeavour that he is moving to on schedule 1.

Schedule 2 of the bill seeks to clarify the operation of compensation provisions under the Veterans' Entitlements Act. Compensation offsetting is indeed a

longstanding principle under our repatriation system. The fundamental principle of the system is that compensation is paid for incapacity, not for a specific injury. The coalition believes that the changes proposed by this schedule should be investigated by a Senate committee to fully understand and to fully explore whether there are any unintended consequences or any issues that need to be teased out of some of these moves in schedule 2 to deal with the compensation offsetting. We will seek to refer the bill to enable the ex-service community to have an opportunity to have their input into the proposed changes. I think that is fair and reasonable.

Schedule 3 will rationalise the way incapacity payments are paid under the act. The changes in the bill will remove the temporary incapacity allowance. Instead of receiving this allowance payment, veterans will be entitled to seek access to the loss of earnings allowance, the LOE allowance. The LOE is paid where the veteran accrues an actual loss of earnings as a result of hospitalisation or treatment of accepted disabilities or illnesses. We are not opposed to the rationalisation. However, as I look at the Minister for Veterans' Affairs I certainly call on him to ensure that the changes are appropriately communicated to the veterans and ex-service community. Minister, if there were ever a time for the government to spend some money on advertising or on getting a message across, this would be it. Ditch the climate change nonsense in terms of that advertising and spend some money on this, Sir. Ensure that the changes are appropriately communicated so veterans understand fully exactly what is being proposed. When it comes to the veteran community, there is certainly nothing like ensuring people are well and truly informed, to take away any risks and to take away any anxiety they may indeed have when it comes to change. Much change is good. It is better when it is communicated well.

In terms of wider veterans issues, the minister and I have discussed this matter at length in consideration in detail on the budget, a mere day or two ago, but it is worth reiterating to the House some of the concerns that the coalition continues to have about how the government is working through the Veterans' Affairs portfolio. With credit to the minister, he is a very busy minister: he is the Minister for Veterans' Affairs, the Minister for Defence Science and Personnel, the Minister for Indigenous Health and the minister assisting with respect to the Anzac Day celebrations. I can only wonder what else the Prime Minister has given such a busy, busy minister. Our view though is that Veterans Affairs' is of such importance that there should be a minister dedicated to it. Defence science, technology and personnel—when we are at war—is such a busy ministry that there should be a minister attached to it. When it comes to Indigenous Health,

such a significant issue in its own right, it should be either attached to another portfolio or indeed perhaps another parliamentary secretary. So what we have is a minister really doing the job of three ministers—

Mr Mitchell: Which he is capable of!

Mr ROBERT: No doubt, as some could say. Some could say that the minister sitting here in front of me has the capacity to do that—but, seriously, three jobs for a full-time minister on one set of shoulders? Something always has to give, Minister. It may not be your fault, Minister, as the problem lies with the Prime Minister, who has so loaded you down with work that perhaps you are unable to provide the full set of oversight that you know is necessary in the portfolio. I say that because we are deeply disappointed there is no money in the budget for the commemoration of the Anzac Day centenary. I know you are looking to announcements at the end of the year. However, there is no money in the budget so an announcement with no money makes it a little difficult for you to spend a cent, Minister, up until 30 June next year. Communities across Australia need certainty about the availability of funding.

Mr Snowden: Madam Deputy Speaker, I raise a point of order. I am loath to do this because I am entertained, but I would ask that the shadow minister come back to the bill that we are actually discussing, which would be useful.

The DEPUTY SPEAKER ( Ms S Bird ): Certainly being entertained is not one of the standing orders, so I will ask the shadow minister to come back to the topic of the bill.

Mr ROBERT: I will return to the bill, which looks at veterans entitlements, and it goes to the very nature of veteran entitlements that the minister has the capacity to ensure that the schedules within the bill are indeed capable of being met. It is therefore incumbent upon me as part of Her Majesty's loyal opposition to actually outline where this minister, who I have led to, is so overworked that he lacks the capacity in hours of time to be able to lend his full attention to the portfolio to ensure these schedules are met. And it is incumbent on me that I outline to the parliament the areas where this very busy minister is being shown to have let down in dealing with veterans entitlements because of the busyness.

The DEPUTY SPEAKER: I will interrupt the shadow minister to say that I appreciate the link he is drawing but I do think it is a rather tenuous link and I would ask him to more directly address the topic of the bill.

Mr ROBERT: I will, Madam Deputy Speaker. If we can move on to the Australian War Memorial, which of course—

The DEPUTY SPEAKER: I am sorry, I am going to stop the shadow minister. I appreciate the attempt to draw the longer bow but I am indicating to you it is not an acceptable longer bow and I would ask you to come back to the actual details of the bill before us. I ask you to come back to the contents of the bill.

Mr ROBERT: Madam Deputy Speaker, I am feeling unduly constrained. However, in deference to the House, for which I have great respect, I will simply wrap up. Whilst we do not deny the bill its second reading and will be seeking to move into a Senate inquiry to more fully understand it, it is important for the minister to understand that we will continue to scrutinise areas of veterans entitlements that this bill seeks to move into with great detail. We will continue to scrutinise any cuts to other areas of veterans or indeed the War Memorial funding. We will seek to scrutinise the \$8 million cut from grassroots veterans advocacy funding. We will continue to hold you to account for the full areas of your portfolio and how it is managed.

(McEwen) (NaN.NaN pm)

(Fadden) (NaN.NaN pm)

(Lingiari) (NaN.NaN pm)

(Cunningham) (NaN.NaN pm)

(Fadden) (NaN.NaN pm)

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