Men of the 53rd Battalion wait to don their equipment for the attack at Fromelles. Three of the men in this photograph came out of the action alive, though wounded - the rest did not survive. [AWM A03042]
The Military Rehabilitation and Compensation Commission (MRCC) was established under section 361 of the Military Rehabilitation and Compensation Act 2004 (MRCA), which commenced in June 2004.

The MRCC provides rehabilitation, compensation and other benefits for current and former members of the Australian Defence Force (ADF), including reservists and cadets, who have an injury or disease due to service after 1 July 2004. It also includes dependants of members whose deaths were the result of an injury or disease due to service after 1 July 2004.

The MRCC’s functions are:

- to make determinations relating to the acceptance of liability for service-related conditions, the payment of compensation and the provision of treatment and rehabilitation
- to minimise the duration and severity of service-related conditions and promote the return to suitable civilian work
- to promote research into the health of members and former members, the prevention of injury and disease, and rehabilitation
- to provide advice and information to the ministers and departmental secretaries of Veterans’ Affairs and Defence, the Chief of the Defence Force and the Services chiefs, either on request or on its own initiative
- to undertake other functions that may be conferred on it.

Schedule 2 to the Military Rehabilitation and Compensation (Consequential and Transitional Provisions) Act 2004 (Transitional Act) gives the MRCC functions and powers to determine and manage claims under the Safety, Rehabilitation and Compensation Act 1988 (SRCA) that relate to defence service.

The MRCC has six members:

- the President of the Repatriation Commission
- the Deputy President of the Repatriation Commission
- the Services member of the Repatriation Commission
- a person nominated by the minister responsible for the SRCA
- two persons nominated by the Minister for Defence.

The MRCC subcommittee, comprising the three members of the Repatriation Commission, considers routine administrative matters, but its decisions have no legal effect until ratified by the full MRCC.

**Simon Lewis PSM**
See the Repatriation Commission annual report for a brief biography.

**Craig Orme DSC AM CSC**
See the Repatriation Commission annual report for a brief biography.
Major General Mark Kelly AO DSC
See the Repatriation Commission annual report for a brief biography.

Air Vice-Marshal Tracy Smart AM
Air Vice-Marshal Smart was appointed to the MRCC as an acting member on 3 March 2016, and was confirmed as a permanent member on 5 May 2016. She is Commander Joint Health (CJHLTH) and Surgeon General Australian Defence Force (SGADF). As CJHLTH, she is responsible for the provision of health care to members of the ADF and the health preparedness of the ADF for operations. As SGADF, she is responsible for providing strategic health advice to the ADF and technical oversight of operational health across the ADF.

Rear Admiral Brett Wolski AM RAN
Rear Admiral Wolski was appointed to the MRCC as an acting member on 3 March 2016, and was confirmed as a permanent member on 5 May 2016. He is Head of People Capability, Department of Defence. He has served as the Commanding Officer of HMAS Tobruk and HMAS Stirling and has filled a wide range of command and personnel-related appointments in Defence and Navy Headquarters. He was appointed as a Member of the Order of Australia in the 2016 Australia Day Honours.

Jennifer Taylor
Ms Taylor was appointed as a member on 11 December 2014. She is the Chief Executive Officer of Comcare, the federal work health and safety regulator, workers compensation insurer and claims manager. She has held a variety of Deputy Secretary roles in the Department of Employment and has extensive experience in employment and workforce issues, including economic and labour market analysis. She is currently a member of the Heads of Workplace Safety Authorities, a member of the Heads of Workers Compensation Authorities, a member of the Mentally Healthy Workplace Alliance and Deputy Chair of the Seacare Authority.

RELATIONSHIP WITH DVA

The MRCC is vested with broad powers to enable it to carry out its functions. Like the Repatriation Commission, it has no staff of its own and relies on employees allocated to it by the Secretary of the Department of Veterans’ Affairs (DVA) under the Public Service Act 1999, and on other specified persons, including consultants.

The Chair of the MRCC is also President of the Repatriation Commission and Secretary of DVA. Two other members of the MRCC are also full-time members of the Repatriation Commission. The Secretary has delegated some departmental functions to those two members. This close working relationship enables the two Commissions to work collaboratively and play an active role in the effective and accountable management of the Department.
ADMINISTRATION OF THE MRCA AND SRCA

The MRCA provides a comprehensive range of compensation and rehabilitation for injured and ill ADF members and former members, including:

- payments for medical treatment
- income replacement for periods of incapacity for work
- permanent impairment compensation, which can be provided as a lump sum or as ongoing periodic payments
- payment for rehabilitation programs
- compensation and support following the death of a member or former member.

Section 384 of the MRCA allows the MRCC to delegate its functions or powers under that Act to individual members of the MRCC, staff assisting the MRCC, certain employees under the Public Service Act, members of the ADF, and a consultant to the MRCC or an employee of that consultant.

Section 152 of the Transitional Act allows the MRCC to delegate its powers and functions under the SRCA to the same group of persons specified in section 384 of the MRCA.

MRCC ACTIVITY

In 2015–16, the full Commission held 10 formal meetings and considered 63 submissions. The subcommittee of the Commission met six times and considered eight submissions.

Over the past five years, the number of matters considered by the MRCC declined substantially, from 211 submissions in 2012–13, to 71 in 2015–16. Much of the decline is a consequence of delegated decision-making by the MRCC.

Matters considered during the year included:

- delegation of Commission powers
- review of the guidelines for the Rehabilitation Appliances Program National Schedule of Equipment
- contracting and tendering for the supply of a range of health and support services
- possible amendments to the MRCA and advice on new policy proposals
- strategic directions on research funded by the Commission.

Overall, since the MRCA commenced in June 2004, the Commission’s activities and business under that Act have been consistent.

Reviews

The Department also has a role in applications to the Veterans’ Review Board (VRB) and the Administrative Appeals Tribunal (AAT). The Department prepares reports of the evidence used in the decisions under review, and provides staff to advocate on behalf of the MRCC before the AAT. On limited occasions, the Commission will apply for a review by the AAT of a VRB decision under the MRCA. The Commission is not represented at VRB hearings but a Commission delegate participates in case conferences where alternative dispute resolution is used.

Single Access Mechanism

The Single Access Mechanism facilitates the transfer of information and relevant service and medical records between the Department of Defence and DVA for current and former members of the ADF.
DVA uses these records to assist in determining claims under the Veterans’ Entitlements Act 1986, MRCA and SRCA. They include records of service, overseas postings, leave confirmations, workplace health and safety incident reports, medical and psychological reports, and financial statements.

The DVA Single Access Mechanism team receives, actions and monitors all requests for Department of Defence records. Approximately 32 per cent of compensation claims require the team to request records as part of the determination process. In 2015–16, 16,032 Single Access Mechanism document requests were completed. The time lag between injury and claim under the MRCA is part of the regular Defence Continuum report to the Defence Links Steering Committee. The time lag for 2015–16 is shown in Table 5.

<table>
<thead>
<tr>
<th>Year</th>
<th>Days between injury and claim</th>
<th>Claimed conditions</th>
<th>Clients</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015–16</td>
<td>816</td>
<td>11,135</td>
<td>4,486</td>
</tr>
</tbody>
</table>

MRCA = Military Rehabilitation and Compensation Act 2004

**REVIEW OF MILITARY COMPENSATION ARRANGEMENTS**

In the 2012–13 Budget, the Government made provision for implementing 96 of the 108 recommendations made in the report of the Review of Military Compensation Arrangements. In addition, the Government addressed an observation in the report relating to veterans’ eligibility for Special Rate Disability Pension when not in receipt of incapacity payments. A further three recommendations were deferred. In total, 100 recommendations required action.

As of 30 June 2016, all but 10 of the 100 recommendations had been completed. Activities during 2015–16 to finalise recommendations included:

- improving reporting on rehabilitation outcomes through the introduction of goal attainment scaling
- further strengthening the relationship with the ADF to better support early intervention for transitioning members, and to improve the timing and effectiveness of rehabilitation
- completing a review of the advocacy training model, which was a factor in a number of recommendations. The implementation of a new Advocacy Training and Development Program, which places greater emphasis on a training model that is nationally consistent, has competency and accreditation standards and further utilises e-learning tools, will commence on 1 July 2016 and continue through 2016–17
- analysing recommendations of the Incapacity Payments Working Group. This resulted in a number of measures announced in the 2016–17 Budget to reform incapacity payments, including aligning the age at which incapacity payments cease with the age at which the age pension commences and increasing interim incapacity payments to 100 per cent of normal earnings
- completing the two and a half year program of reviews of transitional MRCA permanent impairment determinations made prior to 1 July 2013 to apply a new methodology for calculating payments retrospectively, where it was beneficial to the client—1,616 decisions were reviewed using the new methodology.

Noting the significant progress made on the recommendations and one observation, the project to implement the Government’s response to the review has been closed. The remaining recommendations form part of ongoing departmental business activities or longer term projects, and action on them will continue through 2016–17 and beyond.
Australians billeted in a farmhouse near Armentières make friends with local children around a water pump, June 1916. [AWM EZ0036]