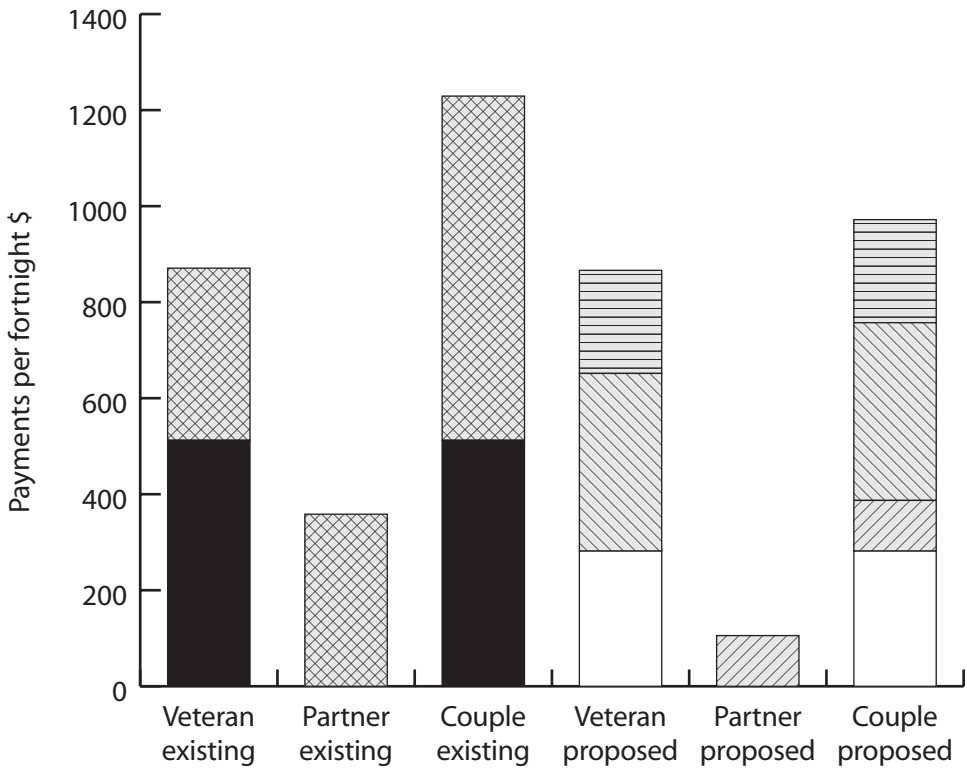


Figure A16.15 Partnered Intermediate Rate Veteran with Qualifying Service and over 60 but under 65 Years of Age



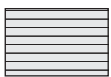
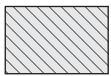
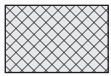
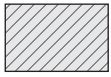


-  Means tested portion of economic loss compensation (net of tax)
-  Non-means tested portion of economic loss compensation (net of tax)
-  Maximum rate partnered age service pension – taxed and means-tested
-  Non-economic compensation (37.5% of veteran's rate) – not taxed or means-tested
-  Non-economic compensation (100% of general rate) – not taxed or means-tested
-  Intermediate rate pension – not taxed or means-tested

Table A16.15 Partnered Intermediate Rate Veteran with Qualifying Service and over 60 but under 65 Years of Age

Element of compensation	Rate per fortnight (\$)			
	Existing		Proposed	
	Veteran	Partner	Veteran	Partner
Existing scheme				
Intermediate rate pension — not taxed or means tested	512.40	-	-	-
Maximum rate partnered age service pension — taxed and means tested	358.40	358.40 ^d	-	-
Proposed scheme				
Economic compensation at 37.5% of MTAW	-	-	660.90	-
Less tax	-	-	76.10	-
Subtotals	-	-	584.80^a	-
Non-economic compensation (100% of general rate) — not taxed or means tested	-	-	281.50	-
Non-economic compensation (at 37.5% of the veteran's rate) — not taxed or means tested	-	-	-	105.60
Totals	870.80	358.40^d	866.30	105.60^c
Combined totals	1229.20		971.90^{b,c}	
Variation of proposed to existing scheme payments			-257.30 ^{b,c}	

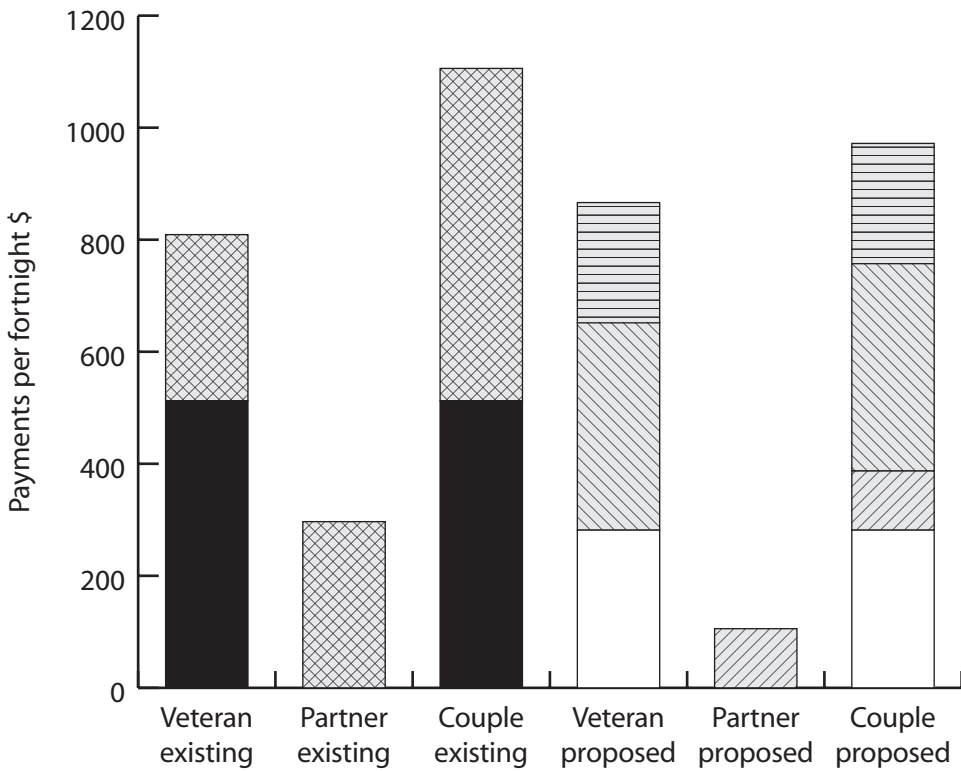
^a Includes means-tested element equal to 50 per cent of the maximum rate of single age service pension (currently equal to \$214.70 per fortnight). Means tested on combined income and assets, excluding partner's earnings from personal exertion.

^b Earnings from working, up to the current allowable limits under the VEA, are exempt income in any means test.

^c An amount equal to 10% (\$28.15 per fortnight) of a veteran's non-economic loss compensation is payable for each dependent child under 16 or under 25 if undertaking full-time study.

^d If partner is of pension age.

Figure A16.16 Partnered Intermediate Rate Veteran without Qualifying Service and over 60 but under 65 Years of Age




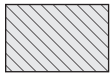
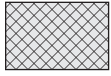



-  Means tested portion of economic loss compensation (net of tax)
-  Non-means tested portion of economic loss compensation (net of tax)
-  Disability support pension – not taxed but means-tested (reduced amount shown reflects means testing intermediate rate pension)
-  Non-economic compensation (37.5% of veteran’s rate) – not taxed or means-tested
-  Non-economic compensation (100% of general rate) – not taxed or means-tested
-  Intermediate rate pension – not taxed or means-tested

Table A16.16 Partnered Intermediate Rate Veteran without Qualifying Service and over 60 but under 65 Years of Age

Element of compensation	Rate per fortnight (\$)			
	Existing		Proposed	
	Veteran	Partner	Veteran	Partner
Existing scheme				
Intermediate rate pension — not taxed or means tested	512.40	—	—	—
Disability support pension — not taxed but means tested (reduced amount shown reflects means testing intermediate rate pension)	296.70	296.70 ^d	—	—
Proposed scheme				
Economic compensation at 37.5% of MTAW	—	—	660.90	—
Less tax	—	—	76.10	—
Subtotal	—	—	584.80^a	—
Non-economic compensation (100% of general rate) — not taxed or means tested	—	—	281.50	—
Non-economic compensation (at 37.5% of the veteran's rate) — not taxed or means tested	—	—	—	105.60
Totals	809.10	296.70^d	866.30	105.60^c
Combined totals	1105.80		971.90^{b,c}	
Variation of proposed to existing scheme payments			-133.90 ^{b,c}	

^a Includes means-tested element equal to 50 per cent of the maximum rate of single age service pension (currently equal to \$214.70 per fortnight). Means tested on combined income and assets, excluding partner's earnings from personal exertion.

^b Earnings from working, up to the current allowable limits under the VEA, are exempt income in any means test.

^c An amount equal to 10% (\$28.15 per fortnight) of a veteran's non-economic loss compensation is payable for each dependent child under 16 or under 25 if undertaking full-time study.

^d If partner of pension age.

Figure A16.17 Partnered Intermediate Rate Veteran with Qualifying Service and over 65 Years of Age

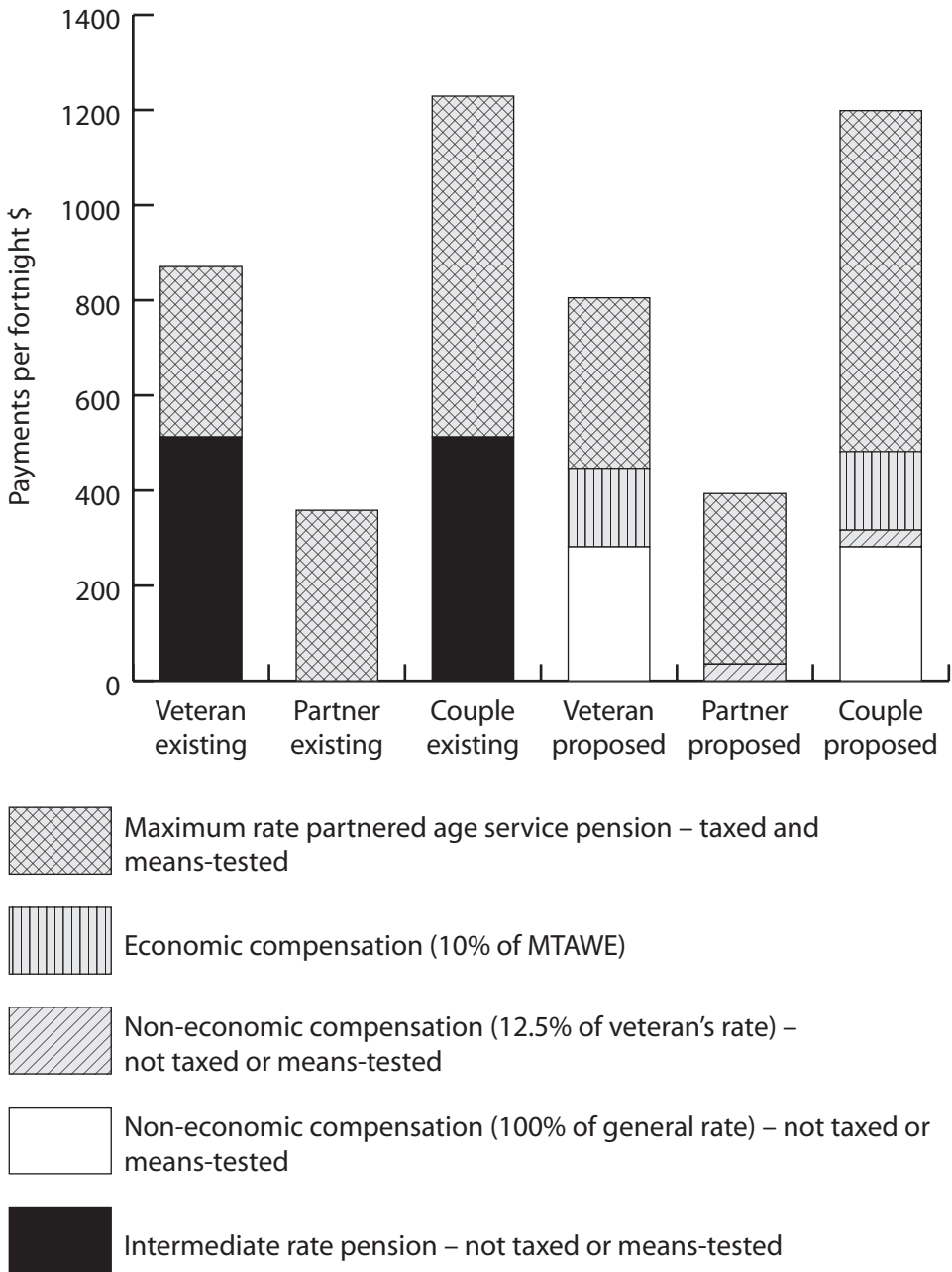
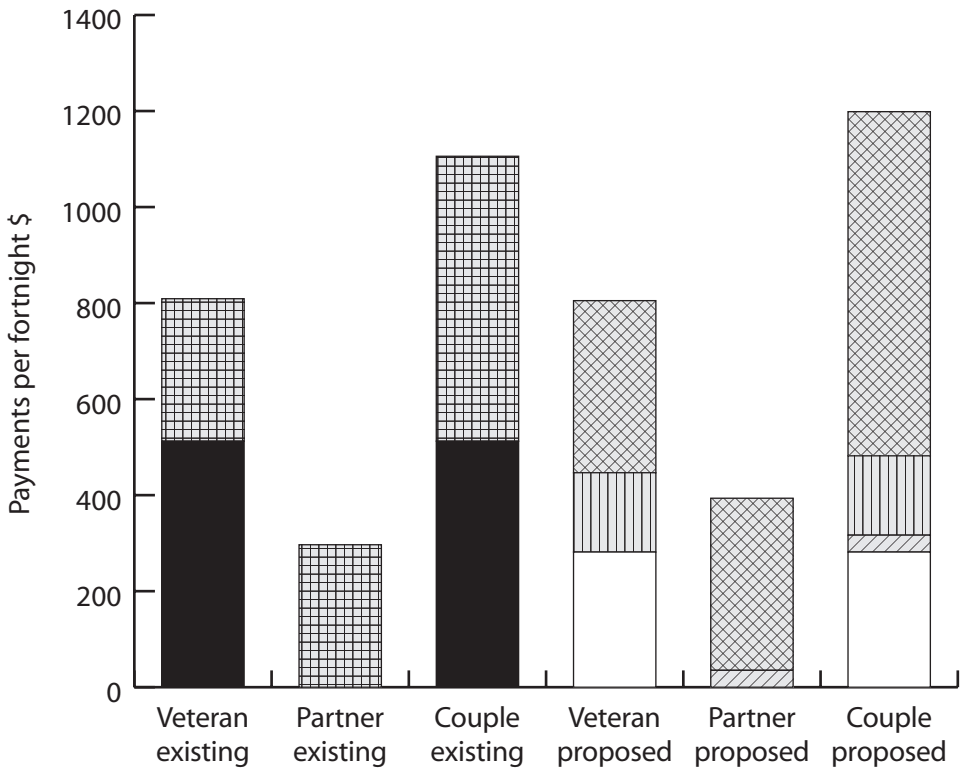


Table 16.17 Partnered Intermediate Rate Veteran with Qualifying Service and over 65 Years of Age

Element of compensation	Rate per fortnight (\$)			
	Existing		Proposed	
	Veteran	Partner	Veteran	Partner
Existing scheme				
Intermediate rate pension — not taxed or means tested	512.40	—	—	—
Maximum rate partnered age service pension — taxed and means tested	358.40	358.40	—	—
Proposed scheme				
Economic compensation at 10% of MTAW	—	—	165.20	—
Less tax	—	—	—	—
Non-economic compensation (100% of general rate) — not taxed or means tested	—	—	281.50	—
Non-economic compensation (at 12.5% of the veteran's rate) — not taxed or means tested	—	—	—	35.20
Maximum rate partnered service pension — taxed and means tested	—	—	358.40	358.40
Totals	870.80	358.40	805.10	393.60^a
Combined totals	1229.20		1198.70^a	
Variation of proposed to existing scheme payments			-30.50 ^a	

^a An amount equal to 10% (\$28.15 per fortnight) of a veteran's non-economic loss compensation is payable for each dependent child under 16 or under 25 if undertaking full-time study.

Figure A16.18 Partnered Intermediate Rate Veteran without Qualifying Service and over 65 Years of Age



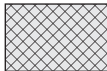

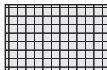



-  Maximum rate partnered age pension – taxed and means-tested
-  Economic compensation (10% of MTAW)
-  Age pension – taxed and means-tested (reduced amount shown reflects means testing intermediate rate pension)
-  Non-economic compensation (12.5% of veteran’s rate) – not taxed or means-tested
-  Non-economic compensation (100% of general rate) – not taxed or means-tested
-  Intermediate rate pension – not taxed or means-tested

Table A16.18 Partnered Intermediate Rate Veteran without Qualifying Service and over 65 Years of Age

Element of compensation	Rate per fortnight (\$)			
	Existing		Proposed	
	Veteran	Partner	Veteran	Partner
Existing scheme				
Intermediate rate pension — not taxed or means tested	512.40	—	—	—
Age pension — taxed and means tested (reduced amount shown reflects means testing of intermediate rate pension)	296.70	296.70	—	—
Proposed scheme				
Economic compensation at 10% of MTAW	—	—	165.20	—
Less tax	—	—	—	—
Non-economic compensation (100% of general rate) — not taxed or means tested	—	—	281.50	—
Non-economic compensation (at 12.5% of veteran's rate) — not taxed or means tested	—	—	—	35.20
Maximum rate partnered age pension — taxed and means tested	—	—	358.40	358.40
Totals	809.10	296.70	805.10	393.60^a
Combined totals	1105.80		1198.70^a	
Variation of proposed to existing scheme payments			+92.90 ^a	

^a An amount equal to 10% (\$28.15 per fortnight) of a veteran's non-economic loss compensation is payable for each dependent child under 16 or under 25 if undertaking full-time study.

Figure A16.19 Single Extreme Disablement Adjustment Veteran with Qualifying Service

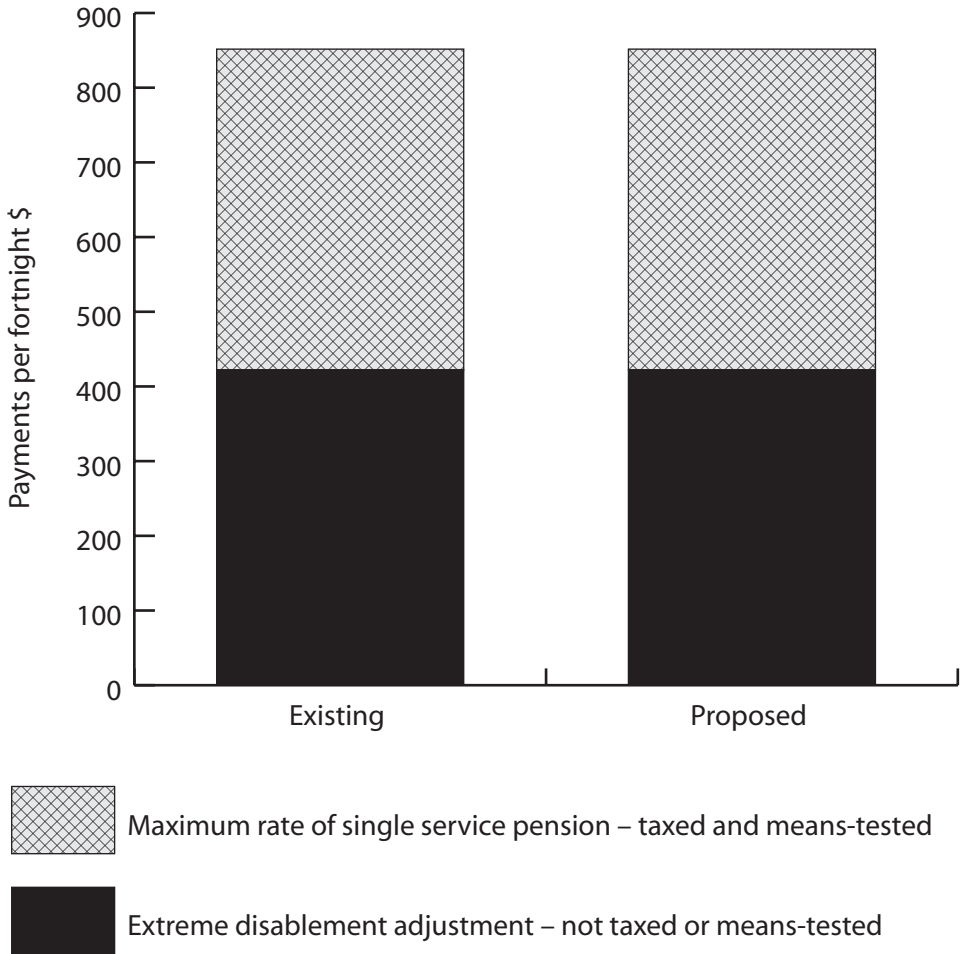


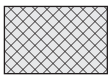
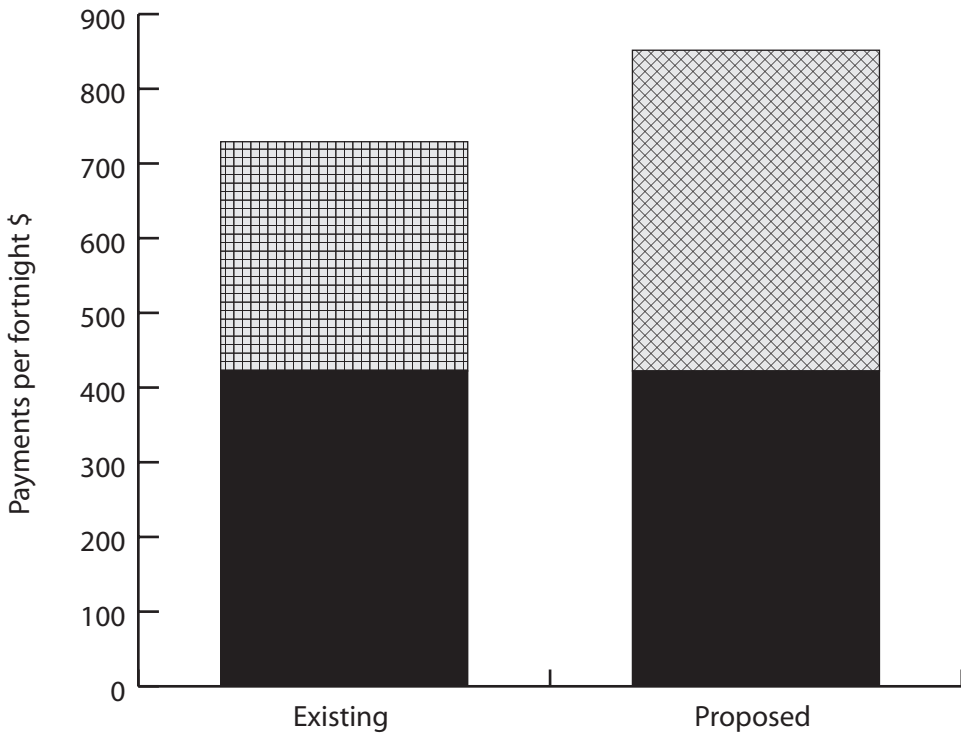
Table A16.19 Single Extreme Disablement Adjustment Veteran with Qualifying Service

Element of compensation	Rate per fortnight (\$)	
	Existing	Proposed
Existing scheme		
Extreme disablement adjustment — not taxed or means tested	422.25	—
Maximum rate of single age service pension — taxed and means tested	429.40	—
Proposed scheme		
Extreme disablement adjustment — not taxed or means tested	—	422.25
Maximum rate of single age service pension — taxed and means tested	—	429.40
Totals	851.65^a	851.65^a
Variation of proposed to existing scheme payments		Nil

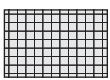
^a Additional benefits:

- GST rebate on motor vehicles and parts;
- funeral benefit increased from \$572 to \$1000; and
- an annual subsidy to assist those veterans with dependent children to provide private health care insurance if they so choose — the amount of the allowance to be set at the difference between the family and single rates of a reasonable level of cover.

Figure A16.20 Single Extreme Disablement Adjustment Veteran without Qualifying Service



Maximum rate of single age pension – taxed and means-tested



Maximum rate of single age pension – taxed and means-tested (reduced amount shown reflects means-testing of the extreme disablement adjustment)



Extreme disablement adjustment – not taxed or means-tested

Table A16.20 Single Extreme Disablement Adjustment Veteran without Qualifying Service

Element of compensation	Rate per fortnight (\$)	
	Existing	Proposed
Existing scheme		
Extreme disablement adjustment — not taxed or means tested	422.25	—
Maximum rate of single age pension — taxed and means tested (reduced amount shown reflects means testing of the extreme disablement adjustment)	306.90	—
Proposed scheme		
Extreme disablement adjustment — not taxed or means tested	—	422.25
Maximum rate of single age pension — taxed and means tested	—	429.40
Totals	729.15	851.65^a
Variation of proposed to existing scheme payments		+122.50

^a Additional benefits:

- GST rebate on motor vehicles and parts;
- funeral benefit increased from \$572 to \$1000; and
- an annual subsidy to assist those veterans with dependent children to provide private health care insurance if they so choose — the amount of the allowance to be set at the difference between the family and single rates of a reasonable level of cover.

Figure A16.21 Partnered Extreme Disablement Adjustment Veteran with Qualifying Service

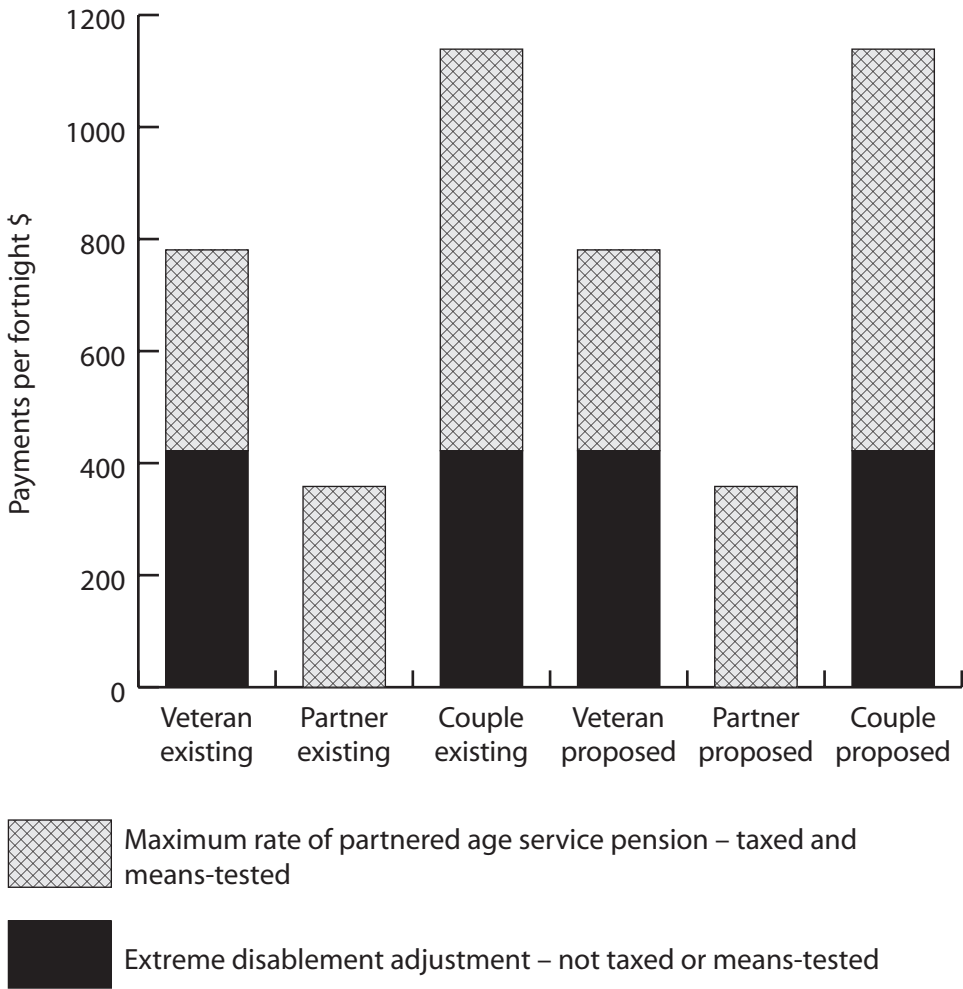


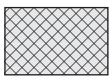
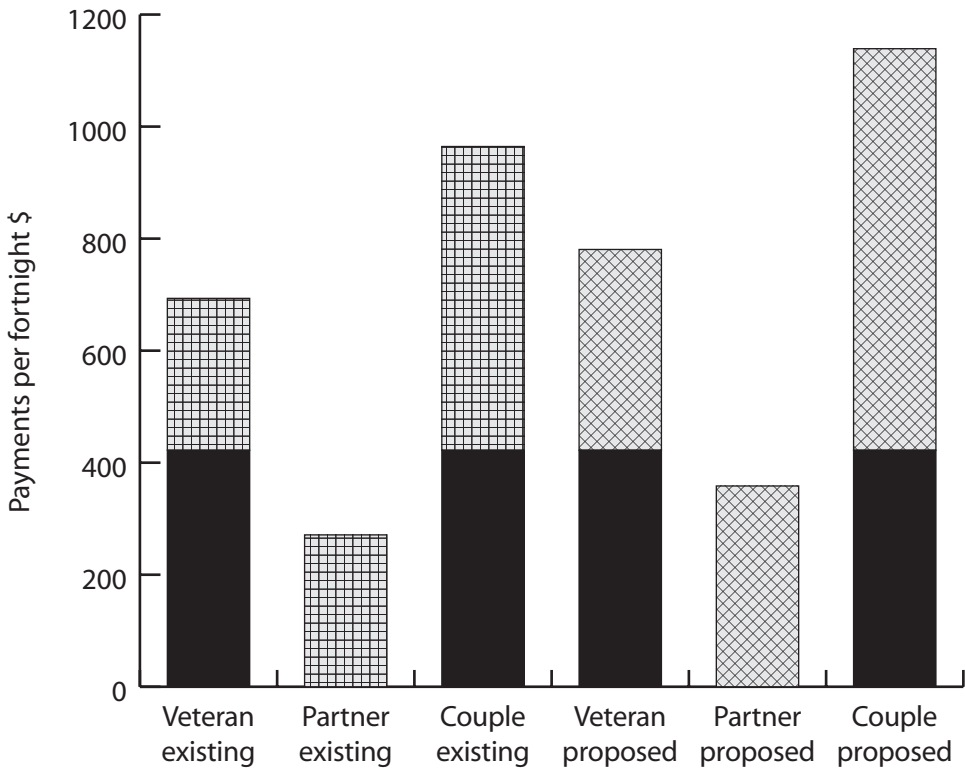
Table A16.21 Partnered Extreme Disablement Adjustment Veteran with Qualifying Service

Element of compensation	Rate per fortnight (\$)			
	Existing		Proposed	
	Veteran	Partner	Veteran	Partner
Existing scheme				
Extreme disablement adjustment — not taxed or means tested	422.25	—	—	
Maximum rate of partnered age service pension — taxed and means tested	358.40	358.40	—	—
Proposed scheme				
Extreme disablement adjustment — not taxed or means tested	—	—	422.25	—
Maximum rate of partnered age service pension — taxed and means tested	—	—	358.40	358.40
Totals	780.65	358.40	780.65^a	358.40
Combined totals	1139.05		1139.05^a	
Variation of proposed to existing scheme payments				Nil

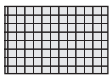
^a Additional benefits:

- GST rebate on motor vehicles and parts;
- funeral benefit increased from \$572 to \$1000; and
- an annual subsidy to assist those veterans with dependent children to provide private health care insurance if they so choose — the amount of the allowance to be set at the difference between the family and single rates of a reasonable level of cover.

Figure A16.22 Partnered Extreme Disablement Adjustment Veteran without Qualifying Service



Partnered age pension – taxed and means-tested



Partnered age pension – taxed and means-tested (reduced amount shown reflects means-testing of extreme disablement adjustment)



Extreme disablement adjustment – not taxed or means-tested

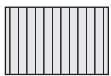
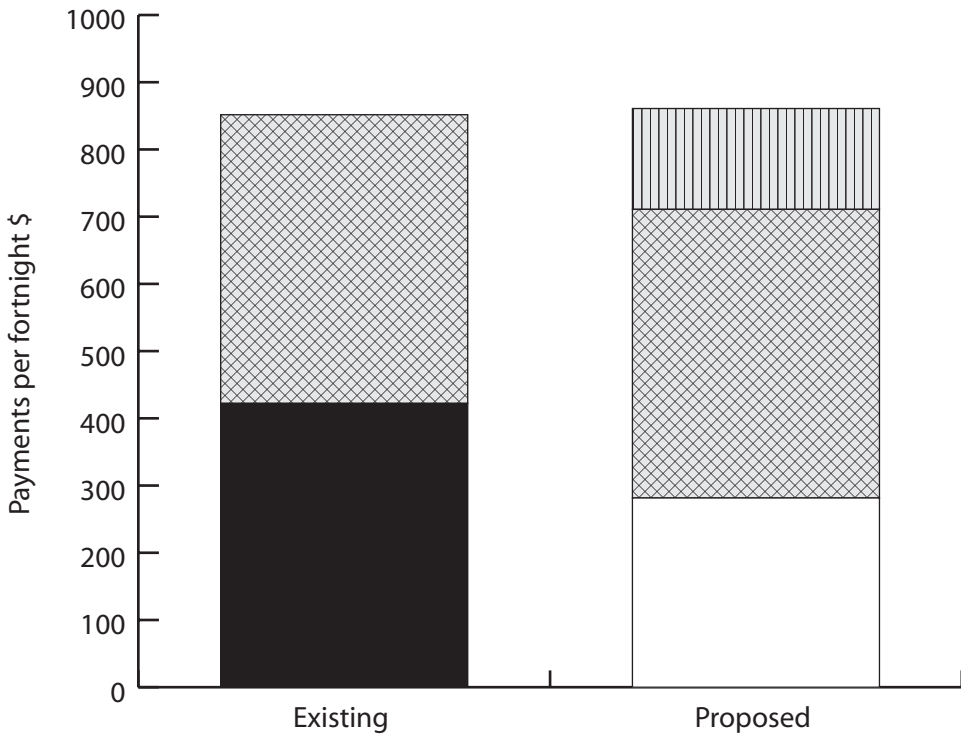
Table A16.22 Partnered Extreme Disablement Adjustment Veteran without Qualifying Service

Element of compensation	Rate per fortnight (\$)			
	Existing		Proposed	
	Veteran	Partner	Veteran	Partner
Existing scheme				
Extreme disablement adjustment — not taxed or means tested	422.25	—	—	—
Partnered age pension - taxed and means tested (reduced amount shown reflects means testing of extreme disablement adjustment)	271.10	271.10	—	—
Proposed scheme				
Extreme disablement adjustment — not taxed or means tested	—	—	422.25	—
Partnered age pension — taxed and means tested	—	—	358.40	358.40
Totals	693.35	271.10	780.65^a	358.40
Combined totals	964.45		1139.05^a	
Variation of proposed to existing scheme payments			+174.60	

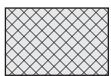
^a Additional benefits:

- an annual subsidy to assist those veterans with dependent children to provide private health care insurance if they so choose — the amount of the allowance to be set at the difference between the family and single rates of a reasonable level of cover;
- GST rebate on motor vehicles and parts; and
- funeral benefit increased from \$572 to \$1000.

Figure A16.23 Extremely Disabled Veteran: Single Veteran with Qualifying Service



Home care allowance – means-tested but not taxed



Maximum rate single age service pension – taxed and means-tested



100% of the general rate – not taxed or means-tested



Extreme disablement adjustment – not taxed or means-tested

Table A16.23 Extremely Disabled Veteran: Single Veteran with Qualifying Service^a

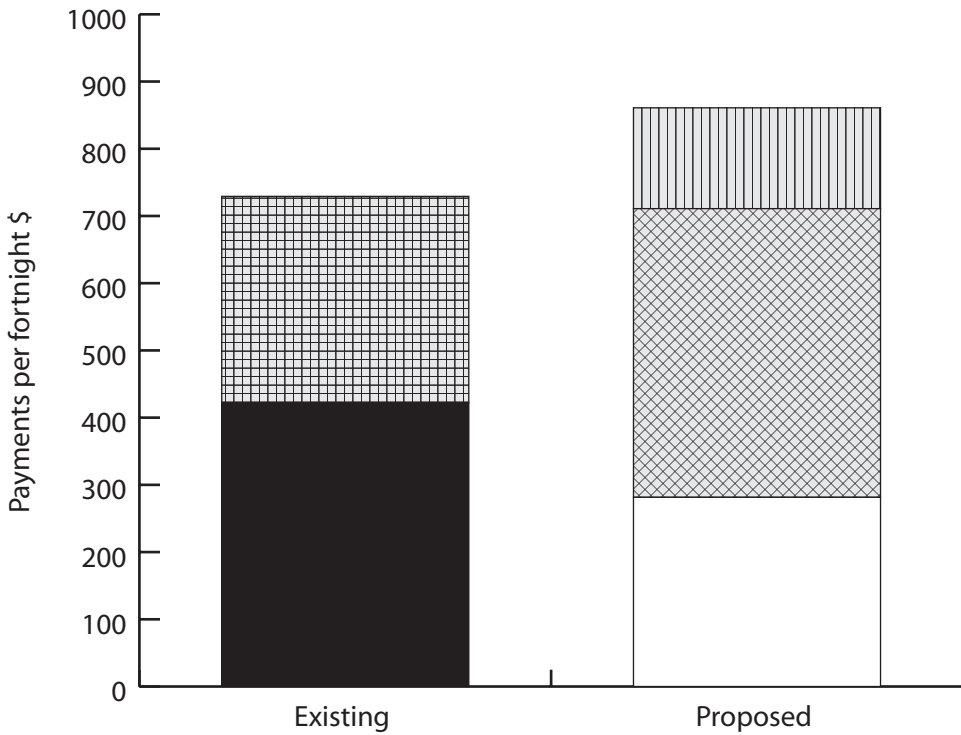
Element of compensation	Rate per fortnight (\$)	
	Existing	Proposed
Existing EDA		
Extreme disablement adjustment — not taxed or means tested	422.25	—
Maximum rate of single age service pension - taxed and means tested	429.40	—
Proposed EDV		
100% of the general rate — not taxed or means tested	—	281.50
Maximum rate of single age/service pension — taxed and means tested	—	429.40
Home care allowance — means tested but not taxed		150.00
Totals	851.65	860.90^b
Variation of proposed to existing scheme payments		+9.25

^a A veteran who turns 65 years of age after the proposed structure is introduced and who is subsequently assessed with at least 70 GARP impairment points and a lifestyle rating of six.

^b Additional benefits:

- GST rebate on motor vehicles and parts;
- funeral benefit increased from \$572 to \$1000; and
- private health insurance subsidy.

Figure A16.24 Extremely Disabled Veteran: Single Veteran without Qualifying Service



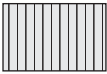
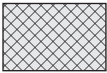

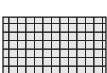

-  Home care allowance – means-tested but not taxed
-  Maximum rate of single age pension – taxed and means-tested
-  100% of the general rate – not taxed or means-tested
-  Maximum rate of single age pension – taxed and means-tested (reduced amount shown reflects means-testing of the extreme disablement adjustment)
-  Extreme disablement adjustment – not taxed or means-tested

Table A16.24 Extremely Disabled Veteran: Single Veteran without Qualifying Service^a

Element of compensation	Rate per fortnight (\$)	
	Existing	Proposed
Existing EDA		
Extreme disablement adjustment — not taxed or means tested	422.25	—
Maximum rate of single age pension — taxed and means tested (reduced amount shown reflects means testing of the extreme disablement adjustment)	306.90	—
Proposed EDV		
100% of the general rate — not taxed or means tested	—	281.50
Maximum rate of single age pension — taxed and means tested	—	429.40
Home care allowance — means tested but not taxed		150.00
Totals	729.15	860.90^b
Variation of proposed to existing scheme payments		+131.75

^a A veteran receiving non-economic compensation who turns 65 years of age after the proposed structure is introduced and who is subsequently assessed with at least 70 GARP impairment points and a lifestyle rating of six.

^b Additional benefits:

- GST rebate on motor vehicles and parts;
- funeral benefit increased from \$572 to \$1000; and
- private health insurance subsidy.

Figure A16.25 Extremely Disabled Veteran: Partnered Veteran with Qualifying Service

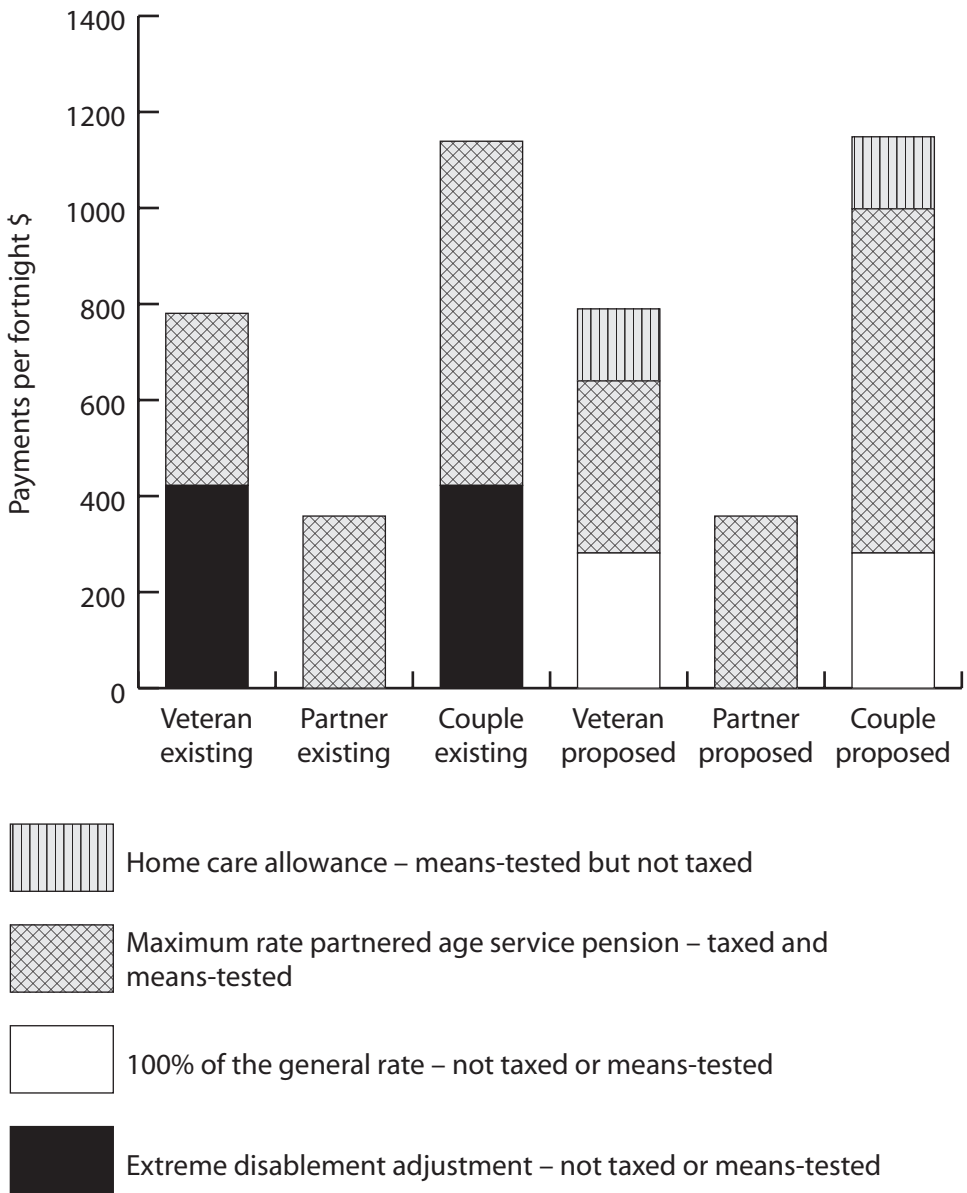


Table A16.25 Extremely Disabled Veteran: Partnered Veteran with Qualifying Service^a

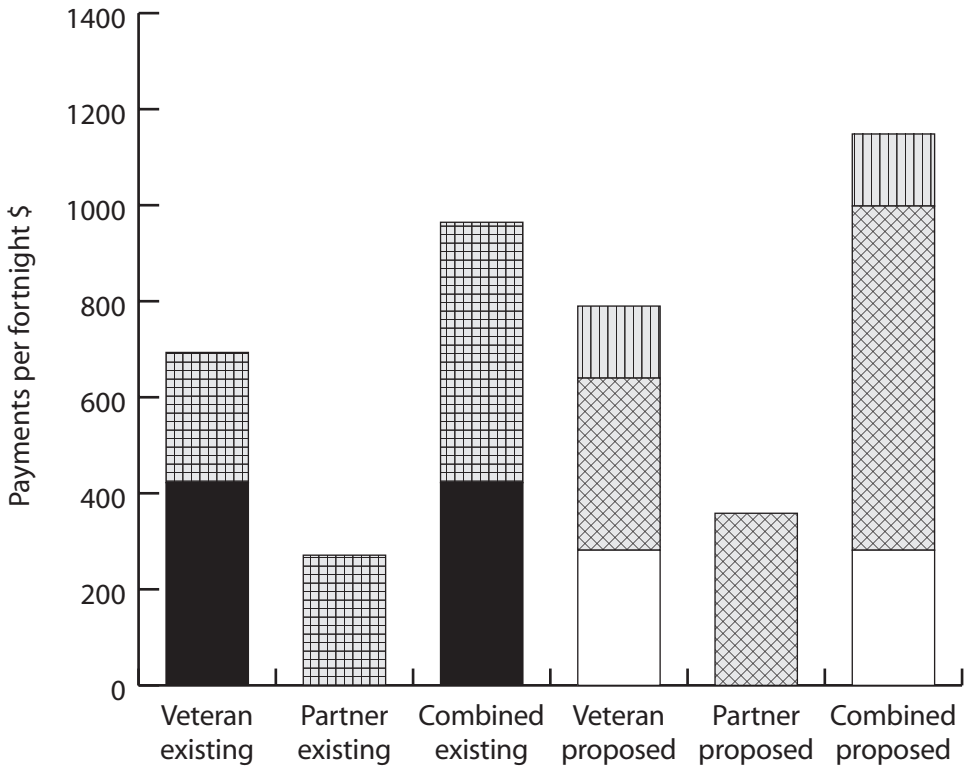
Element of compensation	Rate per fortnight (\$)			
	Existing		Proposed	
	Veteran	Partner	Veteran	Partner
Existing EDA				
Extreme disablement adjustment — not taxed or means tested	422.25	—	—	—
Maximum rate of partnered age service pension — taxed and means tested	358.40	358.40	—	—
Proposed EDV				
100% of the general rate — not taxed or means tested	—	—	281.50	—
Maximum rate of partnered age service pension — taxed and means tested	—	—	358.40	358.40
Home care allowance — means tested but not taxed	—	—	150.00	—
Totals	780.65	358.40	789.90^b	358.40
Combined totals	1139.05		1148.30^b	
Variation of proposed to existing scheme payments			+9.25	

^a A veteran receiving non-economic compensation who turns 65 years of age after the proposed structure is introduced and who is subsequently assessed with at least 70 GARP impairment points and a lifestyle rating of six.

^b Additional benefits:

- an annual subsidy to assist those veterans with dependent children to provide private health care insurance if they so choose — the amount of the allowance to be set at the difference between the family and single rates of a reasonable level of cover;
- GST rebate on motor vehicles and parts; and
- funeral benefit increased from \$572 to \$1000.

Figure A16.26 Extremely Disabled Veteran: Partnered Veteran without Qualifying Service






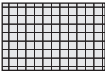

-  Home care allowance – means-tested but not taxed
-  Maximum rate partnered age pension – taxed and means-tested
-  100% of the general rate – not taxed or means-tested
-  Partnered age pension – taxed and means-tested (reduced amount shown reflects means-testing of extreme disablement adjustment)
-  Extreme disablement adjustment – not taxed or means-tested

Table A16.26 Extremely Disabled Veteran: Partnered Veteran without Qualifying Service^a

Element of compensation	Rate per fortnight (\$)			
	Existing		Proposed	
	Veteran	Partner	Veteran	Partner
Existing EDA				
Extreme disablement adjustment — not taxed or means tested	422.25	—	—	—
Partnered age pension — taxed and means tested (reduced amount shown reflects means testing of extreme disablement adjustment)	271.10	271.10	—	—
Proposed EDV				
100% of the general rate — not taxed or means tested	—	—	281.50	—
Maximum rate of partnered age pension - taxed and means tested	—	—	358.40	358.40
Home care allowance — means tested but not taxed	—	—	150.00	—
Totals	693.35	271.10	789.90^b	358.40
Combined totals	964.45		1148.30^b	
Variation of proposed to existing scheme payments			+183.85	

^a A veteran receiving non-economic compensation who turns 65 years of age after the proposed structure is introduced and who is subsequently assessed with at least 70 GARP impairment points and a lifestyle rating of at least six.

^b Additional benefits:

- an annual subsidy to assist those veterans with dependent children to provide private health care insurance if they so choose — the amount of the allowance to be set at the difference between the family and single rates of a reasonable level of cover;
- GST rebate on motor vehicles and parts; and
- funeral benefit increased from \$572 to \$1000.

Figure A16.27 War Widow of Veteran Who Was Aged 65 Years or More at Time of Death

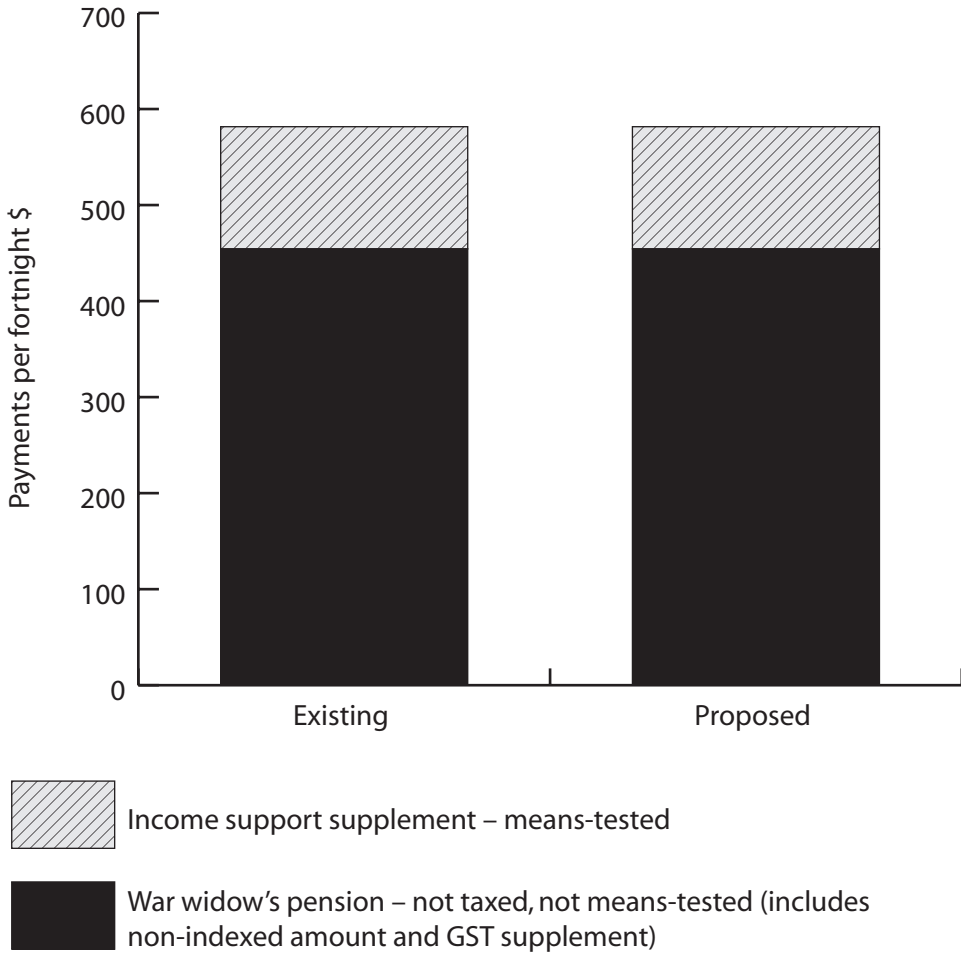


Table A16.27 War Widow of Veteran Who Was Aged 65 Years or More at Time of Death

Element of compensation	Rate per fortnight (\$)	
	Existing	Proposed
Existing scheme		
War widow's pension — not taxed, not means tested (includes non-indexed amount of \$25)	454.40	—
Income support supplement — means tested (if of pension age)	127.20 ^{a,b}	—
Proposed scheme		
War widow's pension — not taxed, not means tested, whole amount indexed	—	454.40
Income support supplement — means tested (if of pension age)	—	127.20 ^{a,b}
Totals	581.60^b	581.60^{b,c}
Variation of proposed to existing scheme payments		Nil

^a Eligible to claim rent assistance in addition to the income support supplement.

^b Eligible to claim and be paid income support supplement while overseas.

^c Orphan's pension increased from \$68.60 to \$72.15 per fortnight.

Double orphan pension increased from \$137.20 to \$144.30 per fortnight.

Additional benefits:

- funeral benefit increased from \$572 to \$1000; and
- bereavement payments. If a veteran in receipt of the special rate is aged under 65 years at the time of death, the war widow would receive extended bereavement payments. Current income support bereavement payments would be replaced by economic loss compensation at 50 per cent of that received by the veteran for seven fortnights, followed by six fortnights at 25 per cent. This benefit would be subject to the veteran and partner having satisfied the means test for payment of income support payments immediately before the veteran's death, had income support pensions been payable. Under current arrangements, if a special rate veteran was in receipt of maximum rate of partnered service pension at the time of death, the war widow's income support bereavement payments would total \$2508.80 (7 x \$358.40). Under the proposed structure, the widow's economic loss compensation bereavement payments would total \$5008.70 (7 x \$500.90 plus 6 x \$250.40). Non-economic loss compensation would be six fortnightly payments of 100 per cent of the general rate.

Table A16.28 Summary of Veteran Pension Variations, per Fortnight

Category of veteran	Existing (\$)	Proposed (\$)	Variation (\$)
Special rate			
Single with QS under 65	1171.80	1283.30	+111.50
Single no QS under 65	993.00	1283.30	+290.30
Single with QS over 65	1171.80	876.10	-295.70
Single no QS over 65	993.00	876.10	-116.90
Married with QS under 65	1459.20	1494.40	+35.20
Married no QS under 65	1243.80	1494.40	+250.60
Married with QS over 65	1459.20	1233.90	-225.30
Married no QS over 65	1243.80	1233.90	-9.90
Intermediate rate			
Single with or without QS under 60	783.20	866.30	+83.10
Single with QS over 60 but under 65	941.80	866.30	-75.50
Single no QS over 60 but under 65	783.20	866.30	+83.10
Single with QS over 65	941.80	876.10	-65.70
Single no QS over 65	783.20	876.10	+92.90
Married with or without QS under 60	809.10	971.90	+162.80
Married with QS over 60 but under 65	1229.20	971.90	-257.30
Married no QS over 60 but under 65	1105.80	971.90	-133.90
Married with QS over 65	1229.20	1198.70	-30.50
Married no QS over 65	1105.80	1198.70	+92.90
Extreme disablement adjustment			
Single with QS	851.65	851.65	Nil
Single no QS	729.15	851.65	+122.50
Married with QS	1139.05	1139.05	Nil
Married no QS	964.45	1139.05	+174.60
Extremely disabled veteran			
Single with QS post new scheme	851.65	860.90	+9.25
Single without QS post new scheme	729.15	860.90	+131.75
Married with QS post new scheme	1139.05	1148.30	+9.25
Married without QS post new scheme	964.45	1148.30	+183.85

QS = qualifying service

APPENDIX SEVENTEEN

PERFORMANCE OF THE VETERANS' VOCATIONAL REHABILITATION SCHEME

From May 1998 until June 2002, 1048 veterans had contacted CRS Australia (formerly the Commonwealth Rehabilitation Service) to discuss the Veterans' Vocational Rehabilitation Scheme (VVRS). Of the 707 who were accepted into vocational programs, 299 succeeded in obtaining or retaining jobs. Of the veterans who gained employment, 226 stayed in work for over six months.

From May 1998 until April 2002, 76 of the programs commenced were either programs for veterans using the Scheme to help them stay in employment that they were at risk of losing, or safety net programs.

Safety net programs are for those veterans on special rate pensions who have found a vocational opportunity independently of the VVRS, but have not yet started work, and who require VVRS assistance to take full advantage of the opportunity.

Table A17.1 Assistance under the Veterans' Vocational Rehabilitation Scheme, 2000–02

	2000–01	2001–02
Referrals to CRS Australia	234	248
Began programs	181	187
Obtained employment	77	75
Sustained jobs ^a	66	79
Job-in-jeopardy programs for veterans at risk of losing employment	16	17
Safety net cases	7	2

^a Veterans remaining in employment for six months or more are reported each quarter. Therefore, double counting occurs from quarter to quarter of veterans whose employment continues beyond six months.