

VETERANS' AFFAIRS

Additional funding to reflect the costs of direct purchasing of hospital services for entitled veterans in all States and Territories from 1 July 1998

Financial Implications (\$m)

1998-99	1999-00	2000-01	2001-02
150.0	150.0	150.0	150.0

Explanation

Additional funding is to be provided for payment by the Department of Veterans' Affairs in all States and Territories, to reflect the additional costs of moving to direct purchasing of public and private hospital services for entitled veterans. This will provide veterans with more flexible access to cost effective hospital health care services in either private or public hospitals

Further Information

In the early 1990s the Commonwealth entered into agreements with NSW, Victoria, South Australia and Tasmania to transfer the Repatriation General Hospitals to State control. The agreements provided for a form of block funding for the first five years, moving after that to direct purchase. The move to direct purchasing of public hospital services in these States commences in July 1998. The Government has decided that these arrangements should apply in all States and Territories, including those that do not have Repatriation General Hospital transfer agreements, and this is reflected in the financial implications noted above.

VETERANS' AFFAIRS

Link War Widow(er)s' Pension to the benchmark of 25 per cent of male total average weekly earnings

Financial Implications (\$m)

1998-99	1999-00	2000-01	2001-02
22.6	35.3	46.7	59.1

Explanation

This measure provides for the component of War Widow(er)s' Pensions that is indexed to the Consumer Price Index to be linked to increases in the Age and Service Pensions, which are indexed to 25 per cent of Male Total Average Weekly Earnings (MTAWE). This measure applies if indexation by the Consumer Price Index does not result in the relevant component of War Widow(er)s' Pensions being at least equal to 25 per cent of MTAWE.

Further Information

The Prime Minister announced on 26 March 1998 that adjustments to War Widow(er)s' Pensions would be linked to the MTAWWE benchmark, resulting in an immediate increase of \$6.80 per fortnight.

Prior to amending legislation being passed to give effect to the announced changes, ex gratia payments are being made to all affected War Widow(er)s.

VETERANS' AFFAIRS

The Extension of Gold Card to Veterans of World War II with qualifying service

Financial Implications (\$m)

	1998-99	1999-00	2000-01	2001-02
Health and Family Services	-25.7	-55.5	-52.0	-47.0
Veterans' Affairs	95.7	200.8	189.9	173.4
Total	70.0	145.3	137.8	126.4

Explanation

Full Repatriation health care entitlement (the Gold Card) is to be extended to all Australian World War II veterans aged 70 years and over with qualifying service, with effect from 1 January 1999.

Further Information

The Gold Card enables eligible veterans to obtain health care and related services for all identified health care needs, whether they are war related or not. These services include private patient hospital care, choice of doctor, a wide range of other specialist treatment including psychiatric, optical care, physiotherapy, dental care, podiatry care and products, and chiropractic care and services. Gold Card holders are also eligible to receive an extensive range of concessional pharmaceutical products under the Repatriation Pharmaceutical Benefits Scheme.

Under this measure, an additional 50,000 Australian World War II veterans will become eligible for the Gold Card from 1 January 1999. All Australian World War II veterans aged 70 years and over who incurred actual danger from hostile forces of the enemy will now be eligible for the Gold Card.

Given that the Gold Card, which is administered by the Department of Veterans' Affairs, provides comprehensive health care coverage, its extension will result in reduced outlays for medical and pharmaceutical payments administered by the Department of Health and Family Services.

VETERANS' AFFAIRS

Continuation of base funding for building related expenses at the Australian War Memorial

Financial Implications (\$m)

1998-99	1999-00	2000-01	2001-02
2.0	2.0	2.0	2.0

Explanation

This measure provides for the maintenance and development of the memorial building and site and the five ancillary buildings at Campbell and Mitchell in the ACT.

Further Information

On 30 June 1998, an earlier increase of \$2 million a year for four years to the Memorial's base funding for the repair and maintenance of its buildings is due to end. This initiative will provide an ongoing adjustment of \$2 million to the Memorial's base funding to ensure the long-term upkeep of building infrastructure.