



Briefing to the Incoming Minister for Veterans

Presented to the Hon Chris Penk
24 November 2023

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Part 1 - Introduction to Veterans' Affairs

Veterans' Affairs New Zealand (VA) provides support for those former military personnel and their families who are eligible for services under the Veterans' Support Act 2014.

VA is a unit of the New Zealand Defence Force (NZDF), and part of the NZDF's People Capability Portfolio. Unlike the rest of the NZDF, it operates under the Veterans' Support Act 2014, rather than the Defence Act. The Chief of Defence Force delegates responsibility for the efficient administration of this legislation directly to the Head of Veterans' Affairs. The Act also allocates some specific statutory responsibilities to the Head of Veterans' Affairs—including the authority to determine individual claims for entitlements, services, and support.

This brief is an introduction to your portfolio, your ministerial responsibilities and key upcoming work. It also covers some of the challenges and the opportunities we see within the portfolio. We describe who we are, what we do, and how we can support you.

The Veterans' Support Act 2014

The Veterans' Support Act 2014 (VSA2014) defines VA's responsibility for those who have served in the military. This responsibility does not cover everyone who has ever served, but rather a sub-group who meet the definition of "veteran" in the VSA2014 (further discussed below and on page 19) and who are thus eligible for entitlements under the legislation.

The Act came fully into operation in December 2015. It replaced the outdated and limited War Pensions Act 1954, and provided a more modern and appropriate way of supporting those who had been affected by their service in New Zealand's armed forces. The legislation emphasises rehabilitation, and specifies the entitlements that veterans are eligible for if they are injured or become ill as a result of their service.

The Act included a requirement that its operation be reviewed after two years, and Professor Ron Paterson was appointed to do this review in 2017. In response to his 2018 report, VA has made changes to its policies and procedures. Changes have also been made to the legislation under which VA operates, with amendment legislation coming into effect on 1 October 2020.

Further changes to the Act may be needed. s. 9(2)(f)(iv)

Our veteran clients

There are two sub-groups of former service personnel who are legally defined as veterans, and entitled to cover under New Zealand's veteran legislation.

Those who served in the armed forces in any capacity before 1 April 1974 have "**qualifying routine service**". This date marks the introduction of the ACC in New Zealand. As workplace injuries were not covered before the ACC came into operation, the Act provides that anyone who served in the military before this date, in any capacity, would be covered by the State if they had been injured or made ill by their service.

The second sub-group of VA clients is made up of those who have "**qualifying operational service**". These are men and women who served New Zealand at a time of war, or in operations overseas which have posed a significant risk of harm to those deployed.

From 1 April 1974, only personnel who have qualifying operational service (as defined in section 9 of the VSA2014) are eligible for support from VA. This is because, from this date, all routine workplace injuries are covered by ACC, so there is no requirement for the VSA2014 to provide this cover.

The average age of our clients is 80, and many were veterans of the Second World War, the Korean War, the Malayan Emergency, and the conflict in Vietnam. That situation is changing; the older veterans are decreasing in number, and those who have done operational service since 1974 are becoming more numerous.

These “post-Vietnam” veterans have had different experiences, and have different needs, compared to the older veterans. They are likely to have served in a number of deployments during their career, and they come to us with more complex health issues. Because many still have years of active life ahead of them, the support that this group receives focuses from the first on rehabilitation and independence. A rehabilitation strategy has been developed to meet these needs. An increasing number of younger veterans are taking advantage of this, as we work to increase the awareness of this group about the services, support, and entitlements we can provide to them.

While firm figures are not available (see page 20), the number of personnel likely to be eligible for VA services is estimated at around 42,000. Many former service personnel, however, have no need of assistance from VA, and we would not expect them to get in touch with us unless they developed a condition arising from their qualifying service. As at 30 June 2023, some 25,000 clients were registered with VA, with around 10,000 of these receiving payments, and more than 3000 requiring ongoing support, and being actively case managed.

Our staff

We have a staff establishment of 90. The majority are client-facing (including case managers, rehabilitation advisers, a team that makes decisions on applications, a group that arranges payments of entitlements, and telephone enquiry staff). They are supported by small corporate, policy, and communications teams.

Our strategic focus

VA has four areas for strategic focus:

- honouring the service of veterans, including enhancing services and support, and supporting commemorations;
- creating strong foundations for delivery, including identifying service improvements and emerging client needs;
- generating a sustainable workforce to deliver excellent client service; and
- partnering for greater effect—with other New Zealand government agencies, veterans’ organisations, and international partners.

The work that we do

Our core work includes:

- Case management

More than 3,000 veterans are being actively case-managed. This involves our keeping in regular touch with them, and ensuring they receive the support and services they are entitled to.

- Processing applications for support

The VSA2014 sets out what entitlements are available to eligible veterans who have been injured or made ill as a result of their service. VA staff process applications, make decisions on compensation or services, calculate reimbursements, and make payments to veterans.

- Administration of the Veterans' Independence Programme (VIP services)

This programme, which is delivered nationwide under Master Service Agreements, is designed to help veterans stay safe and independent in their own homes. When a need is identified, veterans can have access to a range of services, at no charge, including help with mowing their lawns, doing their gardens, housework, and personal care. The programme also includes washing down houses and driveways, security alarms, podiatry, and making home alterations to increase accessibility.

This service is an entitlement for veterans who have an accepted service-related illness or injury. It is discretionary for those who receive no other support or services from VA. Its popularity with this group has led to an increasingly significant impact on staffing resources. Over the past six months, we have worked with veteran support and advocacy groups to ensure that the service is more closely targeted to need.

- Developing policy advice on the veteran sector

As well as providing policy advice to you directly, we provide advice to other agencies and departments on matters relating to veterans. Recent examples have included advice to ACC and the Ministry of Business, Innovation and Employment (MBIE) on proposed changes to their legislation, joint work with MBIE on a response for the Royal Commission of Inquiry into Abuse in Care, and work with the Ministry of Social Development to review and adjust benefit and pension rates. We regularly make comment on Ministry of Social Development policy proposals when these could impact on veterans. We have advocated for a veteran question to be added to the census to help establish a baseline number of potential clients, and are currently working with the Ministry of Health to explore having a unique identifier for veterans included in medical records.

- Assistance with commemorations of significant military anniversaries

The Chief of Defence Force is responsible for organising all New Zealand overseas military commemorations including Gallipoli, and VA provides assistance through the NZDF coordinator, the Director of Heritage, Commemorations and Protocol. Domestic events are coordinated by the Visits and Ceremonial Office of the Department of Internal Affairs, with involvement from the NZDF (including VA) and the Ministry for Culture and Heritage.

- Work with non-government organisations that represent veterans

VA has regular contact with more than 20 veteran support and advocacy groups across New Zealand. These groups range from those with a very narrow membership (such as regimental associations) to those that offer services to everyone who has served, both in New Zealand and in other Commonwealth countries and in some first responder groups; and members of their families.

The most significant organisation with which VA liaises is one of those that is broadly-based – the Royal New Zealand Returned and Services' Association (RNZRSA). We administer Government grants to the RNZRSA (which this year has received \$275,000 + GST).

The RNZRSA is required to report each year on how it has used the Government grant it receives. The most recent of these reports was passed to the office of the Minister for Veterans in late April 2023.

VA also has a close relationship with the Vietnam Veterans' Association and meets formally twice each year with the Association to discuss the Crown's Memorandum of Understanding with Vietnam veterans (described on page 12) and ensure it remains a living document.

Veteran support partners are our “eyes and ears” in the community, and we place a lot of store on working closely with them. Our partners are able to bring veterans to VA who might not otherwise access our services; and they’re able to explain what VA can offer and how it can help, should veterans find the system confusing or be reluctant to use it. We are increasingly consulting with these groups on work we are doing that is expected to have an impact on veterans.

- Maintenance of 183 Services Cemeteries throughout New Zealand, and providing memorials for those entitled to burial there

These cemeteries, located throughout New Zealand, are places where people with specified operational service and their spouse or partner can be buried. We work with local authorities, and provide grants to make sure the cemeteries are well-kept and honour those who are buried there. VA also covers the costs of plaques and headstones for eligible veterans who are interred in Services Cemeteries, and contributes to the cost of these if a veteran is buried elsewhere.

- Work with other Government agencies

We work operationally with a number of Government agencies, including:

- the Ministry of Social Development, which administers the Veteran’s Pension on our behalf;
 - the ACC, which provides entitlements, services, and support to veterans;
 - the Ministry of Health, on veteran health issues, including treatment and health practitioner guidelines;
 - the Ministry for Culture and Heritage on services cemetery matters; and that Ministry, and the Ministry of Foreign Affairs and Trade, on offshore commemorations of military significance;
 - the Inland Revenue Department, where we have an information-sharing agreement that enables us to quickly set levels for veterans’ compensation payments;
 - the Department of Corrections, with which we are working to support imprisoned veterans once they have completed their sentences, and those who are already on VA rehabilitation plans at the time of their sentencing; and
 - the Department of Internal Affairs (DIA), on domestic commemorations of military significance. We have also been working with the DIA on the implementation of an Approved Information Sharing Agreement (AISA) covering death notifications across government agencies. We will be using the information agreed for transfer in the next few months to audit our client database and improve information quality. In future, regular exchange of this information will mean we can act more quickly to offer and set up services to families on the death of a veteran.
- Communicating with veteran clients

Communicating with our veteran clients is important and, as different parts of the veteran community have different communication preferences, we operate a variety of channels. Some like to talk with us face-to-face or by phone, through regular interaction with their case managers, or at forums or expos in the community. Some prefer to deal with us in writing, through letters or emails. In recent years, we have held a number of virtual forums, which enable us to interact safely and regularly with our clients. Some of these events have been directed specifically to the significant number of New Zealand veterans who live in Australia and access our services from there. We have a Facebook page, and this is particularly popular with male veterans in the 45–54 age group.

Entitlement information and operational policies are published on the VA website. Other important papers that veterans can access there include:

- the *Veteran Rehabilitation Strategy*;
- *Te Arataki mō te Hauora Ngākau mō ngā Mōrehu a Tū me ō rātou Whānau* (the Veteran, Family and Whānau Mental Health and Wellbeing Policy Framework - see page 17 below);
- documents that summarise progress in addressing the undertakings that the Crown made to Vietnam veterans in 2006; and
- summaries of the progress made in actioning recommendations of the 2018 Paterson Review of the operation of the Veterans' Support Act 2014.

Veterans can use an online eligibility checker tool on the website to confirm whether they may be eligible for assistance.

Business process improvements

The business improvement programme we have under way aims to make it easier for veterans to:

- find out about the recognition, support, services, and entitlements that are available to them;
- make claims for entitlements and services; and
- receive prompt decisions about their claims.

Recent improvements include:

- more accessible information about the support that's available;
- streamlining of claim processes; and
- improved technology that makes it a lot quicker to obtain health information, and then decide on veterans' claims.

Planned improvements during 2023/24 will include:

- streamlining the process for veterans to obtain hearing aids and access to treatment for skin cancers; and
- improving the information we give clients about the application process.

Digital challenges

Because VA is part of the NZDF, the requirements associated with operating inside a secure IT system limit our ability to interact digitally with veterans. There is a clear expectation from our clients that we do so, however, and we are working with the NZDF to address the issue.

In particular, veterans are keen to be able to use the VA website to submit online applications to us. Key issues that will have to be overcome include ensuring secure transmission of data into the NZDF network, and being able to authenticate the identity of the claimant.

Our international relationships

VA's international liaison relationships are focused on sharing experiences, and developing an understanding of best practice in addressing the needs of veterans. There are no direct parallels between the operating environment in New Zealand (where the ACC and a strong public health system are dominant features) and those in other countries, but there are enough similarities to make these liaison relationships valuable and productive.

Co-operation (known as "Five Eyes co-operation") is in place between four Commonwealth countries (Australia, Canada, New Zealand, and the United Kingdom), and the United States. There are regular meetings of senior officials, and also of the Ministers of these countries who have responsibility for veterans' affairs. The most recent such meeting attended by New Zealand was in Sydney in 2018. A meeting that had been scheduled for May 2020 had to be postponed because of COVID-19, and a further meeting, scheduled for London in May 2023, was also postponed. No future date for this meeting has yet been confirmed.

A formal Statement of Intent between Five Eyes Ministers was signed in Sydney in 2018.

VA's closest international relationship is with the Department of Veterans' Affairs (DVA) in Australia. We have had a Memorandum of Understanding between Ministers since 1966, and this is being updated to reflect changes to agency names and relevant legislation. Several hundred New Zealand veterans reside in Australia. Their entitlements are paid directly from New Zealand, and DVA acts as our agent in ensuring that other services (such as medical services) are delivered to them. There are regular teleconferences between senior officials in the two countries.

VA also has a relationship with the Ministry of Patriots and Veterans' Affairs (MPVA) in the Republic of Korea (ROK). Officials participate in conferences hosted by the MPVA along with representatives of counterpart agencies from Canada, Australia, and the United States. During a visit to Seoul in September 2019, VA signed a Statement of Intent with the MPVA, noting ongoing cooperation between the two countries on veteran matters. Korea also hosts ministerial level meetings from time to time, with the last one held in July 2023.

In October 2023, the ROK Embassy in Wellington raised with us the possibility of a ministerial visit to New Zealand later this year, as a final acknowledgement of the 70th Anniversary of the Korean War. Such a visit has not been confirmed or explored more formally. We have also agreed to support the Embassy in its efforts to maintain a register of New Zealand veterans of the Korean War so they can ensure veterans continue to receive recognition at Embassy functions.

Our work at a glance

\$29.644 million annual budget for VA in Financial Year 2023/24




25,000+ registered with VA
10,000+ clients receiving payments
3,466 actively case-managed



More than 7,000 clients receive Veterans' Independence Programme home services

\$43.94 million paid out in ex-gratia payments since November 2021 to 1145 veterans/spouses



Our Veteran Support Centre team answers more than 37,000 phone calls a year



We have more than 14,303 subscribers to our VA E-Newsletter



We help maintain 183 services cemeteries



We maintain a register of New Zealand Vietnam veterans

We hold case management clinics

We conduct forums and expos for serving and ex-serving veterans and their whānau



We have 90 FTE staff



Independent survey in 2022/23 showed 95 percent satisfaction with VA services and support

Organisational structure

Veterans' Affairs is part of the NZDF

Veterans' Affairs sits within the People Capability Portfolio of the NZDF.



Air Marshal Kevin Short
Chief of Defence Force



Jacinda Funnell
Chief People Officer

Veterans' Affairs leadership

We have a small senior management team. These are the people you will likely see most often, but we will also make available other subject matter experts to brief or support you whenever this might be helpful.



Bernadine Mackenzie
Head of Veterans' Affairs



Alexander Brunt
Deputy Head of VA



Michelle Williams
Manager Veterans' Services



Elaine Myers-Davies
Manager Projects and Communications



Jo Elworthy
Principal Adviser

Part 2 – The Minister for Veterans

Your responsibilities

The legislation which deals with your responsibilities as Minister for Veterans is, in the main, the Veterans' Support Act 2014 (VSA2014), referred to on page 3 of this briefing. There are also responsibilities under section 15 of the Burial and Cremation Act 1964.

We have listed below some of the areas relating to these statutory responsibilities that we will discuss with you regularly, or on which we will seek your decisions. We will provide detailed briefings to you when decisions need to be made on any of these matters.

Financial responsibilities

As Minister you will seek appropriations relating to veterans within Vote Defence Force (in 2023/24 this totalled \$29.644 million); and Vote Social Development (in the 2023/24 Estimates this totalled \$132.151 million). Further information on financial matters is provided in Appendix 2 of this briefing.

You may be invited to appear before the Foreign Affairs Defence and Trade Committee at the annual Estimates hearing when Vote Defence Force is considered. The Chief of Defence Force and the Head of Veterans' Affairs will accompany you.

Declarations of qualifying operational service

Section 9 of the VSA2014 states the role of the Minister in making declarations that deployments are operational service for the purposes of the Act.

When the Chief of Defence Force considers that a deployment poses a significant risk of harm to those deployed, he will recommend to you that you declare that deployment to be operational service under the Act. That declaration will qualify those who took part in the deployment for support from VA, should they have been injured or become ill as a result of their service.

There will be occasions when the responsible Minister needs to advise Cabinet of the intention to make a declaration of Qualifying Operational Service before the declaration is made; this is because the extension of entitlements under the Act has financial implications in that it increases Crown liability, and the availability of these funds needs to be confirmed. The relationship between veteran entitlements and Crown liability is discussed on page 21 of this briefing. Should you need to advise Cabinet before making a declaration of Qualifying Operational Service, we will prepare the necessary Cabinet paper for you.

Declarations to confer eligibility on service people and their spouses or partners for burial in Services Cemeteries

Section 15 of the Burial and Cremation Act 1964 deals with services cemeteries and who may be buried there. It specifies that the Minister for Veterans may declare eligibility for burial in these cemeteries following consultation with the Minister of Defence and the RNZRSA.

When the Chief of Defence Force recommends that you declare a deployment to be qualifying operational service, he will also recommend that those covered by that declaration, and their spouses or partners, should be eligible for burial in a Services Cemetery. We will prepare letters for you to use in consulting with the

Minister of Defence and the RNZRSA on these matters. Once their comment has been received, a notice in your name, declaring eligibility for services cemetery burial, will be published on the VA website.

Decisions relating to Statements of Principles

Statements of Principles were introduced when the VSA2014 was passed. The aim was to enable decisions on claims to be made in a more consistent and less subjective way than under the previous legislation. Section 22 of the Act specifies how Statements of Principles should be used and the responsibilities of the Minister for Veterans relating to these.

They contain a list of factors that, on the basis of sound medical-scientific evidence from around the world, link the condition to service. The factor may cause the condition, or aggravate or worsen it. They are developed in Australia by the Repatriation Medical Authority, and are regularly reviewed and updated as required.

Three or four times each year we will bring to you a paper recommending changes to Statements of Principles that are already being used in New Zealand by VA, or the application of new ones. You will need to take some of these to the Cabinet for their agreement, but you can approve minor changes to Statements of Principles on your own authority. Statements of Principles are applied by regulation in New Zealand.

The next group of Statements of Principles will be brought to you before the end of 2023. We will also draft a Cabinet paper for you to take to the Cabinet Legislative Committee in due course.

Approving ex gratia payments to qualifying Vietnam veterans

New Zealand's involvement in the Vietnam conflict was controversial, and returning personnel faced a number of consequences for having fought in an unpopular war. To redress the resulting grievances, the Government and organisations representing Vietnam veterans signed a Memorandum of Understanding (MoU) in 2006, in which a number of undertakings were given.

The following year an appropriation was established to fund support targeted specifically to the Vietnam cohort and their particular needs (which included dealing with the effects of Agent Orange). This enables ex-gratia payments to be made to Vietnam veterans and/or members of their family who have conditions known to be associated with service in Vietnam; and to provide annual comprehensive medical assessments for Vietnam veterans.

In 2021, two new conditions were added to Schedule 1 of the MoU, which lists those known to be associated with potential exposure to herbicides and defoliants. As one of these conditions, hypertension, is prevalent in the aging population of which Vietnam veterans are part, this resulted in a significant increase to the number of those eligible to claim an ex gratia payment. Cabinet agreed to increase the appropriation in order to meet anticipated claims. The annual appropriation is currently \$3.1 million.

Each ex gratia payment requires ministerial approval.

There is an established process for managing the approvals and payments. A list of recipients is sent to your office for review. Once you have given your approval to make ex gratia payments to those listed, VA sends a standard letter to the recipient in your name. For this, we will require your approval to use your electronic signature.

Appointments to independent boards and trusts

Three independent boards were established under the VSA2014. Part 8 of the Act specifies their roles, and the responsibilities of the Minister for Veterans in relation to them. VA provides administrative support to these three bodies.

The Minister appoints the Chair, Deputy Chair, and members of:

- the Veterans' Advisory Board;
- the Veterans' Entitlements Appeal Board; and
- the Veterans' Health Advisory Panel.

In addition, the Minister, jointly with the Minister of Defence, appoints the chairperson of the Viet Nam Veterans and Their Families Trust (which was established in 2007). Internal Affairs administers the Trust.

Details of these three boards – their functions and their membership - are contained in Appendix 1 of this briefing.

There are no further appointments due to be made in 2023, but a number will fall due in 2024.

Decisions relating to presumed injuries, illnesses or conditions

Section 21 of the VSA2014 describes the responsibility of the Minister for Veterans to specify injuries, illnesses or conditions that must be treated as service-related, and under what circumstances.

In fact, however, these “presumptive lists” have been grandparented from the previous legislation. There are presumptive conditions for a number of earlier cohorts (including WW2 prisoners of war, Vietnam veterans, and veterans who may have been exposed to nuclear radiation). In recent years, the Statements of Principles process has been the avenue for recognising any new research that associates illnesses or conditions with service.

How VA will support you

VA works closely with a member of the NZDF who is appointed to your office as Military Secretary to advise you on matters relating to your Veterans portfolio.

We will provide you with:

- a weekly briefing note to update you on recent and forthcoming events that relate to your portfolio;
- quarterly reports with more formal information about how we are tracking against our objectives and performance indicators;
- advice and briefing papers about a range of matters that bear on your portfolio;
- draft responses to written and oral parliamentary questions directed to you in your capacity as Minister for Veterans; and to Official Information Act requests directed to you in your capacity as Minister for Veterans;
- support for your ministerial adviser, and press secretary when veteran-related matters arise; and
- support at international meetings that you attend as Minister for Veterans.

We will also prepare any Cabinet papers dealing with veteran matters that you require.

In the past, we have had a standing arrangement to meet with the Minister each week. Our VA team is accompanied by others from the NZDF when matters which the NZDF is managing for you are to be discussed. The NZDF, for example, is responsible for briefing you about significant overseas commemorations.

Part 3 – Key issues

We would like to discuss the following matters with you at an early stage, as they cover areas you will need to be aware of, make a decision about, or take action on.


Impact of recent High Court case

In 2021, a veteran applied to VA for a disablement pension. The application was declined on the grounds that the condition was not related to his service. The veteran appealed this decision to the independent Veterans' Entitlements Appeal Board (VEAB) (see page 22) and the Board upheld his appeal in a majority decision. The basis of the Board's decision was that the condition should have been presumed to have been attributable to the veteran's service, as a previous appeal decision under the now-repealed War Pensions Act 1954 had accepted a probable association of that condition with service.

The Crown appealed the VEAB decision on a matter of law to the High Court.

The Court's judgment allowed the appeal of the Crown and sent the case back to the VEAB to consider again in the light of the Court's considerations and the legal guidance it provided. The Board's reconsideration of this case, as directed by the High Court, is currently underway.

s. 9(2)(f)(iv)



Addressing delays in processing claims from eligible veterans

VA has legislative obligations to ensure that veterans who have been harmed or injured in their service to New Zealand receive the appropriate support and entitlements promptly to reduce the risk of further harm.

While both the volume and complexity of veterans' claims for their entitlements have been increasing for several years, VA's frontline resources have not increased at the same rate. This is having a negative impact on veterans with veterans waiting longer to receive their entitlements, including much needed treatment and rehabilitation services.

We are currently recruiting some additional frontline staff and we anticipate that, once they are in place and fully trained, this will start to address the problem.

s. 9(2)(g)(i)

Reviewing the situation of New Zealand's nuclear veterans

The New Zealand armed forces have been deployed on three occasions in circumstances where there was potential for exposure to ionising radiation: in Japan at the end of the Second World War, (JayForce); in the Pacific—Christmas Island—in the 1950s (Operation Grapple); and in the Pacific—Mururoa—in the 1970s.

New Zealand has had, since 2007, a list of presumptively accepted conditions related to ionising radiation exposure. All veterans who served in Jayforce, Operation Grapple, or at Mururoa are covered by this. Under the Presumptive List, an injury or illness is automatically deemed to be attributable to service if the veteran served in the deployment for which there is a presumptive list; and the injury or illness is on the list.

Nonetheless, veterans and their families have long been concerned that there may be risks arising from their deployments which are not understood or accepted.

In 2021, in response to this concern, the then Minister for Veterans requested the independent advisory body, the Veterans' Health Advisory Panel (VHAP), to review the most up-to-date scientific evidence bearing on this area to establish whether there might be implications not previously identified for these New Zealand veterans; and whether the new information suggests that New Zealand should change the approach it currently takes to nuclear veterans and their families.

The Panel's report was completed and passed to the responsible Minister in March 2023, and was publicly released in July 2023. It contains several recommendations, one of which would require you, should you agree, to take a paper to Cabinet, seeking agreement to an extension of services to some nuclear veterans.

We have prepared a briefing note on this matter, and would welcome an early opportunity to discuss it with you.

Changes to arrangements for delivery of the Veterans' Independence Programme (VIP Services)

This programme, delivered nationwide under Master Service Agreements, is designed to help veterans stay safe and independent in their own homes. It offers a number of services, which are described on page 5.

Veterans who have an accepted service-related illness or injury can access this programme as an entitlement. It is discretionary for those veterans who receive no other support or services from VA. There has been a significant increase in demand for services from this latter group; and there is now a five month delay in assessing and setting up services. More than 1,000 are now in the queue awaiting VIP only services. This

discretionary service is also taking up a disproportionate amount of resourcing, and is constraining our support to veterans who have core entitlements, where there are also increased wait times.

Our immediate priority is to clear the backlog of applications we have without compromising the needs assessments required, and also to complete the required reassessments of around 2,500 existing clients who are currently receiving VIP services but have no other entitlements from VA.

Following work with several veteran advocacy groups, we have developed a new system which should enable better management of this programme. This was introduced in early August, accompanied by a multi-channel communication plan to ensure that veterans, and those who support them, are aware of the changes. The new system should ensure that the needs of those veterans who apply to us for assistance under this programme are addressed more effectively.

s. 9(2)(f)(iv)

Progressing *Te Arataki mō te Hauora Ngākau mō ngā Mōrehu a Tū me ō rātou Whānau* (Te Arataki)

In 2021 and 2022, a Roundtable of representatives from across the veteran, defence, and mental health sectors joined together to identify how improvements can be made to the mental health and wellbeing of veterans, their families and whānau.

The Roundtable's work, which drew on both international evidence, and New Zealand's experience, was brought together into a new resource – the *Veteran, Family and Whānau Mental Health and Wellbeing Policy Framework - Te Arataki mō te Hauora Ngākau mō ngā Mōrehu a Tū me ō rātou Whānau* (Te Arataki).

It aims to educate a wide range of organisations and individuals, and guide activity to improve the mental health and wellbeing of veterans, their families and whānau; and suggests effective responses and priority areas.

Te Arataki was launched in June 2022. An action plan to deliver on the key goals that it identified was tested with members of the Veteran Mental Health and Wellbeing Roundtable and other attendees at a March 2023 Te Arataki Symposium, and amended to reflect their views.

This action plan has four main focus areas: data and research; prevention and wellbeing promotion; transition processes and support; and professional and service development. A work programme for July 2023 – December 2024 has been published on the VA website. The first quarter of this financial year has already seen progress towards the objectives in the work plan on the part of several agencies, departments and organisations.

The overall aim is to ensure that existing services in New Zealand are alert to the needs of veterans; and that their needs are understood and taken into account when any new mental health and wellbeing policies, strategies, or plans are developed.

Veterans' Affairs' Approved Information Sharing Agreement (AISA)

We have been working with 11 other agencies to develop an agreed information sharing arrangement to ensure veteran support is not delayed by difficulties in obtaining key records and verifications, and to ensure there is timely notice of change to veterans' status and entitlements. s. 9(2)(f)(iv)

Upcoming commemorations

The Chief of Defence Force is responsible for organising all New Zealand overseas military commemorations, including Anzac Day commemorations at Gallipoli. The programme of overseas commemorations is planned and coordinated with the NZDF, the Ministry of Foreign Affairs and Trade, and the Ministry for Culture and Heritage. You will need to discuss ministerial attendance at the various commemorations with your colleagues.

The Minister for Veterans is the Minister responsible for Anzac Day commemorations at Gallipoli. The Head of Commemorations and Protocol from the New Zealand Defence Force will brief you on this.

Military commemorations in New Zealand are organised by the Visits and Ceremonial Office of the Department of Internal Affairs, with involvement from the NZDF and the Ministry for Culture and Heritage. The NZDF Director of Heritage, Commemorations and Protocol will provide you with regular briefings on how arrangements for commemorations are progressing.

From time to time you will also receive invitations to local-level ceremonies and commemorations.

New declarations of operational service

We have noted above that we will bring to you from time to time recommendations for declarations of operational service.

The 2014 legislation changed the criteria for qualifying operational service. Those now in force cover a broad range of operational and environmental threats, including non-State actors and security forces. The previous Act had referred only to service in war or emergencies (which were not further defined).

Declarations of qualifying operational service can be made before, during, or after deployments. Those which are brought to you usually relate to new deployments of NZDF personnel. We are also, however, completing the last section of a retrospective review of deployments between 1974 and 2014. This retrospective review has been done in order to ensure equity and consistency for all who have served. It involves reassessing a number of deployments that had originally been considered against the criteria in the War Pensions Act, against the new criteria now in place. The review is almost complete, and we will bring any resulting recommendations to you as they are developed. Related declarations for the purposes of the Burial and Cremation Act 1964 will follow.

Strategic challenges

There are a number of longer-term issues, many of which are linked.

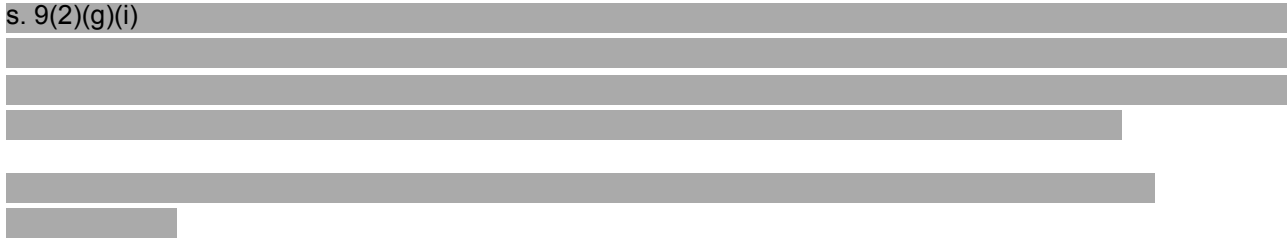
The definition of a veteran

Only a proportion of those who have served in the New Zealand armed forces are “veterans” as defined by the VSA2014. The definition, and the associated legal entitlements, apply only to those who served before the advent of the ACC in New Zealand (1 April 1974) or who have taken part in qualifying operational deployments since then which have posed a significant risk of harm. Not all NZDF personnel have undertaken such service.

The intent of the definition is that it enables support and compensation to be targeted to those who have developed illnesses or injuries from having been put at risk in the service of their country, rather than simply recognising attestation in the armed forces.

The reasons behind the limited nature of the definition, however, are not always well understood, and the situation is often interpreted as unfair and discriminatory. A call for an extension of the definition of “veteran” to include everyone who has ever served is frequently made by members of the service and ex-service community. One such call was made by the independent Veterans’ Advisory Board in a report to a previous Minister for Veterans in 2019.

s. 9(2)(g)(i)



A possible military Covenant/Kawenata

A previous Minister for Veterans asked the Veterans’ Advisory Board to canvass the views of New Zealanders about the possibility of establishing a covenant or kawenata between those who have served in the NZDF, and the Government and people of New Zealand. The intention of such a covenant would be to formalise undertakings by the Government and citizens to those who have served and their families. Australia and the UK have introduced covenants.

The Board sought submissions on this topic. Because their examination of the issue coincided with the COVID-19 lockdown, the consultation was conducted through representative and online surveys. The completed research indicated that, while the public does not have a lot of knowledge about service people and their lives, New Zealanders feel that there is a moral obligation for the country to support service people and their families.

The report concluded that a military kawenata could benefit service people and their whānau, and that it is supported by the majority of New Zealanders.

The Board has subsequently done some further work on recognition generally, and how a kawenata might be able to work in New Zealand.

Should such a kawenata go ahead, it would cover all who have served, at any time, not simply those veterans who have entitlements with VA. s. 9(2)(g)(i)

Data and information

There is limited data available about New Zealand's veteran population and, in particular, those vulnerable service personnel who could become VA clients in the future. This has an impact not only on departmental planning, but also on research work.

We are keen to build an enhanced evidence base to help us to effectively identify and address veterans' needs. Improving access to data is one of the major planks of Te Arataki. We have had discussions over the past year with the Department of Statistics about adding some information about veterans into the integrated data infrastructure, and have also had discussions about collecting veteran data with the Social Wellbeing Agency (SWA), and the Ministry of Health. These actions form part of the Te Arataki delivery plan. The resulting data and insights should help to develop a better understanding of mental health and wellbeing outcomes for veterans, and to encourage veteran research making use of key information available from the SWA Research Hub.

The NZDF has established a preliminary register of veterans with qualifying operational service for 35 deployment declarations between 1991 and 2014. This encompasses approximately 12,500 veterans, and is a valuable source of information. The next step, now underway, is to ensure that all qualifying operational service can be recorded on a service person's file; this enhancement to the HR system is in planning. Once the ability to record qualifying service is there, work can be undertaken to "back fill" this data in the HR system.

This does not, however, enable automatic VA registration for the personnel included on this list. VA services are opt-in, and a veteran needs to approach VA to establish eligibility. A concerted effort has been made over the past few years, and is continuing to be made, to reach those who may be eligible and to encourage them to come forward. This is being done via forums, expos, regular attendance at meetings organised by the NZDF and veteran organisations, the establishment of working level links with NZDF staff responsible for helping serving staff to transition into civilian life, and occasional publicity campaigns.

Transitioning from the NZDF to Veterans' Affairs

Leaving service can be challenging, and we are working closely with the NZDF to make sure that eligible service personnel who have been identified as having urgent needs, including service-related illnesses or injuries managed by NZDF medical staff, can receive support from Veterans' Affairs.

Work is underway, in conjunction with the People and Health portfolios in the NZDF, to make the transition as smooth and user-friendly as possible. This includes improving portability of key data about the overall veteran population, so we can make evidence-based decisions about their needs now and in the future. This will also help us plan our future workforce.

Effective transitioning is a central plank of Te Arataki, as there is strong international evidence about the significant part that this plays in setting up those who have served for healthy and stable civilian lives. It is therefore one of the areas that is being addressed in the Te Arataki Action Plan.

Waitangi Tribunal Kaupapa inquiry

Kaupapa inquiries deal with nationally significant issues affecting Māori as a whole. The Wai 2500 Military Veterans Kaupapa Inquiry was initiated in September 2014. The Inquiry will hear claims involving past Māori military service undertaken directly for, or on behalf of, the Crown in right of New Zealand or, in colonial times, the Imperial Crown.

The initial phase of the inquiry consisted of six weeks of taonga tuku iho hearings, which were held in 2015 and 2016. Following those hearings, the Tribunal commissioned research into specific topics. The reports on these topics were produced and filed between 2016 and 2020. In June 2020, the Tribunal was satisfied that the evidential coverage was sufficient and directed claimants to file final statements of claim.

A Cabinet paper on the Crown's approach to the Waitangi Tribunal Wai 2500 Māori Military Veterans Kaupapa Inquiry was considered by the Cabinet Māori Crown Relations – Te Arawhiti Committee on 28 June 2022. In addition to approving the Crown's approach, and the necessary appropriation for the Inquiry, the Committee "invited the Minister of Defence and the Minister for Veterans to report back to Cabinet on any proposed Treaty breach concessions and non-breach acknowledgements prior to these being made". On 4 July 2022, Cabinet confirmed that decision, deciding in line with Cabinet Office Circular CO (19) 3, Better Coordination of Contemporary Treaty of Waitangi Issues guidance, that the Crown's approach will include continuously reviewing the evidence and submissions for the purposes of determining whether or not the Crown should make concessions and non-breach acknowledgements.

The Tribunal issued its Statement of Issues on 14 December 2022. Following its first hearing in Rotorua in June 2023, there will be others in December 2023, and the first half of 2024. Representatives from VA will attend these hearings.

Issues raised by claimants include discrimination, recognition, disproportionate risk of harm, inadequate care and rehabilitation, land alienation, farm settlement and economic opportunity, welfare and entitlements, and cultural practices. Many of the claims relate to service generally, and involve the relationship of personnel in service with the NZDF. However, the Tribunal has included within the Statement of Issues recent Crown policy and practice in relation to concerns raised by Māori veterans and their whānau.

Appropriation – long term liability funding approach

Historically, veterans' support entitlements administered under the VSA2014 were recognised as expenses as each payment fell due. In 2019, however, the External Reporting Board (which sets accounting standards for New Zealand organisations) issued a standard which meant employee benefits needed to be recorded in a different way.

The change meant that, instead of making provision for expenditure in the year that payments fall due, provision needs to be made for the full payment (ie for as long as the employee will be eligible for it) at the point when a person first becomes eligible for that payment. This has had an impact on payments to veterans who are covered by the VSA2014, as veterans are former employees of the NZDF for whom the Government has ongoing support obligations.

This means that when any recommended policy change would affect veterans' entitlements, this needs to be costed, not only across the forecast Budget period, but rather the liability for making payments over a period of 80 years. We will ensure that these costings are included in any advice we provide to you that relates to an extension of entitlements, and any papers that we prepare for you to take to Cabinet on these matters.

The veterans' entitlements liability was valued at \$2.7 billion as at 20 June 2023.

Appendix 1

Independent Boards and Trusts

Veterans' Entitlements Appeal Board (VEAB)

The Veterans' Entitlements Appeal Board determines appeals by veterans and other claimants against reviewed decisions by VA relating to their claims for entitlements under the Act.

The Board has four members, one of whom must be a lawyer of at least seven years' standing who must be appointed as the Chairperson. Two of the members must be medical practitioners, one of whom must be nominated by the RNZRSA.

Once an appeal has been determined by the VEAB, the only possibility for further review is through the High Court – and cases can only be taken to the High Court on an issue of law. There have been two cases before the Court in 2023. The High Court issued its judgment on one of these cases (that had been taken by the Crown) in July 2023 (see page 15). A second case, this one taken by the appellant, is yet to be heard.

The Chair of the Board is Raewyn Anderson.

Other members of the Board are Chris Griggs, Dr Chris Holdaway, and Professor Tristram Ingham.

The terms of appointment of three members are due to conclude in 2024, with the term of the fourth member concluding in 2025.

Veterans' Advisory Board

The Veterans' Advisory Board responds to requests from you for advice, and may initiate work on such things as policies relating to veterans' entitlements.

The Board's work has included reports to the Minister on repatriation policy for New Zealanders interred overseas as the result of military burial between 1948 and 1970; the definition of a "veteran" and how military service could be recognised; New Zealanders' views about whether a military covenant (kawenata) should be established in this country; and options for recognising those who have served. They are currently undertaking work, at the request of a previous Minister for Veterans, to review the principles that underlie the memorialisation of veterans and those who have served, after their deaths.

The Board has up to seven members and one serving veteran (ex-officio), nominated by the Chief of Defence Force.

The Chair of the Board is Leith Comer.

Other members are Fiona Cassidy, BJ Clark, Baden Ewart, Denise Hutchins, Glenis Philip-Barbara, Warrant Officer Class One (WO1) Mark Mortiboy. Commander Katherine Ayres is a deputy member for WO1 Mortiboy.

The terms of all members are due to expire in July 2024.

Veterans' Health Advisory Panel

The Veterans' Health Advisory Panel provides you with advice and guidance on matters such as the impacts of service on veterans' health; and the relationship between qualifying operational service and impairment for the purpose of assessing eligibility to entitlements. It also decides how to allocate funds from the Veterans' Medical Research Trust Fund as grants and awards for research into contemporary veterans' health.

In 2023, the Panel concluded a report on the health impacts of exposure to ionising radiation, with particular reference to implications for New Zealand's nuclear veterans. This report was passed to the then Minister for Veterans in March 2023, and was publicly released in July 2023.

The Panel has nine members, including three ex-officio members: a medical practitioner nominated by the Chief of Defence Force, a medical practitioner nominated by Veterans' Affairs, and a representative of the Veterans' Advisory Board.

The Chair of the Panel is Cathy O'Malley.

Other Panel members are Dr Ian Civil (Deputy Chair), Dr Marie Bismark, Jhanitra Gavala, Professor Te Kani Kingi, and Daniel Patrick. Denise Hutchins, Lieutenant Colonel Robert Duncan, and Dr Michael O'Reilly are ex-officio members.

The terms of eight members, including the Chair, are due to expire in 2024; and the term of one member is due to expire in 2025.

Viet Nam Veterans and their Families Trust

The Trust is a non-statutory organisation. It was established when the Crown signed a Memorandum of Understanding in 2006 with representatives of Vietnam veterans.

The Government provided the Trust with capital of \$7 million for an initial 30-year period. The interest on that sum is available for the Trust to distribute. The Trust Deed requires repayment of the capital at the end of the 30-year period.

The Trust has four trustees and a Chair. The Chair is jointly appointed by the Minister for Veterans and the Minister of Defence. The current Chair was appointed in July 2023. The trustees are appointed by the New Zealand Vietnam Veterans' Association and the Royal New Zealand Returned and Services' Association. The Trust is administered by the Department of Internal Affairs.

The Chair of the Trust is Sir Jerry Mateparae.

Other trustees are Patrick Duggan, Robert Hughes, Pamela Miley-Terry, and Graham Gibson.

Appendix 2

Appropriations: Minister for Veterans

The appropriations in 2023/24 are \$161.795 million.¹

The Vote appropriation forecast spending for Financial Year 2023/24 consists of the following outputs.

Vote Defence Force – administered by Veterans' Affairs

Departmental Output Expenses	Administration Service	\$4.176 million
	Policy Advice	\$0.230 million
	Services and Payments to Veterans	\$8.464 million
Non-Departmental Output Expenses	Development and Maintenance of Services Cemeteries	\$0.746 million
Non-Departmental Other Expenses	Support for Vietnam Veterans (Ex-Gratia Payments and Comprehensive Medical Assessments for Vietnam Veterans)	\$3.100 million
	Veteran Assistance to Attend Commemorations and Revisit Battlefields	\$0.200 million
	Fair Value Write Down on Veteran Trust Loans and Thirty-years endowment	\$0.203 million
	Impairment of Debt for Benefits or Related Expenses	\$0.250 million
	Grant Payments to Non-Government Organisations	\$0.275 million
	Service Cost-Veterans' Entitlements	\$12.000 million
	Unwind of interest	0
Total		\$29.644 million

Vote Social Development – administered by Ministry of Social Development (as at Estimates)

Departmental Output Expenses	Processing and Payment of Veteran's Pension	\$0.744 million
Non-Departmental Benefits or Related Expenses	Veteran's Pension	\$131.407 million
Total		\$132.151 million

¹ \$29.644 million from Vote Defence Force 2023/24 budget and \$132.151 million from Vote Social Development budget.