



Cabinet

file
CAB Min (01) 12/9

Minute of Decision

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Prime Minister

Copies to:

Deputy Prime Minister
Minister of Finance
Minister of Social Services and Employment
(DWI)
(MSP)
Minister of Health
Minister of State Services
Associate Minister of Maori Affairs
(Hon Sandra Lee)
Minister for Disability Issues
Minister of Defence
Minister of Veterans' Affairs
Minister of Women's Affairs
Associate Minister of Maori Affairs
(Hon Tariana Turia)
Clerk of the Executive Council
Chief Parliamentary Counsel
Controller and Auditor-General
Legislation Coordinator
Secretary, EXG
Secretary, SEQ
Monitoring System

Improving Services to Veterans

On 23 April 2001 Cabinet:

Legislation and Employment

- 1 **agreed** to transfer the Veteran's Pension legislation from the Social Welfare (Transitional Provisions) Act 1990 into the War Pensions Act 1954;
- 2 **noted** that veterans who are under retiring age and who are on a Veteran's Pension, lose their entire Veteran's Pension if they engage in voluntary, part-time or full-time employment;

- 3 **agreed** that the Secretary for War Pensions be given discretion to waive, where appropriate, the need for a stand-down period and/or the need for a medical examination if veterans reapply for their Veteran's Pension after a period of employment;
- 4 **agreed** that if employment is undertaken by people on a Veteran's Pension under retiring age, the rate of abatement be \$0.30 for every dollar earned in paid employment between \$4161-\$9360 per annum (\$81-\$180 per week) and that income over \$9361 per annum or \$181 per week be abated at \$0.70 for every dollar earned;
- 5 5.1 **noted** that the new abatement regime for veterans in paragraph 4 may require systems changes with costings in the range of \$440,00 to \$670,000 (to effect changes to SWIFTT); and
- 5.2 **invited** the Minister of Veterans' Affairs to examine other options for implementing the changes;
- 6 **directed** officials to report to the Cabinet Committee on Government Expenditure and Administration (EXG) by 31 May 2001 on the costings for the proposal in paragraph 4, including possible savings and implementation detail, and taking into account the work requested in paragraph 5;
- 7 **noted** that the War Pensions Amendment Bill has a category 3 (to be passed this year) on the 2001 Legislation Programme;
- 8 **invited** the Minister of Veterans' Affairs to forward drafting instructions to the Parliamentary Counsel Office to implement the proposals in paragraphs 1, 3 and 4 in the War Pensions Amendment Bill;

Medallic Recognition for Operational Service

- 9 **noted** the following options in CAB (01) 154 on medallic recognition for operational service:
- 9.1 institute a New Zealand Operational Service Medal (NZOSM) 1945-2002 (warlike and non-warlike) to be awarded to all New Zealanders who have been involved in operations since 1945;
- 9.2 institute a NZOSM 1945-2002 to be awarded to those personnel who meet the New Zealand criteria of operational service and have not received any previous New Zealand medallic recognition;
- 9.3 institute a NZOSM (warlike and non-warlike) to be awarded to all New Zealanders who have been involved in operations since 1945; and award the New Zealand General Service Medal to those personnel who meet the New Zealand criteria of operational service and have not received any previous New Zealand medallic recognition;
- 10 **deferred** consideration of the options for medallic recognition for operational service to allow time for further consultation, including with veterans' organisations;

Additional Health Services for Children of Viet Nam and Operation Grapple Veterans and Families of Veterans

- 11 **noted** that other countries such as Australia and the United States provide special support for the children of Viet Nam veterans with specific conditions, including spina bifida manifesta and cleft lip/palate;
- 12 **agreed** that the following additional assistance and services be provided in New Zealand:
 - 12.1 reimbursements of out-of-pocket health expenses for children of Viet Nam and Operation Grapple veterans with spina bifida manifesta and cleft lip/palate;
 - 12.2 referral, where appropriate, to genetic counselling services and travel assistance for children of veterans;
 - 12.3 access to family/psychological counselling services to be determined on a case-by-case basis, for families of veterans;
- 13 **agreed** that the assistance be delivered in association with the case management function provided through the Office of Veterans' Affairs (paragraph 17 refers);
- 14 **noted** that officials will develop criteria for referral to genetic and family counselling services and report back to the Cabinet Social Equity Committee (SEQ) by 30 June 2001 in association with the further report back on case management services in paragraph 22;
- 15 **noted** that indicative costs for additional health services is approximately \$200,000 per annum;
- 16 **directed** officials to report back to SEQ by 30 June 2001 on the fiscal costs and implementation of additional health services;

Improving Services through Case Management

- 17 **agreed** to introduce case management services within the Office of Veterans' Affairs for veterans with high needs;
- 18 **noted** that case management services would include the advice and organisation of specialist referrals, an emphasis on preventative treatment and the identification of appropriate rehabilitative opportunities;
- 19 **noted** the following administrative proposals will be undertaken in the short-term to provide a more unified and seamless service to veterans:
 - 19.1 the Department of Work and Income (DWI) will change the letterhead sent on written communications to veterans to emphasise the separate identity of the War Pensions Unit (by June 2001);
 - 19.2 DWI will change the way people are addressed by the War Pensions Unit from pensioner to veteran in communications (by May 2001);
 - 19.3 a series of joint initiatives between the Office of Veterans' Affairs and DWI will be undertaken to:

- 19.3.1 create a direct link between their 0800 numbers so that callers can be automatically transferred to the relevant service (feasibility by May 2001);
 - 19.3.2 align telephone book listings at the next available opportunity;
 - 19.3.3 develop a service charter specifically for the War Pensions Unit, which recognises the special needs and status of veterans and is completed in consultation with veteran representative groups (December 2001);
 - 19.3.4 establish a veterans' website covering all services available to veterans (December 2001);
 - 19.3.5 expand information provided to RSA clinics (July 2001);
- 20 **noted** that the Secretary of War Pensions intends to change the make-up of war pension claims panels by replacing the current DWI staff member with a small team of people with medical expertise;
- 21 **noted** that the indicative costs for the introduction of case management services and improved claims panels are between \$2 million to \$4.5 million per annum;
- 22 **directed** officials to report back to SEQ by 30 June 2001 on:
- 22.1 the design and implementation of a case management approach, including the fiscal implications; and
 - 22.2 the cost of replacing the DWI staff member on the War Pensions Claims Panel;

Ex gratia Payment for Ex-POWs of Japan and Civilian Internees or Their Surviving Spouse

- 23 **noted** that the United Kingdom recently announced that in recognition of the unique circumstances of their captivity, the UK Government decided to make a single ex gratia payment of 10,000 pounds sterling to the surviving members of the British groups who were held prisoner by the Japanese during World War II;
- 24 **noted** that the Australian Government is also considering making a similar payment imminently in line with the UK;
- 25 **noted** that the experience of those who were held in captivity by Japan was unique in the severity and harshness of conditions;
- 26 **noted** that it is estimated that up to 150 people could be eligible for an ex gratia payment;
- 27 **agreed** to make a single, ex gratia payment of \$30,000 to up to the 150 surviving ex-POWs of Japan and civilian internees or their surviving spouse;
- 28 **approved** the establishment of an ex gratia Payment to ex-POWs of Japan and civilian internees or their surviving spouse as a new "Other Expense to be Incurred by the Crown" appropriation from 2000/01 in Vote Veteran's Affairs – Defence;

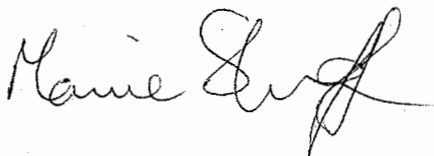
- 29 **approved** the following changes to appropriations to fund the proposal in paragraph 27 with a corresponding impact on the Government's operating provisions:

Vote Veteran's Affairs – Defence	\$m – increase/(decrease)					GST
	2000/01	2001/02	2002/03	2003/04	Outyears	
Other Expense to be incurred by the Crown						
Ex-gratia Payment to Japanese POWs/Spouse of Japanese POWs	4.500	-	-	-	-	N/A
Total	4.500	-	-	-	-	N/A

- 30 **agreed** that the above changes in appropriations in 2000/01 be included in the 2000/01 Supplementary Estimates, and that, in the interim, these expenses be met from Imprest Supply;
- 31 **agreed** that the Ministers of Finance and Veterans' Affairs may approve the transfer of unexpended funds from 2000/01 to 2001/02 at a later date;
- 32 **invited** the Minister of Social Services and Employment to establish as soon as possible a Ministerial Welfare Programme under the Social Security Act in order that recipients of the ex gratia payments do not lose access to supplementary assistance;
- 33 **invited** the Minister of Social Services and Employment in consultation with the Minister of Health to amend regulations under the Social Security Act to exclude the ex gratia payment from income and asset testing for the purposes of the residential care subsidy;

Announcement

- 34 noted that the Prime Minister would make an immediate announcement of the Government's decisions.



Secretary of the Cabinet

Reference: CAB (01) 154