



Australian Government
Department of Finance
The Treasury

PUBLIC RELEASE OF 2016 ELECTION COMMITMENT COSTING

Name of proposal costed: Support Veterans and Their Families	
Costing Identifier:	COA 039
Summary of costing:	<p>This policy continues to support Australia's veterans by:</p> <ul style="list-style-type: none">• Supporting veterans' mental health;• Streamlining the claims process;• Supporting female veterans; and• Supporting younger veterans. <p>The total cost of this policy is estimated to be \$14.9 million over four years.</p>
Person making the request:	Prime Minister
Date costing request received:	27/06/2016
Date of public release of policy:	25/06/2016
Date costing completed:	30/06/2016
Additional information requested (including date):	Not applicable.
Additional information received (including date):	Not applicable.

Financial implications (outturn prices)^(a)

Impact on	2016-17	2017-18	2018-19	2019-20
Underlying Cash Balance (\$m)	-4.2	-4.2	-4.2	-2.2
Fiscal Balance (\$m)	-4.2	-4.2	-4.2	-2.2

(a) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in revenue or a decrease in expenses or net capital investment in cash terms.

Where relevant, state that the proposal has been costed as a defined or specified amount.

As specified in the costing request, \$14.9 million over four years, from 2016-17 to 2018-19, to be expended as follows:



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Supporting veterans' mental health

- Establishing the Centenary Institute at a cost of \$2.0 million each year, from 2016-17 to 2018-19.
- Extending access to the Veterans and Veterans Families Counselling Service (VVCS) at a cost of \$0.8 million each year over the Forward Estimates.

Streamlining claims process

- Increasing the amount veterans can be reimbursed for obtaining medical reports from the current \$467.50 to up to \$1,000, at a cost of \$0.3 million each year over the Forward Estimates.

Supporting female veterans

- Establishing a Female Veterans Policy Forum at a cost of \$0.2 million each year over the Forward Estimates.

Supporting our younger veterans

- Providing \$1.0 million to ex-service organisations each year over the Forward Estimates for a range of projects that promote social inclusion and peer to peer support for younger veterans.

Where relevant, include separate identification of revenue and expense components.

Not applicable.

Where appropriate, include a range for the costing or sensitivity analysis.

Not applicable.

Qualifications to the costing (including reasons for the costing not being comprehensive).

Streamlining claims process

- As this program is demand driven, actual costs may vary from year to year. While up to \$1,000 can be reimbursed, Finance has assumed that the average amount that veterans would be reimbursed for obtaining medical reports is \$800.

Where relevant, explain effects of departmental expenses.

As specified in the costing request, all departmental costs are to be met from within the existing resources of the Department of Veterans' Affairs (DVA).

Where relevant, explain the reason for any significant differences between the assumptions specified in a party costing request and those used in a Treasury or Finance costing.

Not applicable.



Other comments (including reasons for significant differences between the estimated impact on the fiscal and underlying cash balances).

Not applicable.

Background information

Costing methodology used

Policy parameters:

General

- The implementation date for this policy is as soon as practicable in 2016-17.
- This policy is ongoing and subject to review in 2019-20.

Supporting veterans' mental health

- The Centenary Institute will work collaboratively in support of practitioners and ex-service organisations that work closely with veterans with mental health concerns.
- As specified in the costing request, funding for the Centenary Institute is over three years to 2018-19.
- Funding to extend access to the VVCS is demand driven and uncapped.
- It is assumed there would be no:
 - increase to the unit cost for each service provided under VVCS;
 - expansion to the range of services provided by VVCS; or
 - expansion of the number of VVCS service centres and outpost locations.

Statistical data used:

Not applicable.

Behavioural assumptions used (as appropriate).

Not applicable.

