

Veteran Affairs lost \$430m after former minister forced to make cuts

[Cloe Read](#) June 21, 2022 — 5.20pm

A Coalition member was made to cut more than \$430 million from veteran affairs to offset money allocated in the budget, as the department struggled under a 50,000-strong compensation claims backlog.

Former veterans affairs minister Andrew Gee, who held the portfolio from July 2021 to May, told the Royal Commission into Defence and Veteran Suicide there was a clear link between the claims backlog and suicide rates within the defence community.

Former Veteran Affairs Minister Andrew Gee speaking at the Royal Commission into Defence and Veteran Suicide.

He said the department was struggling under limited staffing and the system was "crying out for reform".

A report into the department's compensation claims process found as of December 2021, there were 51,000 claims on hand, with 17,000 of those being processed.

It found the backlog was due to DVA being "unable to keep up with rapidly growing claim demand," with total claims growing by 48 per cent between June 2019 and July 2021.

Despite the significant backlog and limited staffing for claims processing, Gee said he was made to cut \$430 million to offset additional expenditure, which he said was counterintuitive.

"It's like one step forward and two steps back," the former minister told the inquiry.

Major figures, including Chief of Defence Angus Campbell, to appear at hearing looking at ways of saving lives of veterans.

"That was a big issue because that's got to come from somewhere, and the department doesn't mandate this, this is government.

"I was quite surprised at the magnitude of that, but I just resolved to cut the cuts and do what we could do to reverse them."

When counsel assisting Peter Gray QC asked Gee if he was provided additional funding on the basis it "had to be saved by cuts to other areas", Gee responded that he had no choice.

Gray suggested the \$430 million was an "enormous amount" and "the equivalent to the annual cost of running the DVA", to which Gee agreed.

Gee said it was only after the report into claims processing that the staffing issue came to light.

"I didn't have any reason to think they didn't have enough money. It wasn't an issue that came up until [the claims report]," he said.

Gee said targets to address the almost 60,000-strong claims process "almost became irrelevant".

"Because what's the point in, you know, you look at it and you go 'well, what good are the targets anyways' because you're not going to get within a bull's roar of them," he said.

Gee also said when he became veteran affairs minister, he did not think he was given a specific briefing on defence and veteran suicide, but he was

“very aware of those issues”.

He also said veteran affairs should be a cabinet position, adding that he hoped in time it would change.

The [royal commission](#) continues and is expected to hear from Defence Force chief Angus Campbell and former veteran affairs minister Darren Chester.

If you or someone you know needs support, it is available through [Lifeline](#) 13 11 14; [MensLine](#) 1300 789 978; and [Beyondblue](#) 1300 224 636.