

reseal/deseal cases—those participants who registered in the F111 reseal/deseal health arrangements had full access to health treatment to cover a wide range of injuries or illnesses while the issues were gone through. In respect of treatment for cancers and treatment for post-traumatic stress disorder, treatment for depression and treatment for anxiety, we divorce the health services from the compensation issue and we permit health treatment of those conditions to occur regardless of the outcome of the compensation decision.

**Senator HURLEY**—Is that made known to veterans who are making claims?

**Mr Sullivan**—Yes. Veterans organisations and vets advocates are well aware of that. Of course, the claim, if found for the veteran, is dated to the application date of the veteran.

**Senator HURLEY**—Someone may have to wait six months.

**Mr Sullivan**—We are acutely aware that new claims processing is something which can have a financial impact.

**Senator HURLEY**—I would like to move to another area. I have asked a number of questions before in relation to Writeway Research.

**CHAIR**—Is this still in the same general area of the claims, administration and processing input?

**Senator HURLEY**—Yes.

**CHAIR**—Before you leave that area, I would like to deal with deseal/reseal, if I may. You can go on, as long as we stay within that broad outcome 1 topic area.

**Senator HURLEY**—This will be my last. As I said, I placed a number of questions on notice in relation to Writeway Research at the last estimates hearing. In answer to one of these questions, the department stated:

DVA is not aware of any advice from any State or Territory regulatory body (including the Office of Fair Trading in Queensland) that persons providing historical military research services to DVA are required to be licensed as private investigators under State and Territory laws.

Can you explain why a letter addressed to the deputy commissioner dated 7 February 2001 and marked to the attention of Ivan Cahill, the director of legal services, and sent by Mr Tilbrook of the Writeway Research Service was not mentioned in this answer?

**Mr Sullivan**—I would have to see the letter.

**Senator HURLEY**—I will read out the relevant bit.

**Mr Sullivan**—7 February 2001.

**Senator HURLEY**—It states:

I wish to bring to the attention of the legal services office a ruling that has just been advised by the Department of Fair Trading in Queensland that the Queensland Government Ombudsman has ruled that the nature of work carried out by military researchers who are not in possession of a private investigator's licence are in breach of section 6 of the Security Providers Act 1993 for any inquiries that are conducted in the State of Queensland in regard to the military service of individual persons.

**Mr Sullivan**—I will take that on notice. Certainly as at today there is no requirement. So I have not seen or heard of Mr Tilbrook's letter of 2001. I can tell you as of 2006 there is no requirement that the department is aware of. The only complaint we have heard of which went to the fair practices people was not in respect of work done by DVA or by Writeway. It was done in respect of, we understand, an insurance company by Writeway. That was a complaint. I have never heard the term 'ruling' before. I will investigate. I will track the letter. If I cannot track the letter, I will seek the assistance of the secretariat in getting a copy from you.

**Senator HURLEY**—Certainly. I am happy to provide it. I will put on notice the other questions in relation to it once you have tracked down the letter.

**CHAIR**—I want to go to this deseal/reseal situation. Mr Sullivan, do you want to tell me what the current status is with respect to how many take-ups we have and where we are at with this whole thing. I have some questions, but I am just sort of wondering whether it might be best if you sort of give us an appraisal of where the whole thing is at at the moment.

**Mr Sullivan**—Yes. I am sure someone will rush to the table to assist me here. As at 23 October 2006, there were 558 successful F111 reseal/deseal participant claims at a cost of \$21.06 million. It has been determined that 425 claimants do not meet the definition of a reseal/deseal participant.

**CHAIR**—What is the principal common thread among the 425?

**Mr Sullivan**—That they did not participate as required by the scheme in the desealing and resealing of the F111 fuel tanks.

**CHAIR**—Are we talking about the lump sum payment scheme?

**Mr Sullivan**—We are only talking about the lump sum payment scheme here. It is only the ex gratia payments we are talking about.

**CHAIR**—So they did not meet the 30 cumulative working days criterion, amongst other things?

**Mr Sullivan**—Well, they may not have met it, but they were involved criteria. You go back to basics. You have to have been doing it. You have to have been involved for 30 days, greater or less. Some were outside of the area for whom an ex gratia payment was made. Some were in units which were not involved in it but claims were made and we took seriously the fact they were still involved. The 425 who were rejected was a very lengthy individual process involving a lot of checking of records.

**CHAIR**—I am sure it was. So you had to reconcile their service records to corroborate and verify their applications to get into the scheme and you have had 983 all up with those in and those out?

**Mr Sullivan**—No. We have had 1,178 claims received in total, so we still have some outstanding claims.

**CHAIR**—Have you been able to access ADF records successfully, or is there a problem with that?

**Mr Sullivan**—We have had problems. And this is not just the service records. Clearly, participants were concerned that the service record did not tell us the whole story. We have been pointed at training records. We have been pointed at worksheets. We have been pointed at aircraft maintenance journals. We have been pointed at health records. Wherever we have been pointed we have chased. And this has been with the full cooperation and assistance of Defence, who have cooperated with us fully on this.

**CHAIR**—Given all the things that have gone before, that ratio seems high to me. There are 558 yeses and 425 noes. In other words, 425 people have had enough of a concern in the nature of their symptomatology to go to the trouble of participating in the scheme and have fallen short. Are we doing enough along the lines of looking at whether the scheme is in fact fulfilling its objective?

**Mr Sullivan**—Government made a decision on the scope of the scheme. That is what we are exercising.

**CHAIR**—So it is a problem on our side of the table?

**Mr Sullivan**—No. Clearly there are people who were engaged in activities—let's give some general examples—around F111s, around the fuel they carried and around support activities to the reseal/deseal activities. I have heard very clearly and directly from the F111 reseal/deseal advocacy group that they believe the ex gratia payment scheme should have encompassed more people. It did not. I think the applications were on the basis that maybe they felt their exposure should be covered by scheme even if they may have understood that technically it did not. I think they were clearly feeling that you had to have an application in the system to test the system. That is their right. All I can say is that I truly believe the people who processed them tested the system as hard as they could test the system.

**CHAIR**—Given the SHOAMP report, I do not have any problem saying that everybody administratively sees that there has been a fairly significant occupational health and safety problem. You are saying that the criteria is quite specific and the ratio is that just under about 45 per cent of the people who have been in and who have been out have failed.

**Mr Sullivan**—I will let Mr Telford speak. The other thing we have to be careful of is remember again that the ex gratia payment scheme is an ex gratia payment based on exposure. I think a lot of people have not quite grabbed this. The most common thing is, 'I'm sick.' 'I'm sick' is handled by our compensation systems.

**CHAIR**—And it is not an exclusionary payment wherein you are prohibited from pursuing your rights into the future?

**Mr Sullivan**—In fact, it is carefully protected to ensure that whether your compensation rights are in the military compensation schemes—in particular, in respect of this group, the VEA or the Safety, Rehabilitation and Compensation Act—or you are a civilian under WorkCover Queensland, which is why we never refer to the ex gratia payment scheme as compensation, it is based on exposure. We know of cases where the genetics or make-up of some people who have spent a long, long time working within and around fuel tanks and doing reseal/deseal activities has produced no adverse reaction whatsoever to what was a toxic environment. They have been paid. There is no test in this system of 'You're sick.'

**CHAIR**—If they met the criteria as laid down, they were paid?

**Mr Sullivan**—You were paid the ex gratia payment, which was to do with exposure.

**CHAIR**—Either the \$40,000 or the \$10,000?

**Mr Sullivan**—Yes. Or the tier three, which gives you some—

**CHAIR**—Benefits?

**Mr Sullivan**—benefit in that it allows you to jump through a hoop in the compensation system a bit quicker. It does not preclude you from the compensation system by not being classified there.

**Mr Telford**—The only point I would make is that you cannot just compare that 425 against the rest. They were, in the main, a particular group who were involved in a specific activity referred to as pick and patch. As the secretary said, they were actually testing their exposure and duration of exposure in this process. It was the result of the investigations which actually came out supporting the fact of the original intentions of the scheme, where they fell within that, that they were not classified as being eligible based on their exposure to the various levels of chemicals in that particular activity of pick and patching. The important thing, I guess, to remember here is it is what you did and how long you did it which determined the potential to pick up some adverse health effect.

**CHAIR**—Do we believe that we have a reasonable grasp on the total number of people who were not exposed but who came into contact with the chemicals involved in deseal/reseal?

**Mr Telford**—Yes.

**CHAIR**—Do we have a number off the top of our head?

**Mr Telford**—Not off the top of my head, I do not.

**CHAIR**—I am told it is about 1,300.

**Mr Telford**—It is something of that order. The reason I can say with some confidence we have a good idea of those numbers is that we have a very active support group of individuals who have been involved in this program. We have been engaged with them for the last four or five years. They have been, as well as we have been, very active in running to ground individuals who have been involved in this process for that period of time. So I am very confident we have got as best anyone can ever get a handle on those numbers.

**Mr Sullivan**—That is good. We have a lot of respect for that support group. In the end, they have a difference with the government and maybe the department, but they have engaged with us very well.

**CHAIR**—It seems to me that, as veterans affairs matters go, there is a body of literature and material of a sound scientific basis that supports the fact, as I say again, a broad range of people exposed in an occupational health and safety sense to a problem. I can think of things like asbestosis and other things. This is a significant problem. We say that we have a fair idea of how many people are involved but what we do have is a substantial number who do not fit the nominated criteria. That is the problem we are confronting at the moment, from your point of view.

**Mr Sullivan**—I would not compare it with things like asbestosis, for instance. I do not think the SHOAMP report is as sound a science as the connection with, say, asbestos and issues of the lung.

**CHAIR**—The symptomatology is certainly different.

**Mr Sullivan**—There is no doubt that the SHOAMP report indicated an elevation in a number of health issues for people. Their focus was on the very immediate group.

**CHAIR**—The fully exposed group.

**Mr Sullivan**—The SHOAMP's focus was on the very immediate group.

**CHAIR**—Does the department have any knowledge of how many writs have actually been issued or litigation that has been taken by persons who have been exposed to the deseal/reseal chemicals?

**Mr Telford**—What do you mean by writs?

**CHAIR**—Civil action.

**Mr Telford**—I do not actually have the numbers available. I know there have been some.

**CHAIR**—There have been some?

**Mr Telford**—As I understand it. I can get back to you on what information we have got available.

**CHAIR**—Is that a matter that this department would have, or does it go off to—

**Mr Sullivan**—No. In a civil action, you would sue Defence, I think. You would sue the operator of the facility.

**CHAIR**—But that would go off to the Commonwealth legal advisers?

**Mr Sullivan**—Well, it would go into Defence Legal first and it would be between them and Attorney-General's. What we deal with, of course, are the claims under the compensation scheme of persons associated with this. We know those numbers.

**CHAIR**—It might be a silly question, but can you tell me where these numbers of \$40,000 and \$10,000 and 30 days and all of the numbers that form the subject matter of the payment scheme come from.

**Mr Sullivan**—They come from a government decision.

**CHAIR**—Yes. But was the department involved in providing data to support the decision?

**Mr Sullivan**—As you would expect, the department was involved in providing to government a range of options as to how it could respond to the SHOAMP report.

**CHAIR**—Very good. Is there a wider problem beyond the F111 deseal/reseal such that we have been sealing any fuel tanks in other squadrons of different aircraft out there that we have dealt with?

**Mr Sullivan**—I have not heard of another problem in respect of desealing and resealing fuel tanks.

**CHAIR**—This is exclusive to the F111 squadron?

**Mr Sullivan**—Again, it would be a question you should ask of Defence. I do not know, but I am not aware of any.

**CHAIR**—You do not have any claims going with anybody else?

**Mr Sullivan**—Not about which I can say I have another issue with sealing of fuel tanks.

**CHAIR**—The common thread is the F111?

**Mr Sullivan**—Yes.

**CHAIR**—Mr Sullivan, a lower house member has asked me to ask these questions. In the hope that you are still here after Senator Hurley has furthered her other questions, we may come back to them if that is all right. But if it is inconvenient and people have to go, we will be able to—

**Mr Sullivan**—No. We will all be here until the close of business.

**CHAIR**—I am happy with the answers you have given to this point. I turn to Senator Hurley to continue.