

Frequently Asked Questions

The following information reflects the recommendations agreed to by the Government. These are still subject to scrutiny at Select Committee and the parliamentary process.

The Law Commission Review

Why did the current Act need changing at all?

The current war pensions legislation was enacted in 1954 and has not been reviewed on a regular basis over the last 60 years. This has led to the Act becoming outdated.

Why has it taken so long?

The Law Commission completed a thorough review of the current Act and provided the Government with a comprehensive set of recommendations that recommended some significant changes. The 170 recommendations were complex and affected 12 Government agencies, as well as the Australian Government. The recommendations were uncosted, and the Law Commission recommended the Government obtain rigorous costings before making decisions on the implementation of the recommendations in the report. This process was lengthy and could not be rushed.

The Proposed Legislation

Why are the entitlements different under Scheme One and Scheme Two?

The Law Commission recommended that two schemes be introduced to better cater for the needs of both elderly veterans and those of modern day and future deployments. Veterans who will be covered under Scheme Two have access to ACC entitlements, and the Law Commission recommended their entitlements align with those available under ACC.

Will the new legislation continue to be as benevolent as the current Act?

Yes, the new legislation will contain the beneficial evidential provisions and general benevolence underlying the principles of the current Act.

When is the new legislation likely to be implemented?

Scheme One of the new legislation is due to start on 1 July 2014. Scheme One will cover all veterans for the first year. Scheme Two is due to start on 1 July 2015. It will then cover veterans with service after 1 April 1974.

How will I know what entitlements I have under the new legislation?

VANZ will develop Fact Sheets setting out information about each entitlement, which will be available to veterans before the new legislation is introduced.

Will the new legislation provide an opportunity for veterans to be involved in policy or decision making relating to entitlements?

A Veterans' Advisory Board will be established to provide independent advice to the Minister of Veterans' Affairs.

Will the War Pension Appeal Board be independent of VANZ?

The War Pensions Appeal Board will continue to be independent of VANZ under the new legislation.

Will the same assessment evaluation tool, currently the AMA guides, be used to determine rates of disability in both schemes?

Yes. The AMA Guides will be used to determine rates of disability in both schemes. However, the current legislation does not allow for these rates to be converted into a whole of body impairment rating. This means that if a veteran has multiple impairments, disability rates for different impairments are added cumulatively which leads to veterans having an impairment rating of more than 100%. This is not logical. The Law Commission has recommended that the new legislation should allow for rates of disability to be converted into a whole of body impairment rating.

Veterans Already Receiving Assistance Under the Current Legislation

I am currently in receipt of a War Disablement Pension. How will these changes affect me?

All veterans currently in receipt of a War Disablement Pension will have their entitlements grandparented under the new legislation.

Will the rate at which my pension is paid change?

Current pension recipients will continue to be paid their pension at the rate it is currently paid. The pension will continue to be adjusted each year to take into account changes in the Consumer Price Index (CPI). There will be a 5% increase to the War Disablement Pension and Surviving Spouse Pension rates on 1 April 2013.

How will I know whether I'd be better off keeping the pension I currently receive or moving to an entitlement under the new legislation?

All veterans currently in receipt of a War Disablement Pension will keep that entitlement under the new legislation. Those veterans currently aged under 65 and in receipt of the Veteran's Pension will have a choice to move to a new entitlement known as Veteran's Weekly Income Compensation. Veterans will be provided with information setting out exactly what the implications would be in moving to the new entitlement before they make the decision. This includes information from MSD showing how any other entitlements may be affected.

Similarly all Surviving Spouse Pension recipients will keep their entitlement under the new legislation.

What happens to my current pension and allowances if I choose to access an entitlement under the new legislation?

Veterans in receipt of a pension and allowances when the new legislation is introduced will keep those entitlements.

Will I continue to be Case Managed?

Yes.

Veterans Not Currently In Receipt Of Assistance

What happens if I apply for a pension before the new legislation is introduced?

The current legislation will continue to govern war pension entitlements until the new legislation starts on 1 July 2014.

Currently I don't have coverage under the War Pensions Act 1954. Will my service now have War or Emergency status?

All deployments that have coverage under the current Act will retain coverage under the new legislation. The same criteria currently used to determine war pensions coverage will be retained in the new legislation.

Will the processing time of my War Disablement Pension application be affected as a result of these changes?

There will be changes to the administrative and decision-making processes that should assist in reducing the time taken to process pension applications and reviews.

Schemes

Who is eligible under Scheme One and Scheme Two?

Scheme One covers veterans with service ranging from the Second World War through to Viet Nam.

Scheme Two covers veterans with qualifying service after Viet Nam.

Will I be eligible under both schemes?

In some cases a veteran may be eligible for assistance under both schemes. A veteran who served in Viet Nam (service under Scheme One) as well as a more recent deployment that has been recognised as qualifying service (service under Scheme Two) may be eligible for assistance under both schemes.

Claims from veterans who have service prior to 1 April 1974

- New claims for injuries, illnesses and deaths relating to service prior to 1 April 1974 will be covered by Scheme One.

Claims from veterans who have service from 1 April 1974 onwards

- New claims for injuries, illnesses and deaths relating to service on or after 1 April 1974 from veterans who have never received a War Disablement Pension under the 1954 Act will be covered by Scheme Two unless the commencement date is prior to the coming into force of the new legislation establishing Scheme Two in which case the claim will be covered by Scheme One.
- New claims for injuries, illnesses and deaths relating to service on or after 1 April 1974 from veterans who have received a War Disablement Pension under the 1954 Act will be covered by:

- Scheme One if the new claim relates to service prior to the coming into force of the part of the new legislation establishing Scheme Two; and
- Scheme Two if the new claim relates to service after the coming into force of the part of the new legislation establishing Scheme Two.

How do impairment compensation payments differ under Scheme One and Scheme Two?

Scheme One veterans will continue to receive War Disablement Pensions for any impairment that is found to be aggravated by or attributable to their military service. This is paid in the form of a lifetime periodic payment.

Scheme Two entitlements are aligned with ACC entitlements. ACC impairment compensation is paid in two different forms – a periodic payment or lump sum depending on when the injury occurred. This means that Scheme Two impairment compensation will be paid in the same form as the ACC payment but at a rate higher than that paid by ACC. If the veteran's claim was not accepted by ACC then VANZ will pay the full amount of both the compensation payable by ACC and the additional payment from VANZ.

I served in Viet Nam after 1 April 1974, what scheme am I covered by?

All veterans with qualifying service in Viet Nam will be covered under Scheme One.

Scheme One

I do not have war or emergency service, will the standards of evidence required to establish War Disablement Pension entitlement under the new scheme be at a lower threshold?

The evidential provisions in the new scheme will reflect those in the current legislation. The wording will be clarified to make it easier for both veterans and administrators to interpret, but the level of benevolence will remain the same.

If I am a veteran in receipt of a Veteran's Pension who is under 65 years of age, do I have to change to weekly compensation payments?

No. Veterans who do not wish to transfer to weekly compensation payments will not have to. Veterans can also decide to transfer at a later date.

If I change to weekly compensation payments, can I change back to a Veteran's Pension at a later date?

No. This is a one-time decision to change to weekly compensation payments. Veterans will be provided with information on how the change might affect them to allow them to make an informed decision.

If I change from Veteran's Pension under 65 to weekly income compensation can my partner be included in my pension?

No. The Law Commission recommended that the new weekly income compensation entitlement be paid to the veteran only. It will be paid at a rate significantly higher than the current couple's rate for Veteran's Pension. Veterans with a spouse/partner can choose to remain on Veteran's Pension if they wish to keep their partner included in their pension.

Will there be any new entitlements for dependants?

Scheme One will have a Children's Pension that will be a combination of the Parent's Allowance and Child's Pension entitlements available under the current legislation.

Under the new legislation, will my wife (partner) receive additional support when I die?

There will be no changes to the Surviving Spouse Pension eligibility criteria. There will be a 5% increase to the rates of the Surviving Spouse Pension on 1 April 2013. This is in addition to the annual CPI increase, which is currently forecast at 1.8%.

Scheme Two

What are the rates of payment in this scheme?

The rates are based on the ACC rates, but paid at a slightly higher rate to retain the benevolence shown to veterans over and above the assistance available to other veterans.

I am currently serving. What provision does the new legislation include for my spouse and children in the event I am severely disabled or killed while on active service?

Scheme Two will provide a lump sum payment to the spouse and children of a veteran who is killed whilst on qualifying operational service. In addition, there will be weekly income compensation to both the spouse and children.

I am currently in receipt of a War Disablement Pension. What Scheme will I be covered by if I make a claim for another condition?

Veterans will retain their current entitlements under the new legislation. Once Scheme Two is implemented, any future claims will be treated in one of two ways.

- If the claim relates to service prior to the date Scheme Two was implemented, it will be covered by Scheme One.
- If the claim relates to service after the date Scheme Two was implemented, it will be covered by Scheme Two.

If I am a veteran in receipt of a Veteran's Pension who is under 65 years of age, do I have to change to weekly compensation payments?

No. Veterans who do not wish to transfer to weekly compensation payments will not have to. Veterans can also decide to transfer at a later date.

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No. The Law Commission recommended that the new weekly income compensation entitlement be paid to the veteran only. It will be paid at a rate significantly higher than the current couple's rate for Veteran's Pension. Veterans with a spouse/partner can choose to remain on Veteran's Pension if they wish to keep their partner included in their pension.

Will there be any new entitlements for dependants?

Scheme Two is aligned with ACC entitlements, which means that compensation will be paid in a different way to currently. A qualifying dependant of a deceased veteran will be eligible for both a lump sum payment, and a portion of the veteran's income paid as weekly income compensation.

Under the new legislation, will my wife (partner) receive additional support when I die?

Scheme Two is aligned with ACC entitlements, which means that compensation will be paid in a different way to currently. A qualifying spouse/partner of a deceased veteran will be eligible for both a lump sum payment, and a portion of the veteran's income paid as weekly income compensation.

Common Entitlements

Will any change be made to the Veteran's Pension eligibility criteria payable to veterans aged over 65 under the new legislation?

No, the eligibility criteria will remain the same.

Will the Veteran's Pension be payable to veterans who are over 65 who live outside New Zealand?

No change has been made to the residency criteria that apply to both the Veteran's Pension and New Zealand Superannuation. The provisions currently in the 1954 Act that enable eligible veterans who wish to leave New Zealand to live in another country to be paid a Veteran's Pension will remain unchanged in the new legislation.

Parliamentary Process

I would like to see the draft Bill once it is drafted. Where can I see it? Will I be able to comment on it?

Once the draft Bill reaches Select Committee, it will be available for the public to view it online and comment on it.

How will I know when the new legislation and any new rules apply?

There will be announcements made once the draft Bill has been through the Parliamentary process and a date for the new legislation is confirmed. There will be several months warning of the date. Any person who is in receipt of entitlements at the time the new legislation comes into effect will be provided with information advising them about the changes.