

Making the Best of It – Mark Sullivan, Department of Veterans' Affairs

"I remember the day Peter Shergold [the head of the Department of the Prime Minister and Cabinet] rang me," says Mark Sullivan. "He said, 'Mark, I've got two pieces of news for you.' I said, 'Yep.' He said, 'One's good, and one's okay.' I said, 'well give me the good news first.' 'Well the Prime Minister wishes you to be a Secretary for another four years.' And I said, 'well, that's very good news, Peter. What's the other news?' 'Well you're going to Veterans' Affairs.'"

Sullivan says there was a pause before Shergold said, "What do you think about that?" "I'll be excited by tomorrow," he replied. Mark Sullivan took the job as head of the Department of Veterans' Affairs after the 2004 election. Today he says he loves it. "It's a wonderful job." When Peter Shergold rang him he was head of the Department of Family and Community Services, a department that many might regard as higher in the public service hierarchy than Veterans' Affairs.

Sullivan says he asked Shergold if the proposed move was because of "an issue about me" and was told that that was not the case. He then rang a couple of his senior public service mates who had previously headed Veterans' Affairs to get their reactions to the proposal. Alan Hawke told him, "Sully, you'll love it" and Noel Tanzer, from a very different perspective said, "It's a job you'll like."

In the administrative orders that saw Sullivan moved to Veterans' Affairs', FaCS lost a number of its functions. Sullivan says it was a department that had grown enormously and was responsible for over 40 per cent of the Commonwealth Budget. "I think there is at one level a risk management issue about one department being responsible for that level of government expenditure," he says. "It had also expanded its programs around children dramatically. The family agenda was a very strong agenda of the Howard Government and FaCS accepted much of the responsibility for things like family tax benefits."

But most importantly, Sullivan points out it was required to manage both sides of the welfare equation: "a lot of people said that maybe the problem with FaCS was that at its heart it was a department that cared for those that needed caring for, and took that care role extremely importantly. And in doing that, it was possibly not driving the back-to-work agenda of participating as strongly. I don't agree with that. I think FaCS was driving, and understood the participation agenda. But I do accept that the breadth of the department was such that you were juggling a lot of things at one time."

He says they were planning for significant administrative orders changes in FaCS and had developed a number of options as to what might happen. "Many

of them were around saying that the workforce agenda either had to come into FaCS, and FaCS would dispose of other things, or it had to leave FaCS. So the change of FaCS to me wasn't a huge surprise. I think to leave FaCS as being still the single biggest department of state in terms of the expenditure side of government, and with an agenda around families going right through to the aged, shows it's no loser. It's an adjustment which historically was going to happen."

The new head of FaCS, Jeff Harmer, said in an earlier interview that the department had previously spoken with more than one voice. Sullivan responds, "We know. We worked in FaCS on the basis that people did have a view that FaCS had many voices." He says they examined this issue but added, "it is difficult when you've got a very large groups of people looking after the particular issues of children in our society, child care assistance to families etc, etc. We had people looking after the needs of aged people in our society, income support for aged people. And we had people looking after that working age group, from the supporting parents of disability pensioners, through to the people on Newstart."

"There was a diversity of view in FaCS. I think it was heard out there that we had a diversity of view and sometimes it was read as being 'they don't know what they want'." But Sullivan maintains the executive of FaCS and his ministers of the time, Amanda Vanstone and Kay Paterson, knew how to balance the issues. He recognises that the central agencies and the Department of Employment and Workplace Relations (DEWR) were saying, "Well we hear different messages".

When it was suggested that it was easy for DEWR to have a pure message he said, "DEWR had a more single focus and I think they pursued that focus with a vigour you have when you have a narrow focus. Look, I think FaCS was doing the job quite well. But it did not surprise me at all when these administrative changes occurred. And no, I don't think it was a loss."

The beauty of Veterans' Affairs is that no one has any doubts about its role. Sullivan says his role there differs from that of other secretaries. "I'm the Secretary of the Department of Veterans' Affairs and we've been a department of state since the mid 70s. I'm also the President of the Repatriation Commission, which has been in existence since 1918. I'm also the chairman of the Military Rehabilitation and Compensation Commission, which has been in operation since 2004. So we're a three headed place."

The Repatriation Commission has a policy role covering the same territory as the department – compensation and care for veterans who have been afflicted by war. The department pays pensions for disabilities, income support pensions and takes care of veterans' health problems resulting from war. It also runs a veterans' drug system which is generally in line with the Pharmaceutical Benefits scheme although there are additional items on the veterans' list.

The new Military Rehabilitation Commission, which draws on outsiders, such as the head of Comcare, Barbara Bennett, and Major General Mark Evans, acts like a compensation broker for serving soldiers, airforce and navy personnel. Sullivan says the men and women of the armed forces are well cared for from enlistment to discharge. And if they're injured, particularly as a result of engagement in conflict, Veterans' Affairs then takes care of them and their needs from discharge, through, hopefully, to their very, very old age.

He says there is an interesting social partnership. The Repatriation Commission was established in 1918, one year after the formation of the Returned and Services League of Australia, which focussed on the needs of returning veterans. It was not long after that that Legacy, with its very firm commitment to the needs of those who were left behind by fallen soldiers, was established. "That is one of the longest sustaining social partnerships we have in this country. Government really looks after the pensions, the health ... the big ticket items. The RSL, Legacy, and other organisations such as the War Widows Guild look after other needs." He says unlike many other departments, the stakeholder group for Veterans' Affairs is very clear and the relationship is extraordinarily close.

One of the big issues for the department is ageing. "Over half of our workload is around World War II veterans and widows and they are of course getting older" he says. "Their average age now is about 84. They're falling in number. Their health needs are changing. We're moving from surgical to medical procedures and what is required to keep someone in a home." Sullivan says it also has implications for the department because "we're going to get smaller."

Wars involving the mobilisation of hundreds of thousands of Australians were hopefully a thing of the past. Australia currently had fine services, with about 60,000 people engaged and being deployed regularly, but this compared with a million Australians deployed in World War II. "Our job, when the job from World War II is finished, is going to be a much smaller job. So we'll be a much smaller department. We will focus on what are the very real issues of the day and they're around mental illness in the serving and veteran population."

Sullivan says the impact of war is now much more mental than physical, with the issues of post traumatic stress disorder and anxiety and depression coming from people who have been exposed to things ordinary people would never be exposed to. "These issues are very real and we have to address them."

Sullivan says the majority of the department's health services clients in a few years time will be women. Widows will significantly out-number veterans. The department is also starting to see the emergence of the Army's decision to incorporate women into basically all its activities, joining what the Air Force and the Navy have done in the past. "We'll see the needs of the young women veterans emerge," he says.

Another issue for the department is keeping the value of the Gold Card right. "The Gold Card is extraordinarily important to veterans who say it is the Government's answer to its commitment to care for their health in the event that they are damaged in war. We have to make sure that when a veteran walks into a medical practitioner, or a spectacle maker, or an appliance maker or dentist, that that person will take the Gold Card and know that they're dealing with a veteran and say, 'Yes, I'll deal with this card and I'll provide the service for the charge that DVA makes'."

Sullivan says the Government attempts to keep the Gold Card price for services right, but "it's not what you'd call the top of the market price". "We're a price setter," he says. "We say this is the price we'll pay and we want you to take it. And what we run the risk of is someone saying, "Oh no, we won't take that price. I won't deal with veterans." While few doctors say this, Sullivan says there is noise about the price.

Another Veterans' Affairs issue which received national media coverage was the road and recreation work at Anzac Cove, Gallipoli. Sullivan says people quite understand what it takes to turn on an Anzac Day dawn service at Gallipoli. "We're in sovereign Turkey. That's the first principle people need to understand. This is Turkey, the country we invaded, who are permitting us to come back to commemorate what happened there to Australians and New Zealanders and Turks. It's on an area about the size of Bruce stadium, but with none of the infrastructure – no power, no gas, no nothing. And we prepare for 20,000 largely Australians and New Zealanders to come and commemorate at dawn, and then go through in the morning what happened to the Anzacs at that beach."

After the criticism of the way the road works were handled the head of the office of Australian War Graves, Air Vice Marshal Gary Beck was not re-appointed to the job. Sullivan noted that the conflict between Air Vice Marshal Beck and the minister, De-Anne Kelly, was played out publicly. He acknowledged the work of Air Vice Marshal Beck and said he expected an appointment of a new head of War Graves early in the new year. "He [Gary Beck] achieved some remarkable things," he said. "It was Gary who really did take the Anzac ceremony at Gallipoli from a couple of hundred people at an open air cemetery to thousands and thousands of people at the 90th anniversary at the commemoration site in Turkey. He's a man who should be judged on his full record, not on issues between him and the minister in recent times, even though, in saying that, I'm not saying the fault lay with the minister."

Sullivan says complaints about the department are few and "we probably get more bouquets than most departments. A lot of veterans write to us and say, 'Thank-you. You're doing a great job.'" The veterans regard the department as "our Veterans' Affairs department". "There is a huge ownership by the veterans

of the department and support for this comes in the department's survey which reports 90 per cent of veterans saying they like the services provided."

Sullivan thinks a lot of public servants should try working outside the service now and again. "They'd realise how great a thing it is to work in the service," he says. Although he began his working career in the public service and is now back, Sullivan spent time in mid-career working for Wang, the multinational computer corporation. "I was a salesman with a fancy title," he says. "They had some very, very large accounts and there were some major issues running about those large accounts, so my job was to solve a few of those issues. I enjoyed it. But ..."

He nominates work satisfaction and the importance of the jobs as two factors favouring work in the service. "You can earn a lot of money out in the private sector but there are very few jobs that aren't very narrow. In the public sector it's not hard to get into a job which is very broad and which you'll enjoy."

Sullivan was studying economics and accounting at Sydney University when the Tax Office offered him a cadetship providing the luxury of finishing his university course on pay. He joined Tax after graduation in 1973 and was posted first to its Sydney office, then Parramatta and finally to Canberra. He moved to the Department of Social Security where he was promoted to the senior executive service in Sydney and then moved across to the Special Broadcasting Service heading their Corporate Affairs group. SBS was "very different".

The common link in the move was Ron Brown, the head of Social Security in Sydney who had moved to SBS and asked Sullivan to join him. Nick Shehadie, a former Lord Mayor of Sydney, who Sullivan had known for a long time said, "It's a good job. It's to abolish your own job". "I said that sounds a good job. So I went off to SBS for a couple of years," Sullivan says. The SBS experience had him questioning whether he wanted to be a public servant all his life, so he resigned and worked for Wang for a couple of years.

But the public service lured Sullivan back, this time to Immigration, where he stayed for a decade as division head and then deputy secretary. "I guess I was pivotal in purchasing the Port Hedland detention centre in about 1990 for the Department of Immigration," he said. He was also one of the senior people engaged in managing the first boat people arrivals in 1989/90. Initially the arrivals were Cambodian, Vietnamese and Chinese, with a few Sri Lankans.

Sullivan was among those in the department keen to negotiate an agreement with China for the return of non-refugee boat people. The Chinese, coming from South-East China and particularly the port of Beihai, were the first large scale movement of people to Australia since the Vietnam War. Sullivan says the Chinese Government had a fairly cumbersome process in place to return its citizens to China. "We realised that the objective had to be to stop the flow. If you stopped

the flow, or got some returns, you could have an impact. So we embarked on quite a strategic relationship with the Chinese to get them to deal with us differently to what they dealt with anyone else. It was really around saying, 'if you take them back and you find them not to be Chinese citizens, we'll take them back again'. And we need to move it quickly."

Where there were claims of refugee status, the refugee processes had to be followed, but Sullivan says there were not many such claims. Most said they were told that if they came to Australia they'd get a job. The department was able, over a few years, to put in place a system that stopped the flow. "[That's] something I was quite proud of," he says. The detention centres in those days were typically in capital cities and largely for over-stayers picked up off the street.

With the arrival of the boat people, Sullivan says there was a need for large scale facilities in the North of Australia where people were coming in, and as a result, he negotiated the Port Hedland purchase. Asked whether the Immigration department went off the rails in more recent times, he says he thinks the nature of the problem changed. When they were negotiating with China in 1990 they had an objective which was "how can we facilitate return and stop the flow?" "I think you saw that return wasn't physically viable for a lot of the more recent arrivals from the Middle East. It was very difficult ... I think the department was faced with a lot of people, long term, volumes were high, and something clearly went wrong. I don't think you can pick a point in time and say, that's when it went wrong, or was it different people in charge? Or was it so and so? I don't think that was the case."

He says the inquiries into the Cornelia Rau detention and Vivian Alvarez deportation revealed two very difficult cases. Like the current head of the Department of the Prime Minister and Cabinet, Dr Peter Shergold, Sullivan had a term as the chief executive officer of the Aboriginal and Torres Strait Islander Commission. "This was probably the best and worst job I had in my life, all at the same time," he says. "You don't ever forget your time at ATSIC. It's a job that has highs and lows all in half an hour."

The process for Sullivan's appointment to ATSIC took over a year, because he says the Board was suspicious of him as the Government nominee. "I made no secret of the fact that until I joined ATSIC ... I'd never taken much of an interest in indigenous affairs and my aboriginal friends were nil. My aboriginal acquaintances I could count on one hand." The rewards from the job were that it gave a personal insight into aboriginal life, its rich heritage and traditions, and its languages and peoples. Sullivan says it provided many little instances that he would never forget.

"The frustration is the frustration for so many. You thought you'd see progress. You thought you would see change. And sometimes it would sustain. But so

many times it was just frittered away. It was based on the shoulders of too few individuals in the community and if those individuals cracked under the pressure, a community could go backwards so fast ... the frustration was that our programs didn't fit what aboriginal communities and societies needed."

"I think the thing that Peter Shergold is leading in indigenous affairs, if it goes to its conclusion, will be the greatest thing that could possibly ever happen. The traditional government model is to say, we'll create programs, design programs, advertise them and you say whether you can fit. The new indigenous model is, you tell us what you need and tell us what result that will have in your community and it doesn't matter if it doesn't fit a program, we'll make that a program for your community."

During his time Sullivan at ATSIC there were number of national events including the Olympic Games, the Centenary of Federation and the end of the ten years of reconciliation. He says that when he took the job ATSIC had no relationship with the Government. "It seemed to me to be ridiculous for a government agency to have no relations with the Government. One of the things ... I was promoting within ATSIC was to say that differences with Government do not mean that you close down relationships."

"There was a term around at that stage – practical reconciliation. My advice to ATSIC, and they largely took it, was to say concentrate on practical reconciliation. You can maintain your policy objectives on a treaty or in respect of 'sorry' or other things but also be pragmatic and say that this Government is not going to suddenly say, 'we've changed our heart' or they're not going to say, 'yep let's have a treaty with the aboriginal peoples of Australia'. But you can work with them. So work with them, Peter Reith, [the then minister of Employment and Workplace Relations] on employment issues and work with the Prime Minister and work with other ministers."

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