



DEFENCE FORCE WELFARE ASSOCIATION

A member of the Alliance of Defence Service Organisations (ADSO)\*

## **MONTHLY UPDATE #266 – 15 November 2011**

UPDATE is a monthly e-letter produced by the Defence Force Welfare Association containing current items of interest to the Service and ex-Service communities. It is widely distributed to Members of Parliament, media outlets, senior Service and Public Service Officers, DFWA members and supporters.

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### **THE ADF WORKPLACE REMUNERATION ARRANGEMENT 2011 – 2014**

David Jamison, the National President of DFWA expressed deep disappointment with the ADF Workplace Arrangement outcome because it will effectively strip ADF members and their families of purchasing power over the next three years. He went on to state that despite 62% of those ADF members polled not supporting it the decision, resulting from the Commonwealth and ADF jointly developing its provisions and putting an “agreed case” before the Defence Remuneration Tribunal, was imposed on them.

Responding to the Tribunal’s decision, the Minister for Defence Science and Personnel the Hon Warren Snowdon MP said that “We value the dedication of our service men and women, and the Workplace Remuneration Arrangement 2011-14 gives ADF Members a fair and responsible pay rise in recognition of their efforts and commitment”. We believe a deal that will effectively reduce ADF members’ salaries is a strange way to ‘value’ their dedication!

The Association awaits with interest the outcome of the review of remuneration arrangements for MPs which is due soon.

### **STORIES OF DEFENCE DOMESTIC LIFE**

Do you have a domestic story connected to a significant event? If you do, we hope you might be willing to share it with others. The ACT Defence Widows’ Support Group (DWSG) is collecting the stories of wives, partners and widows of former service personnel as part of celebrating its 30th Anniversary. Because of a demonstrated male interest in the project, we are now also accepting stories written by husbands, provided they relate to the domestic side of their service.

The DWSG would prefer stories to be no more than 1000 words. They can be handwritten, typed or we can organise for them to be recorded. If you would like to participate but can’t think of a story, we have a set of questions which should stir the memories.

Perhaps you think you cannot write. Don’t worry, the DWSG have volunteers who will assist you. They are interested in your story, not how well you write. If you wish, you can remain anonymous and you will also be able to indicate how you would like your story used / not used.

These stories are an important part of Australia’s social history. They can be funny, sad, interesting or mundane. All are important and worth recording and the DWSG hopes to be publish the stories in the near future. All stories received will also be deposited with an institution such as the Australian War Memorial or the National Library.

For more information, contact the ACT Branch or National Office.

### **Mssrs OAKESHOTT, WILKIE AND OTHERS’ STATEMENTS ARE WELCOME – BUT WHERE’S THE ACTION**

Rob Oakeshott’s private member’s bill and the recent statement by Andrew Wilkie MP in the House of Representatives supporting the call for fair indexation of defence superannuation pensions are welcome – as are similar statements from other MPs and Senators.

But words alone won’t solve the problem, and we have heard it all before from others – including from the Greens, from Senator Xenophon, as well as some Labor Senators and MPs.

The Association calls them to make good on their calls. For example Mr Wilkie and the other Independants can use their influence with the minority Government to right this wrong once and for all. Senator Xenophon has called on the Senate to find funds to fix the problem – what’s happening Senator? Senator Lundy and Mike Kelly MP continue to tell us that “things are happening”. What things we ask?

Our elected representatives may take some comfort in hoping that the coming Christmas / New Year period will see pressure on the matter easing. It is a shame that the cost of living pressures on military superannuants will not ease.

## **FAIR INDEXATION “FACTS” and FACTS - WHO DO YOU BELIEVE?**

Government members have been distributing an undated, unreferenced so called “Fact Sheet” in response to constituents’ letters asking for fair indexation of military superannuation pensions. Government MPs and Senators now routinely enclose this “fact” sheet when replying to constituent’s requests for fair indexation and also regurgitate the so called “facts” when questioned on the matter.

The Government “fact” sheet is inaccurate, avoids the key indexation issues, and is economical with the facts. It is a triumph of spin over substance.

The Alliance of Defence Service Organisations (ADSO) has issued a detailed rebuttal to the “facts sheet” available on the DFWA website at <http://goo.gl/90APt>

We invite individual MPs to objectively read and consider the rebuttal and make up their own mind on the issue, instead of relying on the spin spewed out by their political machines.

## **INPUT INTO THE TAX SUMMIT**

The Association’s submission to the October tax summit calls for “taxed” and “untaxed” Commonwealth superannuation schemes to receive identical treatment so that their members are treated equally for their income tax liability and access to government benefits such as the Age pension and the Commonwealth Seniors Health Card (CSHC).

DFRB/DFRDB and MSBS military superannuation schemes are deemed as “untaxed”. Military superannuation pensions paid to beneficiaries are therefore taxable in the hands of each beneficiary. Military superannuation pensioners aged over 60 are entitled to a nominal 10% tax offset, but additional income is taxed at the individual’s marginal tax rates.

The Association asserts that the Commonwealth’s taxation treatment of military superannuation schemes is wrong in principle and in practice, to the point of discriminating against members and former members of the Australian Defence Force.

## **GRANT FOR THE COMMANDO TRUST FUND: WELCOME BUT MISGUIDED?**

The Association welcomes the Government contribution of \$8m to the Commando Trust Fund as well as the earlier \$10m to the SAS Trust Fund to assist with initial emergency funding and then long term financial requirements of families in times of hardship, where existing funding or grants or entitlements no longer provide support. However these well intentioned grants cover only a small percentage of ADF members and it is the Association’s strong view – and we suggest that of all ADF members - that all ADF members deserve such support.

The Association therefore calls on the Government to match these grants with an \$18m contribution to the DFWA Relief Trust Fund so that the remainder of ADF personnel in similar circumstances can have access to the same type of support available to members of the SAS and Commando Regiments.

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\*ADSO comprises the Defence Force Welfare Association (DFWA), the Naval Association of Australia (NAA), the RAAF Association (RAAFA), The Royal Australian Regiment Corporation (RAR) and the Australian Special Air Service Association (ASASA).