



DEFENCE FORCE WELFARE ASSOCIATION

## MONTHLY UPDATE #241 – 1 July 2009

UPDATE is a monthly e-letter produced by the Defence Force Welfare Association.

It contains items of interest to the Service and ex-Service community.

It is widely distributed to parliamentarians, media outlets, senior Service and Public Service officers, serving & former ADF members and DFWA Branches.

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### REVIEW OF MILITARY COMPENSATION ARRANGEMENTS

The Association has welcomed the opportunity to make a submission on the Review, in conjunction with the Royal Australian Regiment Association and the Defence Reserves Association. DFWA has consistently supported the concept of a single compensation regime for serving members of the ADF and veterans. The aim of the architects of Military Rehabilitation and Compensation Act (MRCA) to incorporate the best features of the two major parliamentary Acts governing military compensation in existence before its introduction - Veterans' Entitlement Act 1986 (VEA), Safety Rehabilitation and Compensation Act 1988 (SRCA) – has, in our view, largely been achieved.

This is not to say that the MRCS is perfect, either in precept or in practice. There are significant shortcomings and anomalies in the legislation, and significant deficiencies in the way the legislation has been applied in the five years since the scheme was introduced. DFWA believes there are several broad areas in which MRCS is failing either to achieve its full potential or to deliver substantive justice to claimants. They include:

- Insufficient information is being given to potential claimants when their medical status is under review.
- Though similar in many respects, the VEA and the MRCA seem to be perceived in two widely different perspectives both by claimants and by delegates of the Repatriation Commission on the one hand and the MRCC on the other.
- Perceptions of the MRCA as beneficial legislation seem to be almost wholly absent. Whilst it is extremely difficult to point to specific reasons for this perceptual difference. Both Acts provide for a reverse burden of proof, and they have similar mechanisms for the determination of claims. Nonetheless, DFWA firmly believes that the difference does exist, and that it influences claimants and decision makers alike to the overall detriment of claimants' interests.
- We believe that there is an anomaly in the MRCA that sometimes puts claimants at a disadvantage in pursuit of their claims. There are several provisions in the Act that require claimants to take action within a certain time.... yet there is no action required of the Military Rehabilitation and Compensation Commission (MRCC) that is subject to any time limit. The Commission is not required to determine claims within a certain time, to conduct reconsiderations within a certain time, or in any way to expedite the finalisation of claims.
- There is no provision in the MRCS for the payment of compensation in respect of families who accompany ADF members principally for Service reasons and who contract illnesses not encountered in Australia, or who suffer injury or death as a result of the position they hold as a member of the family of an ADF member.
- MRCA in its treatment of incapacity payments for service illness or injury takes no account of the "reasonable expectations" of an injured member by way of posting, promotion or payment of allowances.

The full submission can be viewed on our website [www.dfw.org.au](http://www.dfw.org.au)

## **SUPERANNUATION PENSIONS – THE FRUSTRATION GROWS !**

The Association's members' frustration with the Government's refusal to introduce fair indexation, fix the tax anomalies and use up to date life tables in DFRDB commutation "payback" calculations for Defence superannuants continues to grow. Defence superannuants were recently advised that their superannuation pensions will not increase from 1 July because the CPI didn't increase in the previous period! But Age Pensioners and other recipients of Government payments, whose payments are linked to movements in average weekly wages, receive an increase... as will no doubt politicians' pensions!

Yet in the ACT for example and other States, rates, some charges for utilities such as water, electricity and other essential services were increased on 1 July because the CPI has increased ... the end result being a further decline in purchasing power and a lower standard of living for ADF superannuants.

The argument that it is not affordable is simply not correct, a fact confirmed by the Department of Finance submission to the Matthews Review of Commonwealth Superannuation Indexation. Our frustration grows when bureaucrats and parliamentarians keep trotting out the fallacious arguments put that nation cannot afford to give ADF superannuants fair treatment on their superannuation pensions (which, by the way, are taxed, - although attracting a rebate for some - and were contributed to by ADF members during their years for service..... unlike many recipients of other Government payments).

The message therefore is that members of the ADF are good enough to be used as foreign policy tools for the Government, and be put in harms way, but not worth the cost of fair treatment when they reach retirement.

***The question we ask the Government is, why don't you care?***

The Association will redouble its efforts and keep fighting this battle, but we need your help. Please visit or write to your local Member of Parliament and demand their support: there is plenty of data and information on the Association's website to help you do this.

## **FORUM: THE ADF IN SOCIETY**

As part of the Association's 50<sup>th</sup> anniversary the Association will hold a Forum on 22 October 2009 at the Royal Military College – Duntroon. The theme of the Forum is the **The Role of the Australian Defence Force within the Australian Community and the Unique Nature of Military Service.**

Further advice on the Forum will soon be placed on the Association's website and be advertised in the Service newspapers. Participants are welcome, as are potential presenters. Should you require further information please contact the National Secretary.

## **MEETING WITH THE DFWA PATRON**

The National President and National Secretary recently met with the Association's patron, His Excellency Mr Michael Bryce AM AE. It was evident from the discussions that our Patron is keenly interested in the work of the Association and is very supportive of the ADF and Veteran community. We welcome and value his patronage.

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