



DEFENCE FORCE WELFARE ASSOCIATION

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

MONTHLY UPDATE #270 – 15 April 2012

‘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.

NEW EXECUTIVE DIRECTOR APPOINTED

For the information of all addressees, the Defence Force Welfare Association wishes to advise that it has appointed with immediate effect **Alf Jaugietis** as its new **Executive Director** to follow in the footsteps of someone undoubtedly well known to many of you, **Les Bienkiewicz**. Les is overseas on a well-earned sabbatical but intends to return to the Association in some capacity towards the end of the year.

Alf is a former member of the RAAF and looks forward to being on the DFWA team and the challenges his appointment entails. For him it will broadly involve helping to achieve the many outcomes in which not only our current serving but also our ex military members of the Defence community have an abiding interest. More recently, that interest has been focused on ‘**fairness**’, meaning fairness to be treated in no better way than Aged and Welfare Pensioners are treated in the wider community when it comes to their retirement and disability benefits.

Note should be taken that in any discussion about these issues, it very much includes the families of serving and ex serving ADF men and women, and it also most definitely includes all Military Superannuation and Benefits Scheme (MSBS), Defence Force Retirement and Death Benefits (DFRDB), and Defence Force Retirement Benefits (DFRB) recipients, and all Veteran Disability Pensioners.

FAIR GO CAMPAIGN – STATUS UPDATE

Now that many in the general community and hopefully all readers of this Monthly Update will have heard about the **Alliance of Defence Service Organisations (ADSO)**, particularly about its recent active campaign of awareness to bring equity and justice to all its veteran members receiving either superannuation payments or disability benefits, it is appropriate within the context of this newsletter to quickly:

- Review what the problem has been; and
- Provide a status update of actions taken to bring about a fairness outcome to those who once served their nation well over so many years.

The following paragraphs are intended to do so but perhaps a little background to the issues involved.

Background

Addressees will undoubtedly be more than aware that the various single service welfare associations came together some time ago to form a focused single entity known as the **Alliance of Defence Service Organisations (ADSO)**. They did this for no other reason than to specifically address a common and very serious problem that was affecting all of their members, a problem that Governments, including the present one, seemed to have totally ignored for years. A ‘**Fair Go**’ was the aim.

The problem relates to the most obvious of injustices, namely that retired military service members and those on disability pensions have had to endure an ever declining living standard that, in a large number of cases, is now sending them into the realms of virtual unsustainable poverty. Perhaps the problem may not have been so evident ten years ago but today as each year passes it is becoming a profound issue for which a solution must be found quickly.

The Problem Defined

“What exactly is the problem”? Simply put.....the buying power of military superannuation pensions and veteran’s disability payments has been falling at an ever increasing rate compared to not only the Age pension but other pensions such as those received by Federal politicians. The gap is now wide and continues to widen daily – men and women who served their country are, for all intents and purposes, being left behind and forgotten as veterans.

There can be no other conclusion when factual figures relating to comparative pension movements over the last ten years such as the following are examined:

- **Age pensions** - increased by 95%, meaning that the buying power of those receiving the pension has been largely maintained;
- **Federal Politician pensions** - increased by 91%, again meaning that the buying power of those receiving the pension has been largely maintained;
- **Military superannuation pensions** - increased by 33 %, a figure that means that the buying power of those receiving the pension has not been maintained and by any measure is now so unfair and unjust that something must be done to rectify the wrong.

Rectifying the Wrong

“What exactly is the solution sought”? Once more simply put.....retired military men and women receiving superannuation pensions ask only that the same indexation ground rules be applied to them for their bi-annual increases in pension that are applied to Age/Service pensions. Nothing more, nothing less! In this way they know that at least their purchasing power over time will be maintained at a fair and equitable level with others in the community. Preserved funds and the total reversionary pension for partners of deceased military superannuation pensioners must also be included.

In a similar vein, Veteran disability pensioners only want to restore increases in payments denied them when all other pensions received increases from the Harmer review in September 2009. This single decision amounted to a loss in parity with every other veteran body of up to \$120 per fortnight for every family within this pensioner group numbering 26,000 disabled and blinded servicemen and servicewomen. Was that fair? Fairness was denied.

What Fix is in Sight?

No immediate fix to restore the buying power of military superannuation and veteran disability pensioners appears to be in sight. And that is despite the fact that the Government as far back as 1997 recognised that the CPI indexation method for the Age Pension was not maintaining purchasing power. It subsequently changed the method of indexation for Age Pensioners but surprisingly not for military

retirees. The end result has been a complete and thorough **unjust and unfair treatment** by the Government of those who receive military superannuation or disability pensions.

It should be noted that the Federal Opposition has recently stated that a Coalition Government would introduce '**fair indexation**' for the military pensions, albeit it was to apply only to those over 55 but not to MSBS recipients or the under 55 disabled servicemen.

Operation AWARE

With no fix to providing fairness to military veterans in sight ADSO launched a media and public information campaign on Tuesday 3 April 2012 called **Operation AWARE**. It was part of their on-going **Fair Go** Campaign. Launch was by means of a public announcement during an interview on 4BC radio by the ADSO spokesman AVM Peter Criss (Retd) during which the essence of the unfairness to which veteran have been subject was exposed.

A link to the interview is here:

<http://www.4bc.com.au/blogs/4bc-blog/fight-for-them/20120403-1w9oa.html>

Other actions that immediately followed the launch included:

- An ADSO Press Release distributed Australia-wide to the main print media outlets, the major TV stations and a significant number of radio stations;
- A notice sent to all Members and Senators of the Australian Federal Parliament that briefly reminded them that ADSO's Fair Go campaign was on-going. It invited them to view a powerful video presentation which was a challenge '**to do the honourable thing**' by supporting legislation to restore Military Superannuation indexation to its original service condition – the link is here: <http://www.youtube.com/watch?v=TRj3ujC1D9Y>;
- The distribution to the public of flyers and posters to explain the unfair treatment current and former military service men and women, including their families, have endured because of inequitable indexation of the military superannuation and disability payments issue;
- Publishing an article written by AVM Peter Criss (Ret) titled '**Military Superannuations Need Protection**' in the current issue of The Punch – the link is here: <http://www.thepunch.com.au/articles/military-superannuation-pensions-need-protection/>

Summary

All veterans ask is that the '**fairness**' so often mentioned by Government as being a rightful entitlement for all Australians be equally applied to them. Fairness to all men and women who served their country can mean only one thing – legislative action be taken forthwith to restore the indexation of military superannuation to its rightful service condition of maintaining purchasing power.

Thus far, successive Governments at least since 1997 when new indexation arrangements were progressively adopted for politicians and Age Pensioners have failed to maintain that original condition of employment. The result has been that over 60,000 military superannuants are falling ever behind all other retirees in the community, particularly those on Age pensions and all ex members of Federal Parliament. ADSO believes, as many in the community now do, that the current members of Parliament are letting the military family down not only badly.....but unfairly too.

Media Contacts

Executive Director:	www.dfwia.org.au	National President:
Alf Jaugietis 0438 282 284		David Jamison 0416 107 557

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