



DEFENCE FORCE WELFARE ASSOCIATION

A member of the Alliance of Defence Service Organisations

MONTHLY UPDATE #276 – 20 October 2012

'UPDATE' is a monthly e-letter produced by the Defence Force Welfare Association. It is a means by which the Service and ex-Service communities can be informed of those current issues that are of most concern to them. Distribution is intended to a wide audience that includes Members of Parliament, media outlets, Senior Service and Public Service Officers, and the members of DFWA and their supporters.

Major Sponsorship of DFWA

The key to the on-going success for many associations/organisations, particularly the not-for-profit ones, can often be sheeted back to how financial they are in order for them to carry on with their stated aims and objectives. Oft times as not, membership fees alone invariably never cover operating costs, notwithstanding the strength of any membership base. Thus it is with DFWA. A steady flow of generous donations makes up some but not all of the short fall. It is for this reason finding other sources of financial support in the form of sponsorships is critically important.



To this end, although first announced in the July Edition of our magazine 'Camaraderie', it is appropriate through the medium of this Update to mention again that, indeed, DFWA is proud that it does have a major sponsor in **InvoCare**, Australia's largest provider of funeral services and well known for its commitment to family care and community engagement.

The sponsorship arrangement with the company will not only provide financial benefit to the Association itself but give discount benefits to all DFWA and Alliance members, supporters and their families as well. Readers are encouraged to open pages 14 and 15 of Camaraderie and/or call our National DFWA Office for more details. **InvoCare** have an informative web site that can be accessed here: <http://www.invocare.com.au/driver.asp>

The 'Good News' Continues

The 'good news' of last month was that **"the Government had re-instated travel leave entitlements for all single members of the ADF"** That 'good news' somewhat continued in another way into this month. This time it relates to the long-awaited Notice of Motion by the member for Lyne, Mr Rob Oakeshott MP, to increase the Military Superannuation and Benefits Scheme Pension, Defence Force Retirement Benefit Pension and the Defence Force Retirement and Death Benefits Pension twice annually by the greater of the Consumer Price Index, the Pensioner and Beneficiary Living Cost Index and the Male Total Average Weekly Earnings.

The Motion was finally brought before the House on Thursday 11 October 2012. It received the unanimous support of all 150 MPs. But as Mr Oakeshott himself concedes, 'only the Government can introduce what is termed a money Bill (legislation that has an impact on the Budget). Notwithstanding, unanimous support suggests all parties and the Independents have a wish that fair indexation be placed high on the agenda for the next budget.

Major Issue for this Month

Outsourcing ADF Medical Care to Medibank Health Solutions

Shades of the Past! As revelations go, the discovery during the last budget session that leave-travel for those servicemen/servicewomen over 21 and unmarried to return once a year back to their parents or home base had been removed as a Condition of Service was a complete surprise to most, if not all. It was made more so because there had been no public or other consultation (with the ESO Community) about its wider implications affecting over 22,000 personnel in the ADF. The decision turned out to be misplaced and virtually proved to be so when it was soon rescinded at the end of September 2012.

Consultation Process Again Ignored The delight of many over the leave issue soon faded with a revelation of another kind. With little fanfare and no evidence of consultation with any ESO organization, or not even with those currently delivering specialist health services to the ADF community, it was discovered in mid September that the Government had already let a contract to outsource all medical services to Medibank Health Solutions.

If that was not surprising enough, it was then revealed that the prime contract (valued at a reported \$1.3 billion) had actually been subcontracted to ASPEN Medical (who are involved in providing health support to East Timor and Solomon Islands ADF members). The contract is due to commence on the 28 October 2012.

Information Vacuum Every attempt to gain a detailed insight into not only how the contract is likely to work but also into how serving ADF members would be affected by it has yielded little information. Transparency in why a change in current arrangements was necessary is completely lacking, as is any transparency of the model to be used to deliver health services under an outsourcing arrangement. There must be valid fears that, despite 'official' assurances that neither the accessibility of services or their quality will be reduced, that indeed a critically important Condition of Service could well be at risk of being degraded.

Specialist Doctors Doubt Workability of Scheme One of the very fundamental reasons why servicemen/servicewomen could be disadvantaged is that it now transpires that almost every known specialist medical provider organization appears to be revolting against the new scheme. That includes the Australian Society of Orthopaedic Surgeons and the Australian Society of Anaesthetists. The AMA is known to be perturbed. They deem the new scheme unworkable. Numerous high profile specialist doctors who have been providing their services to Defence personnel for many years are known to have already written formal letters advising that they will not be signing on to provide services to ADF members in the future.

Media and Political Questioning Begins In the last week or so all these matters have caught the attention of several mainstream media outlets with articles being written by Caroline Marcus and Ian McPhedran. Each reported on the deep concerns being expressed by both the medical fraternity and DFWA. At least in part because of our representations at a political level the nature of the contract was also raised at this week's Senate Estimates Hearings. The CDF (General Hurley) and the Surgeon General for the Australian Defence Force (Rear Admiral Walker) were both questioned at length by Senator David Johnston (the Shadow Minister for Defence) about the contract. The Hansard transcripts are available from the Parliamentary web site on this link:

http://www.aph.gov.au/Parliamentary_Business/Committees/Senate_Committees?url=fact_ctte/estimates/sup_1112/index.htm

Outsourcing for Take-up by ESO Roundtable The Department of Veterans Affairs own guidelines suggest that the ex-service and defence communities should be consulted where major changes are likely to affect stakeholders. There is little evidence that the awarding of a four-year, \$1.3 billion contract to Medibank to take over the running of health services for the ADF, including referrals for specialist care, has been subjected to any consultation process.

As a result, the National President DFWA has placed this whole topic on the agenda for discussion at the next meeting of the ESO Round Table scheduled for 8 November 2012. Reporting of this matter will be on going.

Fair Go Campaign – ‘Matter of Public Importance’ Debate

Readers will recall that there was a Senate debate on 12 September on a '**Matter of Public Importance**', namely Military Superannuation Indexation. Three Opposition members spoke: Senators Michael Ronaldson, Gary Humphries and David Johnston. All supported fair indexation.

Three speakers from the Government side and one from the Greens also spoke. The Greens (Senator Penny Wright) declared, "*The current situation is unfair*". In stark contrast, the Government speakers (Senators David Feeney, Alex Gallacher and Mark Bishop) all seemed in various ways to assert that '*military superannuation was a generous scheme*' and that the CPI indexation methodology was appropriate.

Such assertions could not remain unchallenged. Several DFWA members, including Air Vice Marshal Peter Criss (Retd), wrote strong rebuttal letters to the three Government Senators expressing deep disappointment with the arguments and comments made by them during the debate, many of which seemed at best misinformed to validate their lack of any support for 'fair indexation'. All members of Alliance of Defence Service Organisations despaired it appeared that the current Labor Government would do little if anything to redress the erosion that is on-going in the buying power of military pensions.

To further refute the arguments put by the three Government Senators during the '**Matter of Public Importance**' debate, a series of three short videos were produced in which Air Vice Marshal Peter Criss (Retd) discusses their performance on the issue of Fair Indexation of Military Superannuation. The videos are compelling viewing and all readers are encouraged to take a few minutes to see what Peter has to say.

Video 1:

Peter talks about the Coalition Senators who spoke in the debate: <http://youtu.be/ZajLafD89qU>

Video 2:

Peter Criss addresses the speeches made by the three Government Senators, pulling no punches in his hard-hitting commentary: <http://youtu.be/EIWu49nUxsY>

Video 3:

The third and final video on the Senate MPI Debate addresses the Greens Senator's speech on Fair Indexation of Military Superannuation. Peter brings the series of videos to a close with insightful comments on the Parliament's appalling treatment of Australia's veterans over this issue. The CPI paper referred to in this video can be found here:

<http://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/6431.0Explanatory%20Notes11948...>

Defence Widows Support Group (DWSG)

A reminder from an announcement that appeared in last month's Update! A book is now available for order titled '**Here, There & Away**'; **Voices of the Families of Those Who Served**'.



The book represents a unique collection of heart-warming and entertaining stories from the families of ex-servicemen across the three branches of the Australian Defence Force.

The stories cover the period from World War I to more recent times, and celebrate the love, care and support given by and to members of the wider defence family as well as the resilience these families required in diverse locations and situations.

Some stories will tug at the heartstrings, while others are funny in the extreme. From the gates of Changi, through the Malayan Emergency and Operation Babylift in Vietnam, to a mercy flight disaster and the day Australia lost its Prime Minister, the stories are a mixture of the surprising, enlightening and intensely emotional.

Here, There & Away paints a vivid picture of the ups and downs of everyday life for military families, but the stories also reflect many aspects of life that we can all relate to. A literary first, this collection is also an important contribution to Australian social and military history.

The book promises a most entertaining read and will be available for order well before Christmas.

Cost is \$19.99

Pre-Orders

Pre-order your copy by going to the Big Sky Website: www.bigskypublishing.com.au

Postage of \$6.95 will be charged for one or two books ordered through the website or directly from Big Sky Publishing. However, for orders of \$50+, postage is free.

ACT residents can pre-order (avoiding postage) by contacting Dawn Laing: dlaing@bigpond.com.au

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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 (RARAC) and the Australian Special Air Service Association (ASASA).