

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

MONTHLY UPDATE #261 – 16 June 2011

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

SENATE TURNS ITS BACK ON THE NATION'S SERVICE MEN AND WOMEN

On 16 June the Parliament revealed its true nature and its attitude towards serving and former members of the Australian Defence Force who it so willingly sends into harm's way. The House of Representatives just last week expressed its support for fair treatment for members of military superannuation schemes and today the Senate rejected a Bill which would start the process of removing the discrimination faced by ADF members in their superannuation schemes. It seems we endure a directionless Parliament bereft of vision and unable to cooperate and agree on measures that will benefit our service men and women. For this we can lay the blame squarely at the feet of the Government which is big on spending in many areas but not to meet its obligations to its service men and women.

We are very disappointed at the intrusion of party politics into today's debate as well as the Government's enthusiasm for (in the words of Mr Tanner, the former Minister for Finance) "the dark art of misusing government spending information using some of the standard tricks employed to maximise political appearances: switching between cash and accrual accounting; using nominal, real or proportion of gross domestic product indicators of spending according to which indicator suited the argument better; classifying yearly spending as capital; making commitments beyond the forward estimate years."

Placing politics above the wellbeing of our service personnel is detestable and devalues the work our ADF men and women undertake on behalf of us all.

We utterly condemn those who have opposed even this limited measure to provide relief for some of our service and ex-service personnel without providing any suggestion of how to rectify this inequity they acknowledge is real. Where is the leadership and care that we expect from our elected leaders?

Those MPs and Senators who have pressed for fair and equitable treatment for ADF military superannuation members have our appreciation and we will continue to work with them to achieve a positive outcome. Whilst he voted against the Bill today, we will watch closely the progress on the constructive suggestion made by Senator Xenophon for Parliament to identify "in the next 6 to 12 months" savings to pay for fair indexation

We call on <u>all</u> MPs and Senators to restore hope for our serving and ex-serving ADF members by looking beyond the "dark arts of misusing government spending information" and take positive measures to remove all discriminatory provisions relating to the ADF superannuation schemes and resolve the funding issue.

The Government should also make a commitment to adjusting the Disability Pension by the same percentage the single Age Pension was increased in 2009 over the forward estimate period.

DEFENCE FAMILIES OF AUSTRALIA – SURVEY

Defence Families of Australia (DFA) is seeking members of the ADF and their families to undertake a web based survey. A Defence Family relates to a family member of a currently serving Australian Defence Force member. Respondents may include partners, parents, children and ADF members responding on behalf of the family.

Personal information collected is for statistical purposes and all survey responses are anonymous. The results of the survey will assist the DFA in lobbying for improvements to conditions for all Defence Families. The Association encourages as many Defence families to participate. The survey only takes about 20 minutes to complete and is available on www.dfa.org,au

OPERATIONAL ALLOWANCES

The Association welcomes the assurances provided by the Department of Defence that there were no plans to change the current arrangements for operational allowances. We have been assured that salary and allowances for personnel deployed on operations will continue to be tax-free and that information in the recent Budget Papers has been misinterpreted.

The budget measure at the centre of this misunderstanding relates to the costs over the next four years for the continuation of Operation SLIPPER, the military contribution to international efforts in Afghanistan and the wider Middle East Area of Operations to combat terrorism, counter piracy and promote maritime security. Because we will continue to have ADF personnel deployed to Operation SLIPPER who will continue to receive tax-free salary and allowances, Government revenue is estimated to be reduced by \$63.2 million over two years in revenue from income tax that it otherwise would.

ADF WORKPLACE REMUNERATION ARRANGEMENT (WRA) FOR 2011

The new ADF Workplace Remuneration Arrangement 2011 – 2014 is due to be considered by the Defence Force Remuneration Tribunal (DFRT) in late 2011. For many years the Defence Force Welfare Association (DFWA) has been an Intervener on the DFRT appearing before it on many occasions and we intend to front the tribunal and seek its permission to intervene in this WRA Case which in the past has been given routinely.

On face value the Association is concerned that the pay offer would not maintain the purchasing power of ADF pay and may fall short of the forecast CPI (which as we know understates cost-of-living increases). Additionally, there is no recognition of government imposed cost increases such as MQ rent, rations & quarters charges, utilities (gas, water, electricity), new taxes etc and effectively no recognition or recompense for the productivity improvements required from ADF members through the Strategic Reform Program. On-going savings of \$2 Billion per annum over 10 years (totalling \$20 Billion) – some 7.5% of the Defence Budget- are being mandated from the Defence Organisation – a significant proportion of these savings result from ADF member initiatives and all of them impact upon ADF members in their workplace and the wider Defence environment.

FAREWELL AND THANKS CDF AND SERVICE CHIEFS!

The Association and its members offer their sincere thanks to Air Chief Marshal Angus Houston who soon leaves his position as Chief of Defence Force. ACM Houston has been a strong supporter of the ADF family and the Association and his leadership will be missed. We also thank Vice Admiral Russ Crane and Lieutenant General Ken Gillespie who will soon leave their posts, for their service and for their support of DFWA. We wish them all the best for a well deserved, happy and long retirement.

At the same time we welcome the promotion of Lieutenant General David Hurley to the role of CDF and Air Marshall Mark Biskin as VCDF and look forward to working with them. We also welcome and look forward to working with Vice Admiral R.J. Griggs as Chief of Navy, Major General David Morrison as Chief of Army and Air Vice Marshal Geoff Brown as Chief of Air Force.

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