



DEFENCE FORCE WELFARE ASSOCIATION

Thursday 12 August 2010

POLITICAL FOOTBALL WITH VETERANS MUST STOP !

The National President of the Defence Force Welfare Association, David Jamison, has expressed concern that in the lead up to the Federal election the issue of providing adequate indexation for military superannuants and efforts to improve conditions for our veterans and their families is becoming a political football.

Its time to review the facts.

The Coalition has announced that it would improve indexation arrangements for DFRDB / DFRB* superannuants over the age of 55. The measure was welcomed by the Defence community however what still remains outstanding are similar arrangements for the under 55s and current ADF members in the MSBS scheme. The Association will continue to lobby all political parties on this matter.

A Labor announcement today suggesting the initiative would result in an \$8bn “black hole” is creating a misleading impression that the Coalition is creating a “black hole” over the next four years. The Association notes that the Australian Government Actuary costed the increase for 64,000 DFRDB superannuants at some \$8b for a 45 year period! However the Association also notes that as the Coalition’s announcement only covers some 30,000 superannuants over the age of 55, that figure would probably halve to some \$4bn. The Coalitions funding of \$98m over the forward estimate period plus seeding an additional initial \$100m into the Future Fund would seem to be appropriate funding to cover this welcome initiative.

Labor has made no commitment to improving indexation arrangements for military superannuants and the Association continues to express disappointment at their reluctance to move on this fundamentally important issue.

The Association does not focus on 45 year forward estimates, which only cloud the issues in emotive and distracting manner. Rather we look forward to the Government of the day, whatever its political persuasion, in fixing this long outstanding matter and to take the welfare of members of the Australian Defence Force, veterans and their families, out of the political football arena.

* Defence Force Retirement Benefits Scheme/Defence Force Retirement & Death Benefits Scheme.

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