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JOINT MEDIA STATEMENT

ROYAL COMMISSION INTO MISCONDUCT IN THE BANKING, SUPERANNUATION AND FINANCIAL SERVICES INDUSTRY

Call to include the Commonwealth Superannuation Corporation

The Returned & Services League of Australia (RSL) and the Alliance of Defence Service Organisations (ADSO) call on the Government to include the Commonwealth Superannuation Corporation (CSC) in the Terms of Reference of the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry.

CSC administers military and other superannuation funds for over 700,000 people, including 230,000 serving and former servicemen and women. Unlike members of Industry Super Funds who have the ability to switch funds if they are dissatisfied, ex-service members of the CSC do not. They are reliant on an external moderator to ensure fairness and justice. The Royal Commission is the ultimate arbitrator.

Given the magnitude of the CSC influence on the wellbeing of former servicemen and women the RSL and ADSO members consider this represents a compelling reason to include CSC within the Terms of Reference. CSC is the only significant superannuation entity in Australia to avoid examination.

Allegations exist that CSC is not fully compliant with the Superannuation Industry Supervision Act. For example, some in the veteran community claim that CSC misreports invalidity benefits (paid to servicemen and women discharged for medical reasons) to both the Australian Taxation Office and to the Family Court. And, all too often, veterans report that CSC fails to respond convincingly to valid approaches by them seeking clarification of their concerns. A consequence of this practice could result in veterans (and their families) already suffering trauma being subjected to unwarranted financial and further emotional hardships.

These and other allegations clearly require the same scrutiny as would similar assertions involving industry superannuation funds. The voices of 230,000 serving and former servicemen and women should be heard, not be silenced.

The RSL and ADSO call on the Government to amend the Royal Commission's Terms of Reference to include an examination of the military superannuation funds administered by the Commonwealth Superannuation Corporation.

Contacts

National President RSL:
Robert Dick 0448 889 848

ADSO National Spokesman:
Kel Ryan 0418 759 120