



DEFENCE FORCE WELFARE ASSOCIATION

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

## **MONTHLY UPDATE #264 – 15 September 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.**

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### **PROFESSIONAL WORKPLACE RELATIONS ADVOCATE TO WORK WITH DFWA**

The response to DFWA's request for feedback on the proposed ADF Workplace Remuneration Arrangement 2011-14 has been significant, indicating that a substantial majority of ADF members find the offer unacceptable. Included in the feedback was an offer of pro-bono advocacy assistance to the Association in its intervention to the Defence Force Remuneration Tribunal when the WRA goes to a Hearing later this year.

Mr Gerard Nelson will become the Association's Honorary Industrial Relations Adviser and has offered to help develop our input and to appear before the DFRT along with Phil Morrall, our Vice President Pay and Conditions of Service.

In order to provide both the DFWA and its Advocate with the widest range of opinions on the current WRA offer of 3% pa for each of three years and what might be an acceptable alternative, David Jamison National President of DFWA has re-emphasised the importance of ADF members to provide their opinion on the WRA to in-house briefings and especially to DFWA ([wra@dfwa.org.au](mailto:wra@dfwa.org.au)).

If granted leave to intervene in the case the Association will faithfully represent ADF members' opinions in a professional and respectful manner to the Tribunal.

### **PROSECUTIONS DROPPED**

The DFWA welcomes the news that the Director of Military Prosecutions has dropped charges against an Australian Special Forces officer involved in the accidental death of five children in Afghanistan. It is a matter for regret that the process has been so drawn out with the consequent stress on the members and their families.

In commenting on the decision, the comments from the Defence Minister Stephen Smith are telling. The Minister has requested a comprehensive assessment of the matter from the DMP and said that "These were the first charges for manslaughter literally in the theatre or the fog of war in living memory".

Says it all really .....

### **MILITARY SUPER LOSSES CAUSE CONCERN**

Recent media reports on apparent management oversights by the Military Super Board have caused many members of the Association to approach us and express their concerns. The matters relate to Military Super fighting a legal battle against Melbourne-based hedge fund manager Agora Asset Management, over an \$8 million exit fee.

The matter reminds the Association of the Ashington Development Fund No. 2 issue in 2009/2010 where it was reported that Military Super was one of three superannuation funds that had sunk a combined total \$100m into a controversial Sydney land development and the developer was later liquidated.

These matters highlight the due diligence required by the Board to properly manage the funds of members. The Association is seeking an assurance from the newly constituted Board of the Commonwealth Superannuation Corporation that it will review its practices to ensure effective management processes are in place to obviate such instances reoccurring.

## PRIME MINISTER'S RESPONSE DISAPPOINTS

In what the Association can only conclude is a sad reflection of how the current Government approaches the issue of caring for the interests of past and current ADF superannuants, the Prime Minister's office has refused in writing our request to meet with her to explain our position on fair indexation.

The reply by the Prime Minister's Senior Advisor (having been "... asked by the Prime Minister to reply on her behalf...." .. as if ! ) failed on the benchmark of what we believed we had a right to expect would be thoughtful and useful response. It was not.

It ignored the detail our letter, instead it made the statement that the DFRDB / DFRB schemes "...provide extremely generous benefits.....". It then listed all the wonderful things the Government has done for the veteran community, totally irrelevant to the issue in question. Then, just in case we didn't know, it advised us the Government had accepted the recommendations of the Matthews Review. Gee, thanks for telling us that !

This patronizing and totally inappropriate response is insulting to our members and also to the wider ADF community. Sadly, it is something we have come to expect from many in the Government and within the bureaucracy. Maybe naively, we didn't expect it from the highest elected office in the land.

One can only wonder what the letter would have said if authored by a junior advisor!

## VETERANS' ENTITLEMENTS AMENDMENT BILL 2011 PASSES DESPITE EX-SERVICE OBJECTIONS

The Association supported the RSL and VVFA in their objections to Schedule 2 of the Bill because it appeared to allow "double dipping" by the Commonwealth in certain circumstances when offsetting was being applied to allowances. Despite opposition from the veteran community and the Coalition, the Government with the help of the Greens passed this measure through the Senate on the 12<sup>th</sup> of September.

## RETIRED SENIOR OFFICERS, COME OUT TO SUPPORT THE FAIR GO! CAMPAIGN

The Association welcomes the public comments from the former Chief of Army, Lieutenant-General Peter Leahy AO (Retd) who has condemned the indexation of military pensions for retired service personnel as unfair. General Leahy has attacked politicians who, prior to changes to the parliamentary pension scheme in 2004, were given dramatically higher pension increases than provided to veterans. He said it was a matter of fairness and politicians who benefited from a very generous system and large annual increases to their pensions should think about soldiers: "For soldiers who were junior in rank these are not large pensions. Why is it OK for politicians and not the military?" he rightly asks.

The General joins a growing list of retired senior ADF Officers including a former Chief of Air Force, who have spoken out about the discriminatory treatment of ADF superannuation scheme members. We thank those retired senior officers for coming out of the closet and providing public support for fair indexation and hope they will be joined by more of their colleagues.

You can support the campaign firstly by being *properly informed* of the matter and then by taking every *opportunity to lobby* – be it by way of *overt public support* or any *covert opportunities* that may present themselves to you. A quiet word in the ear of a politician can be very useful as it will continue to reinforce the point to those who need to be convinced !

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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).