



# ALLIANCE OF DEFENCE SERVICE ORGANISATIONS

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## **MEDIA RELEASE**

### **MINISTER SMITH, GET REAL !**

In his appearance on ABC TV's 7:30 *Stateline Victoria* on Friday 22 July 2011 the Minister for Defence, the Hon Stephen Smith MP, continued the hypocrisy of the Government when on the one hand he proudly implied that looking after our returned servicemen and women is "very important as part of the Australian ethos", then on the other hand dismissing the case for providing fair indexation to military superannuants when in relation to the recently defeated Fair Indexation Bill he said that "*The Bill ... if passed would have seen the taxpayers of Australia fork out billions of dollars*".

- Minister, that is a blatant misrepresentation of the truth. We assume you are smart enough to know it. We know it.
- Minister, the nation's debt to both currently serving and retired military superannuants is your responsibility to uphold.

Of more concern was the Minister falling for the old trick, constantly fed by an uncaring bureaucracy to unsuspecting (and sadly in the main unquestioning) Parliamentarians, that the cost of fair indexation is "billions and billions".

- Minister, the reality is that the additional average cost, on a year by year basis, is estimated to be \$20m over each of the next four years.
- Minister, did your minders bother to tell you that? Did you ask?
- Minister, how does \$20m a year compare to recent failed and mismanaged Defence and other Government programs? We can provide you with a list if you wish.

We trust that the Minister would know that costs, when projected for many decades into the future, will generate scary and confusing figures that can only distort any objective assessment of such issues. The previous Minister for Finance, Lindsay Tanner, has said so.

The Minister's cynical position is nothing more than a smokescreen and scare campaign to avoid the Government meeting its *obligations* towards our currently serving and ex-serving members.

For a Minister for Defence to use such tactics is a disgrace, and an insult to serving and retired members of the ADF and their families who are being deliberately obstructed and seriously disadvantaged financially. This is contrary to their just entitlement as a *condition of service*, expressly offered when the military superannuation schemes were established.

All we ask for is to have the purchasing power of military pensions maintained by having the same indexation increases as the Age pension. That's both simple and fair.

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\* The Alliance comprises the Defence Force Welfare Association (DFWA); the Naval Association of Australia (NAA); the Royal Australian Regiment Corporation (RARCC); the Australian Special Air Services Association (ASASA); and the RAAF Association (RAAFA).