



## DEFENCE FORCE WELFARE ASSOCIATION

### DFWA 2019 POLICY OBJECTIVES

With the election nearly upon us, DFWA has identified those objectives that we will be pursuing with the political parties leading up to the next 2019 Federal election and beyond.

DFWA Policy Objectives are as follows:

- Promote a Military/Veterans Covenant;
- Seek fair indexation and revision of military superannuation benefits;
- Seek adequate veterans' disability compensation payments for the TPI/Special Rate;
- Support retention of a Department of Veterans Affairs to provide effective and efficient legislated veterans support programs.

The order of the Objectives detailed below is not meant to signify their relative importance. Each is important and DFWA seeks either redress or a fix of them all in turn at the earliest possible time during the course of the upcoming 46th Parliament of Australia.

#### **Promote a Military/Veterans Covenant**    *LEGISLATION PENDING !*

Our longstanding campaign to introduce a Military Covenant has recently progressed with the introduction of legislation into Parliament of the AUSTRALIAN VETERANS' RECOGNITION (PUTTING VETERANS AND THEIR FAMILIES FIRST) BILL 2019. This matter is currently progressing and updates will be advised on our website.

Significantly, the draft Covenant recognises the concept of the unique nature of military service.

***Objective:** To have Veterans and their families recognised for their vital role and service to Australia by way of a Military/Veterans Covenant, and to enshrine in legislation the unique nature of military service and the support their families give to veterans.*

*Once legislated, the DFWA will be holding the Governments of the day to task to ensure the aim of the Covenant is reflected in Government policies and legislation. This will be an ongoing task.*

## Fair indexation of all Military Superannuation Benefits Schemes

- **Fair Indexation for all Military Superannuation payments**

*Issue: CPI is a measure of inflation, not purchasing power. Superannuation schemes indexed to CPI only lose their purchasing power over time.*

*Objective: To have all components of military superannuation payments under DFRB, DFRDB and MSBS, including preserved funds and the reversionary pensions for partners of deceased military superannuation pensioners, indexed as provided for under the Defence Force Retirement Benefits Fair Indexation Act. This is to ensure the purchasing power of superannuation is maintained, being the intent of the original enabling legislation.*

- **MSBS Access to Employer Benefits**

*Issue: MSBS 'preserved benefits' (employer contributions) are indexed to CPI. They cannot be accessed until preservation age (55). CPI is already recognised as an unfair index in itself, plus its returns are low compared to other superannuation funds.*

*Objective: To have all MSBS members under preservation age and no longer serving but with 'preserved benefits' be given the same opportunity provided to all Australians – i.e., the ability to access employer superannuation payments and to be able to roll over their full benefit into a complying superannuation fund of their choice.*

- **Defence Force Retirement & Death Benefits Scheme (DFRDB)**

### **Fair Indexation for all DFRDB recipients**

*Objective: The provisions of the Defence Force Retirements Benefits Fair Indexation Act to be extended to include all DFRDB superannuants under 55, especially to those in receipt of DFRDB invalidity superannuation pensions. This will ensure the purchasing power of their superannuation is maintained, being the intent of the original enabling legislation.*

### **DFRDB Commutation**

*Objective: The immediate application of up-to-date life tables for calculating commutation and fortnightly payments for current and new DFRDB superannuants; and rectification of the financial injustices caused by the application of out-dated life tables to superannuants.*

## **Reversionary Benefits**

**Objective:** *The immediate redress of the reduction of all their benefits, i.e. retirement pay, invalidity pay and **reversionary pensions for widows, widowers and dependent children**, which has resulted from the manner in which those benefits were indexed before 1 July 2014, and continue to be indexed for those aged under 55.*

## **Redress Inadequacies of Veterans' Disability Compensation Payments - TPI/SRDP**

**Issue:** *The disability compensation for Australia's most disabled Totally & Permanently Incapacitated (TPI/SRDP) veterans has declined significantly in relative terms to that of Average Weekly Earnings. The 'Economic Loss' component of that eroded payment rests at less than 65% of Australia's gross minimum wage.*

*This decline in compensation for Australia's most disabled TPI/SRDP Veterans is a poor indictment of the Commonwealth's obligation to the enduring care for its Veterans.*

**Objective:** *That providing an adequate standard of living to Australia's most disabled veterans and their families be recognised as paramount to a Government's obligations to them. Benchmark the Above General Rate component to the tax-adjusted minimum wage as a community standard.*

## **Support retention of a Department of Veterans Affairs**

**Issue:** *The [Productivity Commission's inquiry into the system of compensation and rehabilitation for veterans](#) released a draft report on 14 December 2018. Among its many recommendations, one advocated eliminating the Department of Veterans Affairs and transferring veterans' support functions to the Department of Defence.*

**Objective:** *To support the retention of a specific Veterans' Department that provides effective and efficient legislated veterans support programs. To support DVA's ongoing Veterans' Centric Transformation and transition initiatives that are being currently implemented. They address the recognised major deficiencies in past services delivery.*

DFWA welcomes the opportunity to work with DVA and the Productivity Commission to jointly identify needs and problems, and to find solutions for them.