

Defence Pensioners Take Aim At Budget

Retired Defence Force members have joined their Public Service colleagues in raising concerns about the impact of the recent Federal Budget on their pensions and entitlements.

While welcoming positive initiatives that affect war veterans with disabilities, war widows and former prisoners of war, the Regular Defence Force Welfare Association claims the majority of its members are no better off.

Acting National president of the RDFWA, David Jamison, said an analysis of the Budget revealed that “yet again” the issues of major concern to the 60,000 former ADF members had been ignored.

“While much is rightly being provided for serving members, we do not understand why this Government so readily sets aside the welfare of its retired career servicemen and women after they have served the nation with dedication and distinction,” Mr Jamison said.

He said there were several issues of particular concern including the Government’s decision to index Military superannuation at a rate lower than the benchmark.

“Recipients continue to have the purchasing power of their superannuation eroded because of this.

“The June 2007 advice from ComSuper will tell superannuants that their pension will remain static. No-one can seriously say that the cost of living – despite what the CPI figures indicate – hasn’t increased over the past six months”

Mr Jamison also said that while the “one off” increase to DVA Special and Intermediate rate disability pensions was “a welcome measure”, it ignored the reason for this situation arising in the first place.

Another issue that needed addressing, he said, was the discrimination against widows who married a retired ADF member over 60 years of age who subsequently died after less than five years of marriage.

“In this circumstance the widow has no continuing entitlement to military superannuation and is left without that support. Other Commonwealth funded schemes allow a graduated scale of benefits with widows married for three or more years entitled to a full widow’s benefit.”

Mr Jamison said there was also discrimination in the taxation treatment of military superannuation payments from 1 July 2007 under the new “Simple Super” arrangements.

“Whilst the rest of the community over 60 benefits from the complete removal of taxation obligations from their superannuation, military superannuants (and other ex-Commonwealth employees) are saddled with the requirement (not faced by other groups in the Australian Community) for any additional income to be added to superannuation payments with this then being taxed at the individual’s marginal rate.”

Mr Jamison said that failure to act on these concerns worked against the Government’s attempts to stem the exodus of serving men and women from the ADF.

“The taxpayers’ money being allocated to retention and recruitment initiatives will be wasted unless there is a tangible demonstration of support for those who have previously served the nation as career servicemen and women,” Mr Jamison said.

“The effect this group has on the attitudes of both those serving and those targeted for recruitment to the ADF should not be underestimated. Their alienation adds yet another disincentive to those who might otherwise extend their term in the ADF as well as those who might be inclined to enlist.”