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The Hon Dr M. Kelly AM MP PO Box 214 QUEANBEYAN NSW 2620

Dear Dr Kelly,

I have just accessed a link sent to me by a Queensland colleague and listened to your recent interview on 2CC wherein you attempted to defend your Government's rejection in the Senate of the Private Members Bill for fair indexation of military service pensions. You may be interested to know that your interview is being circulated to all retired Service personnel throughout the country, which explains how it came to my attention on the South Coast of NSW via such a circuitous route.

Mike, I knew you when you served in the Army and I know you now as my local member. When you were elected to represent my electorate I expected you to fairly represent the interests of the retired military fraternity, without fear or favour, given your pre-election statements and your understanding of military service and all that it entails – it's the only form of 'public service' with ultimate sacrifice obligations.

As one ex-serviceman to another, let me convey to you in the simplest of terms my deep feeling of revulsion regarding your defence of the stance adopted by your party, with the support of the Greens, in overturning the Bill. My feeling of repugnancy was deepened by your contemptible attempt to shift the blame for the lack of fair indexation to the previous Government – in response to your comment regarding the 'river of gold' that the previous government had at its disposal and did nothing, I simply note the river is now much deeper and wider in 2011 and more is being squandered by failed Federal Government programmes than ever before.

You continue to proclaim that the cost of fair indexation places it beyond support because of budgetary pressures. The cost is only large if you are naïve and believe the figures proffered by DoFD which are pure political spin designed to sway support against the Bill. A thinking person, doing a modicum of independent research, instead of blindly regurgitating the "dark arts" figures (as revealed in the recent Tanner book), would find that the real cash cost of the Fair Indexation Bill is about half of what you assert, and that is before clawback. To suggest that **\$90m** (\$60m after clawback) over **four years** from an annual budget of **\$300Bn** is unaffordable defies credibility, and fools few; certainly not those who elect you in Eden-Monaro.

Your party has erred badly in its reading of the strength of disgust within the community regarding this matter. The hypocritical actions of the Prime Minister and you, my local member, have not been lost on the extensive retired community that I associate with in and around Batemans Bay – we might be old but we still vote.

From your recent comments on 2CC, clearly aged pensioners (and your own political pension) rate far higher in your mind than Service pensioners, despite your much touted military (legal) experience. How quickly one can forget, but let me assure you those in your electorate will not, nor will the many now listening to your interview.

Yours sincerely,

Peter Criss AM AFC Air Vice-Marshal (Ret'd)