



ADSO ALLIANCE OF DEFENCE SERVICE ORGANISATIONS and PARTNERS

30 July 2013

MEDIA STATEMENT

Rudd Government's 11th Hour Commitment to Military Veterans

After years of strong opposition from the Labor Government, Minister for Defence Materiel, Dr Mike Kelly, today announced the Government will change the way some military retirement pensions are adjusted for cost of living increases. The announced change is a Labor election promise that will be introduced next year if the Government is re-elected.

The Alliance of Defence Services Organisations (ADSO) welcomes the Government's move which at long last acknowledges that the current method of adjusting retirement pay for military veterans and their families was an outdated and inadequate way of ensuring living standards are maintained. ADSO spokesman David Jamison said "The revised policy would provide some much needed relief to those who have suffered the longest but we remain disappointed that the Government hasn't agreed to use the same formula as applied to the age and service pensions – something veterans have been pushing for since 1997 when the change was first made for those pensioners."

We are encouraged by the Government's acceptance that it no longer believes that CPI alone is the right indexation arrangement to maintain the superannuation pension's purchasing power (a conclusion from the Government's own Matthews Report that it has so stridently applied to defend its policy).

We have been pressing the Government to fulfil its 2007 election promise to the defence community that it would fix the superannuation indexation problem for serving and former ADF members and thereby correct their breach of contract with us.

We note also that the Coalition has re-affirmed its pledge that in Government it will legislate for fair superannuation indexation in its first budget so that DFDB/DFRDB superannuates over the age of 55 will be indexed by the higher of CPI, PBLCI, with the percentage increase benchmarked to MTAW.

Both the Government and Opposition have assured us that their announced initiatives are a 'first step' and ADSO will continue to pursue restoration of promised military super benefits for ALL current and former ADF members and their families. Neither yet includes DFRDB invalid and reversionary pensioners below the respective 55/65 cut-off, or the current Military Superannuation Benefits Scheme applying to current serving ADF members.

While welcoming this policy change, ADSO remains committed to achieving Fair Indexation for ALL military superannuants.

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* The Alliance comprises the Defence Force Welfare Association (DFWA); the Naval Association of Australia (NAA); the Royal Australian Regiment Corporation (RARAC); the Australian Special Air Services Association (ASASA); and the RAAF Association (RAAFA) with Australian Peacekeepers and Peacemakers Veterans Association (APPVA) and Vietnam Veterans Association of Australia (VVAA) as partners.