



AUSTRALIAN DEFENCE FORCE RETIREES ASSOCIATION

We act on behalf of Defence Force Retirees and their Military Superannuation grievances

Register on: <https://www.adfra.org/>

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MEETING WITH THE MINISTER FOR VETERANS AFFAIRS AND OMBUDSMAN THURSDAY 25 JULY 2019

The following is the ADFRA reply to the subject report.

Meeting with Minister Chester

a. ADSO Inc.

We support the principle of a 'lead agency' to replace the RSL because of the diffusion of effort and the fragmentation created through the proliferation of ESOs. However, we do not support single agency advocacy for the representation of all issues and are not confident that ADSO and ESORT is the most appropriate platform to fulfil this role.

Ex-service concerns relate primarily to Repatriation and Compensation (R&C) and Military Superannuation legislation. There is confusion, ambiguity and uncertainty over who is accountable and responsible and who in Government is representing of our interest.

Three Government Departments are responsible for the related legislation, namely Defence, Finance and Veterans Affairs, and the allegiance of those Departments is to the Defence and Finance Budgets and not to serving and ex-service members. One platform cannot effectively deal with these three Departments and the diversity of concerns of all veterans and retired members. An example is the ambiguity, uncertainty and conflicting interest between Departments over superannuation policy and who represents as subject matter experts on behalf of veterans and Defence retirees on pension entitlements.

ADFRA was formed because members were dissatisfied with DFWA/ADSO and the other ESOs' lack of action on DFRDB since 2014. The *Fair Indexation Act* was seen by DFWA/ADSO as a win on what they perceived to be the only military superannuation concern. Nothing is further from reality.

Our concerns about the bigger and more important issues of unfair and partial indexation, as opposed to the lesser issue of commutation repayment have largely been excluded from your recent deliberations. Our 3700 plus membership will not accept representation and advocacy through a single agency that ignores their concerns on such crucial issues.

To consider affiliating with ADSO, ADFRA would expect to see an organization in which Defence service related, R&C and superannuation concerns are adequately represented with full consultation across all ESOs by the appropriate subject matter experts. DFWA/ADSO might play a lead agency role but we would expect to be the primary advocate on all DFRDB matters.

b. Productivity Report.

Comment on the *PC Inquiry Report* is beyond our capacity because, as is often the way, the Department has given inadequate time for us to canvass our members and provide a meaningful response.

However, military superannuation beneficiaries have in common with R&C clients a need for representation (including legal) by an organization whose client is the ex-service man or woman and not the Department of Defence or Finance.

Our priority with regard R&C advocacy is to restore the right of applicants to Government funded legal representation, especially in matters under consideration by the VRB. This right was removed at the RSLs request and has caused significant detriment to ex-Defence personnel. Legal representation is a fundamental right of all citizens appearing before Government Tribunals of this nature. Members, and not the Department, should have the discretion to elect representation where they deem necessary.

c. *DFRDB Inquiry.*

The Minister had no intention of holding an open and transparent discussion around veterans' concerns or the terms of reference for the inquiry. And he did so with ADSO's blessing.

The following is a quote from the Minister's Chief of Staff, dated 2 August 2019:

"The Department of Defence consulted with the Ex-service Organization Round Table on the scope of the inquiry and who was best placed to lead. The Ex-service Organization Round Table supported the Commonwealth Ombudsman being approached to consider undertaking an investigation into accuracy of the information provided to members regarding the DFRDB commutation."

There were just 8 days between the Minister's Press Release and ESORT and another 3 days before he approached the Ombudsman to conduct the inquiry.

ADSO's lack of understanding of the DFRDB issues, or otherwise, has consigned us to our present position which is a very limited 'own motion' inquiry by the Ombudsman and no foreseeable inquiry into the 'other' issues.

Policy and legislation must be amended to resolve our military superannuation concerns but the Ombudsman does not have the power to inquire into those matters. If the Ombudsman inquiry does produce any meaningful recommendations, it will only relate to the most insignificant of our DFRDB concerns and still provide no guarantee of any shift in Government policy.

We don't share your confidence that 'The Minister was agreeable to examine the other issues and assess what further action on them was needed when they are known' is a good plan.

As you know, in recent years we have submitted a number of detailed papers to the Minister and we briefed him, his Department Head and his DFRDB subject matter expert in Wodonga as recently as 27 March 2019 and handed him yet another detailed submission.

What is problematic is that the Minister does not want a separate inquiry because he knows very well what the 'other' issues are.

d. *Military/Veterans Covenant Bill.*

We see little if any benefit or purpose of this Bill. The proposed Bill in the Senate is toothless and a waste of time. The fact is there has always been an implied covenant of trust and good faith between Defence personnel who serve in a spirit of loyalty and sacrifice with total obedience in a fashion few other in the community are obliged to.

Meeting with the Ombudsman

The meeting with the Ombudsman did not reveal anything that we had not already established during our one and three-quarter hour meeting with the same investigation team.

Happy to discuss this further if an opportunity to meet presents.

Jim Hislop
Christin Bennett
Herb Ellerbock

15 August 2019