

Bruce M Campbell

26 March 2021

Foreign Affairs, Defence and Trade Committee
Department of the Senate
PO Box 6100
Parliament House
Canberra ACT 2600

**Submission to the Foreign Affairs, Defence and Trade Committee on the
Accuracy of information provided to Defence Force Retirement and Death
Benefits (DFRDB) members**

Dear Committee,

My name is Bruce Malcolm Campbell. I am a Defence Force Retirement and Death Benefits (DFRDB) pension recipient having retired from the Permanent Naval Forces (PNF) on 01 November 1992 retiring with the rank of Lieutenant.

On retirement I elected to commute a portion of my pension with the subsequent reduction in my fortnightly pension. My retirement from the PNF was at age 41 having completed 24 years 9 months 24 days full time service, or, 24 years in DFRDB terms. My DFRDB pension was further reduced, before the calculation for commutation, by 3% as I retired prior to my Notional Retirement Age for the rank of Lieutenant, that being 42 years of age. This subsequently had a flow on effect on the amount of Commutation payable. These impositions placed on my pension and commutation were begrudgingly accepted despite the lauding of the generosity of the DFRDB Scheme by those to whom we served, both Military and Civilian.

During my Service career, I attended a number of seminars and presentations that related directly to the DFRDB Act, from its inception and replacement of the DFRB Act, the final and most significant seminar being a Resettlement Seminar prior to retirement from the PNF in 1992. Significant here is the fact that lessons learned and points of interest gleaned from these presentations and seminars over the years were taken back to my own workplace and significant and pertinent points were disseminated to my troops. I am now guilty of precisely what the Government of the day, the DFRDB Authority and my Military Seniors are guilty of in respect to omission of the full facts and truths behind the information that was hidden within

the DFRDB Act and its effects and consequences, as these effects and consequences were not provided during any of the seminars that I can recall attending. I will advise that when it comes to the maintenance of my finances and income, I listen very closely and clearly.

The interpretations of the DFRDB Act provided by the representatives from the Authority were very simple. This was a great and generous scheme. We could commute a portion of our retirement pay into a lump sum and REPAY that debt at a rate determined by our expected age of death. When that age was met, the debt was cleared and the DFRDB pension would return to full payment. With regards to the spouse of a DFRDB pensioner, if the pensioner were to die before reaching the expected age of death, the debt was forgiven and the widow would receive 5/8 of the full pension (the pension payable to the member if no commutation had been taken). Similarly, if the pensioner were to die after the expected age of death, the spouse would receive 5/8 of the full pension as the debt had already been cleared. The pension would be indexed and indexed as a living wage. As it turns out, naivety and belief in all things Defence and the Governments we served, NONE OF THESE THINGS WERE ACTUALLY TRUE.

It is relevant to note here that there was no increase in the DFRDB pension at the last bi-annual assessment period. The DFRDB pension remained at the same amount as the previous six months.

My circumstance are spelt out best by a study undertaken by the Australian Defence Force Retirees Association. I have attached a spreadsheet that details the denial of my DFRDB benefits leading up to the expected age of death, 71.93 years, and then post that age. This also shows the effect upon my surviving spouse.

I certainly have had the chance to remain refreshed on the progress of the continuing disappointments that the DFRDB Act, under the interpretations by various governments and the DFRDB Authority, provides to the DFRDB Pensioner. I have observed many a Politician promise large on this very issue, from both sides of politics, prior to an election only to come up empty after the balloons have blown away and the election posters removed from public display. The DFRDB pensioner continues his/her battle alone and continues to gather more facts and prepare for the next inquiry or investigation into an injustice that should have been exposed, addressed properly and repaired a long time ago.

Service in the ADF is unique. *It is the military who use every firepower resource available to kill or capture the enemy. The military endure the greatest hardships and it is the military who give up their personal freedoms to carry out the Government's orders.* The DFRDB superannuants though find that the battle during their Service career is not the biggest battle that they will fight. It is the cavalier treatment of their commitment and their contributions into a fund administered by an Authority that has been less than forthcoming with truthful and accurate advice and information at the forefront and being provided with inadequate benchmarks for

indexation of their pension on retirement through to death. And then, then the injustices flow on to the widow.

I have read a considerable amount of material gathered over the years as this fight for procedural fairness and the correction of an injustice perpetrated upon those so willing to serve has gone on. I participated in the Ombudsman's Investigation and found those findings to be little less than objective or helpful to the DFRDB pensioner. To add more here would be trolling over old ground and I will leave that for the Ex-Service Organisations (ESOs) to address. This is despite the truth and validity that the DFRDB pensioner sees and lives with every single day and the injustices that have been foisted upon them (me). Under the DFRDB Act, all Serving members were under compulsory contribution of a fixed percentage of their wage, a percentage that could not be either increased or decreased from this fixed point and contrary to what the civilian counterpart in the Public Service enjoyed.

Over and above the misrepresentation of the DFRDB Act to serving members and its ongoing effects, the DFRDB Act at best favours no former serving member. At worst, it is discriminatory in age related discrimination, length of service to qualify for pension in terms of DFRDB years, and, discriminates against those who accepted a Commission to Officer Rank from Warrant Officer. All three here are true in my personal case.

Taking cognizance of the above, I can but only reiterate that I have been bitterly disappointed by the actions of the DFRDB Authority, who over the years have no doubt had massive turnover of staff, draining what may have been good intent from stakeholders in the beginning to unexpected (or maybe expected) consequence in the end. An Authority that has failed its clients over and over, the DFRDB pensioner. An Authority that has cloaked the truth and now nobody is accountable.

The Committee asks what remedial actions could be taken. That answer is simple. Do what you (the DFRDB Authority) said you would do for us. Take advice from the ESO's, in particular, the Australian Defence Force Retirees Association, and accept and implement their recommendations. The Committee also asks for advice on costs. I will just say that I contributed to a scheme, it did not come to me for free. The Authority should bear all costs.

Please accept my Submission to your Committee for consideration.

Yours Aye,

Bruce Campbell OAM Lieutenant RAN (Rtd)

THE DENIAL OF DFRDB BENEFITS

Member Details		Losses due to Partial Indexation					Commutation Payback			Total Losses
Gender >	<input checked="" type="radio"/> Male <input type="radio"/> Female	As at v	At Years of Age	Retirement Pay Loss (per annum)	Retirement Pay Total Loss	Spouse's Pension Loss (per annum)	Total Amount Repaid	Balance to be Repaid	Repaid in excess of Amount Committed	Indexation Losses plus excess Commutation Repayments
Date of Birth (dd/mm/yyyy) >	27/10/1951									
Date of Retirement (dd/mm/yyyy) >	02/11/1992									
Uncommuted Retirement Pay (per annum) >	\$16,898.27	25/03/2021	69	\$2,392	\$31,535	\$1,329	\$69,802	\$6,240		\$31,535
Number of Years which can be Commuted	4.50	25/03/2022	70	\$2,489	\$34,023	\$1,383	\$72,259	\$3,783		\$34,023
Commutation Entitlement	\$76,042.22	25/03/2023	71	\$2,589	\$36,610	\$1,438	\$74,716	\$1,326		\$36,610
Reduced Retirement Pay	\$14,439.74	25/03/2024	72	\$2,690	\$39,306	\$1,495	\$77,180		\$1,138	\$40,444
Amount Committed >	\$76,042.22	25/03/2025	73	\$2,794	\$42,099	\$1,552	\$79,637		\$3,594	\$45,694
Reduced Retirement Pay (per annum) >	\$14,439.74	25/03/2026	74	\$2,899	\$44,998	\$1,611	\$82,094		\$6,051	\$51,049
Gross Fortnightly Pension at at 3/01/2019 >	\$1,050.06	25/03/2027	75	\$3,007	\$48,005	\$1,671	\$84,550		\$8,508	\$56,513
		25/03/2028	76	\$3,117	\$51,130	\$1,732	\$87,014		\$10,972	\$62,102
Future Indexation Rate (per annum) >	2.00%	25/03/2029	77	\$3,229	\$54,359	\$1,794	\$89,471		\$13,429	\$67,788
Part of Retirement Pay which is Indexed	85.45%	25/03/2030	78	\$3,343	\$57,704	\$1,857	\$91,928		\$15,886	\$73,589
Part which is Indexed for Spouse's Pension	87.07%	25/03/2031	79	\$3,460	\$61,165	\$1,922	\$94,385		\$18,342	\$79,507
		25/03/2032	80	\$3,579	\$64,755	\$1,988	\$96,848		\$20,806	\$85,561
Age on Retirement (30 to 65)	41	25/03/2033	81	\$3,700	\$68,455	\$2,056	\$99,305		\$23,263	\$91,718
		25/03/2034	82	\$3,824	\$72,277	\$2,125	\$101,762		\$25,720	\$97,997
1960-1962 Life Expectancy	30.93	25/03/2035	83	\$3,950	\$76,226	\$2,195	\$104,219		\$28,177	\$104,402
Age at 1960-1962 Life Expectancy	71.93	25/03/2036	84	\$4,079	\$80,315	\$2,266	\$106,683		\$30,640	\$110,955
2015-2017 Life Expectancy	14.99	25/03/2037	85	\$4,211	\$84,524	\$2,339	\$109,139		\$33,097	\$117,621
Age at 2015-2017 Life Expectancy	86.92	25/03/2038	86	\$4,345	\$88,868	\$2,414	\$111,596		\$35,554	\$124,423
		25/03/2039	87	\$4,481	\$93,350	\$2,490	\$114,053		\$38,011	\$131,361
		25/03/2040	88	\$4,621	\$97,983	\$2,567	\$116,517		\$40,475	\$138,458



Australian Defence Force Retirees Association

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

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

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