

The Secretary, Foreign Affairs, Defence and Trade References Committee,

Accuracy of information provided to Defence Force Retirement and Death Benefits (DFRDB) members.

In *Australian Veterans' Recognition (Putting Veterans and their Families First) Act 2019*, the Australian Parliament declared that:

The Commonwealth acknowledges the unique nature of military service and the sacrifice demanded of those who commit to defend our nation.

But that does not apply to the ex-servicemen and women who are subject to the provisions of the Defence Force Retirement and Death Benefits (DFRDB) Act.

In October 1972, the Prime Minister declared his Government's intention to implement a new Military Superannuation scheme, the provisions of which were set down by a Joint Parliamentary Committee (the Jess Committee).

However, public servants in the Department of Defence, Treasury, and the Commonwealth Actuary considered the entitlements which flowed from that unique nature of military service too generous because they did not exist in their own Commonwealth Superannuation scheme. So, with the aid of the Parliamentary Counsel, they cleverly drafted the DFRDB legislation to diminish all benefits over time. How this was achieved is detailed in [The DFRDB Deception](#).

The Hansard record of the relevant Parliamentary debates shows that:

- Defence, Treasury, and the Commonwealth Actuary were opposed to the DFRDB scheme,
- The Commonwealth Superannuation scheme for public servants was considered the benchmark to which military superannuation schemes had to be aligned,
- Service representation was excluded from the legislation drafting panels,
- The wording of the draft legislation was unnecessarily complicated,
- There were no Explanatory Memoranda,
- The responsible Ministers' Second Reading speeches conveyed misleading information and omitted the effect of the legislation,
- Members of Parliament did not understand the legislation,
- The inaugural Bill was introduced concurrently with three other Bills,
- DFRDB amendments were introduced with unrelated amendments to other Acts,
- DFRDB Bills were usually introduced toward the end of Parliamentary sittings and
- The Parliament did not adequately scrutinize the legislation.

Draft DFRDB legislation became Law with, at best, only cursory Parliamentary consideration.

The Department of Defence, in concert with Treasury, the Commonwealth Actuary and the Parliamentary Counsel, duped the Parliament and Defence then deceived serving and retired members of the Australian Defence Force by disseminating misleading information, as was found by the Commonwealth Ombudsman in his [Report 06|2019](#) of December 2019.

DFRDB recipient members first raised some of these concerns more than 20 years ago, but Defence and the incumbent Ministers have continually rejected their claims, which comes as no surprise.

Aside from the perception that the DFRDB scheme is too generous, the cost of military superannuation is appropriated from the Defence Budget and does not rate on the list of priorities.

Approaches to representative Senators and Members of Parliament are invariably referred back to Defence, resulting in the same clichéd responses.

More than 30,000 recipient members of the DFRDB scheme are now already deceased. But it is not too late to make amends for the 50,000 plus who will be subject to the provisions of the DFRDB Act for up to forty or more years.

The Australian Parliament failed in its duty to these ex-servicemen and women. At the very least, it must thoroughly investigate this matter. More importantly, it must amend the DFRDB Act and remove the insidious wording which diminishes the benefits and restore those benefits to the levels which were set down by the Jess Committee and accepted by both Coalition and Labor Governments.

Yours sincerely,

Commander Graham J Darcy RAN (Rtd)