



Friday 30 April 2021

Committee Secretary  
Senate Foreign Affairs, Defence & Trade References Committee  
PO Box 6100  
Parliament House  
CANBERRA ACT 2600

Dear Senators,

**RE: Inquiry into TPI Payment (Special Rate of Disability Pension)**

I write on behalf of all members of the Totally & Permanently Ex-Servicemen and Women's Association of Victoria Inc. (TPI Victoria Inc.) to provide information and context of our position as it relates to the Inquiry into TPI Payment (Special Rate of Disability Pension).

Our Association understands that there has been a long history of inquiries, hearings, commissions, reports and consultative forums that have, in part, attempted to deal to the issue of the TPI Payments over many, many years. We have, in the past, contributed to these as an independent association and collectively through our affiliation with the TPI Federation of Australian along with other ESO's and our network partners, and we remain committed to do this.

To assist Senators in understanding perhaps some of the side issues that relate to the TPI Payment (Special Rate of Disability Pension), we would like to provide some points for consideration which may assist the inquiry. We acknowledge that the inquiry will receive a wide range of submissions that pay specific reference to the core issue of 'Special Rate Payments' and having considered this, we offer some additional information within the context of the inquiry to assist you.

**Reduction of compensation for TPI's based on other finances or assets of the TPI or another family member.**

As the KPMG Report into TPI Veterans Compensation demonstrates, there is no other supplier of Loss Insurance in the Financial Sector that effectively reduces or withholds compensation for loss of earning based on other finances of the TPI or another family member.

We find that this is totally and completely unjust and abhorrent, and whilst this has existed for many years, it has been to the detriment of our members and their families that they are effectively disadvantaged and discriminated against through their efforts to manage their financial affairs and/or having a family member that provide additional income for their family.

The loss of earning and earning capability does not magically disappear or reduce by virtue of a TPI's spouse or family member having the ability to work or increase their income capability and to suggest this is insulting and not in keeping with any spirit of the commitment that has been made to our Veterans for nearly 100 years.

We feel that this area is one of high importance to be considered and dealt with in conjunction with the overall review and inquiry into the TPI Payment issue and to allow for a 'real and tangible' understanding of this we provide the following examples for Senators to consider.

- 1. This is about "actual" war service for which veterans are affected by the indefinable and intangible effects of war that could lead to premature aging and the loss of ability to earn a living.**

***Extract from a TPI Members life story:***

*I was made TPI at the age of 38, I was married with three children still at Primary School. Within a year I became a sole parent. We got by on the TPI rate plus the single ISP and with regular food vouchers from the RSL and St. Vincent de Paul's. School uniforms were always from the secondhand shop, school fees were waived and there were times I had to resort to pawnbrokers. Holidays were courtesy of Army Welfare and friends at the local church gave me support and courage. During the years I was responsible for my children's care and needs it was out of the question to remarry as I would have the ISP withdrawn. Thus, any new partner would not just have her own children to support but mine also.*

*When I did remarry some six years ago, I walked down the aisle a \$56,000 a year man and walked back up a \$35,000 a year man. Nothing had changed medically or disability wise. I am a burden on my now wife as she must support me financially to the tune of \$24,000 a year, the withdrawn ISP.*

*I am also told that she will have to carry me as a burden into her retirement as her superannuation payments will also negate any entitlement to the ISP. She has had limited time in the workforce to build up superannuation as years were taken out for childbirth and rearing. She, I am sure, would rather spend her earnings and savings on her children and grandchildren, but government forces her to carry its responsibility for the care of this disabled digger.*

*My wife had nothing to do with me joining the forces, being sent to Vietnam, or becoming totally and permanently disabled, yet she is paying for my and the governments decisions. Without sounding alarmist preventing me from contribute adequately to my own life and upkeep without being a burden on my loved one's lives and ambitions will put me in an early grave.*

## **2. My story - Planning for Financial Security.**

*I became a TPI at the age of 53. Married with two (young adult) sons. Prior to the ending of my so called normal working life I had salary sacrificed to the maximum, worked an extra job concurrently and poured every spare cent into self-funded superannuation for over a decade.*

*I was very mindful and aware of our Government's & Treasury position when they said, "The ageing population means that superannuation will play an increasingly important role in ensuring Australians enjoy a financially secure future".*

*Being aware of the assets limits we had got in under the Assets limit before Service/Social Security Age Pension reduces or gets cut off. Planned holidays and selective home/property refurbishing/maintenance works kept our asset limits within DVA asset limits whilst I was receiving the TPI rate plus the couple limited SP.*

*Then comes 20/09/2016 to 01/01/2017, limits to assets reduce from \$965,000 down to \$833,500 the new cut-off limit, a reduction of \$131,500. Yes, we may have been just below the new cut off amount, heavily reduced SP, however, we didn't adjust quickly enough and got lumbered with an over payment and re-imbursement to DVA as they had overlooked spouse self-funded superannuation, that cost hurt us greatly.*

*Our self-funded super doing well, limited spending, planned holidays did not happen (no extra spending) COVID19 interrupted, 2020, overpaid again, another re-imbursement to DVA, SP cancelled and that includes spouses PCC card and all that goes with it. So, what does this all mean, being frugal and planning for my spouses' financial stability I should be at a peace of mind, however. I am not, I am being penalised, as others that are receiving or having received the SP.*

As can be seen, these are very real examples of the impacts and ongoing, often lifelong issues and requirements and burdens that are placed upon the Veteran and their families. We provide these to demonstrate the reality of what occurs on the ground, not the often-arbitrary arguments, equations and summary assumptions made by our public service to make all the dots join and numbers add up on paper.

It is our view that by not rectifying the issues at hand in relation to the TPI Payment (Special Rate of Disability Pension) and all other aspects that surround this, is to maintain the status quo of treating Veterans and their families as second-class citizens and continuing a process of discrimination. Moreover, to continue this along with other barriers that are placed upon our veterans and their families is to endorse the mistreatment of the very people that this nation swore to support and has provided their moral obligation to support for their service, to and on behalf of, our country. A moral obligation that now seems to be a complete sense of betrayal, anger and profound "moral disorientation".

Our association supports the contention that the TPI Payment – Special Rate of Disability Pension, along with the Service Pension is absolutely compensation and not the presumed 'Welfare Payment' for our Veterans.

Yours sincerely,

**Peter Holz**  
President – TPI Victoria Inc.

**Adrian Wain**  
Secretary – TPI Victoria Inc.