



# **THE VIETNAM VETERANS' FEDERATION OF AUSTRALIA Inc. NATIONAL HEAD OFFICE**

(P.O. Box 170)

**NATIONAL PRESIDENT: W ROBERTS OAM JP -- NATIONAL SECRETARY: R O'CONNOR JP**

Committee Secretary  
Senate Foreign Affairs, Defence and Trade References Committee  
Parliament House, Canberra ACT

## **SUBMISSION**

### **Senate Foreign Affairs, Defence and Trade References Committee Inquiry into TPI payment (Special Rate of Disability Pension).**

The Vietnam Veterans Federation of Australia (VVFA) believes the TPI Pension to be inadequate. We present here our suggested remedy.

The TPI Pension is not means tested and not taxed. It is, for veterans, a simple and valuable payment and any splitting of this payment risks badly disadvantaging veterans.

TPI pensioners are eligible for the Service Pension. Whilst the Service Pension is means-testable, it is not affected by the TPI Pension. Several enquiries, starting with the 2002 Clarke Inquiry, have found that the TPI Pension plus the Service Pension is not far short of a satisfactory base rate - But this is not where the story ends.

The 2002 Clarke Enquiry found that the TPI Pension was close to an adequate base payment. It reported, however, the TPI pensioners, especially young TPI pensioners, required additional help at certain stages of their lives.

In particular the Clarke Review recognised that the cost of raising and educating children and buying a house were not adequately covered by the existing TPI pension package. So Clarke identified "add-ons" for certain periods and certain circumstances. These were:

- 20% of the veteran's general rate of pension for each student child;
- Spouse's wage earned from actual work not be means tested;
- Veteran's wage from the allowable 8 hours work not means tested for up to 25% of the average wage;
- The Gold Card (already secured);
- VCES (already secured but less than satisfactory);
- A subsidy for private health insurance cover for the veteran's family (in compensation for the veteran himself being covered by the Gold Card);
- Improved Carers allowance;
- Help with buying a house.

**ADDRESS ALL CORRESPONDENCE TO:**

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The Vietnam Veterans Federation supports these needs-based add-ons. This is especially so as young TPI veterans will have no chance to increase their income as they grow older as is the normal pattern.

We note, too, that most Australian families need the income of both parents to make ends meet, so it is unfair to include the spouse's income when means testing for the Service Pension.

The 2019 Independent Review into the TPI Payment by Mr David Tune AO PSM, found that the TPI Pension was close to a satisfactory base rate, but identified that additional support was needed.

He recommended that DFISA be abolished and TPI Pensions be exempt income under Social Security Law.

He additionally recommended that the disability income rent test be abolished.

The Vietnam Veterans Federation supports these recommendations.

William (Bill) Roberts OAM JP  
National President  
Vietnam Veterans Federation of Australia

**30 April 2021**

