

1st March, 2010

Committee Secretary
Senate Standing Committee on Finance and Public Administration
PO Box 6100, Parliament House
CANBERRA ACT 2600

Dear Sir or Madam,

Re: Senate Inquiry into Superannuation Reform

I am writing to you as a retired member of the Australian Defence Force (ADF) to express my concerns with the proposed new Bill: Governance of Australian Superannuation Schemes Bill 2010, and related Bills.

I believe that the proposal to merge civilian and military superannuation schemes under one new authority will only serve to further dilute the support and recognition of the unique considerations associated with serving and ex-Defence personnel. In making their decision to serve the Government and people of Australia military personnel forgo many of the rights and expectations that members of the community are entitled to enjoy. Part of this is because Defence Force members strongly believe that their contribution to the nation as a member of the ADF will allow their fellow citizens to continue to enjoy the freedoms and lifestyles that they have come to expect. There is also a belief that the Government will, in exchange for reaping the benefits from the contributions and sacrifices made by ADF personnel on their behalf, recognise the unique nature of service in the military by ensuring that members are adequately looked after should they experience injury or other mishaps during the course of their service, and are appropriately compensated with a pension that is regularly adjusted to ensure that its real spending power does not diminish.

Unfortunately, the Government has chosen to ignore the unique service provided to it by ADF members with its imperious treatment of military superannuation. They have chosen to ignore the fact that military personnel have financially contributed to the superannuation scheme that was purportedly designed to recognise their invaluable contributions to our country over 20 or more years. The government has consciously chosen to treat them even worse than old age pensioners (who in most cases have not contributed to their pensions or served the country).

The latest attack on retired Defence personnel comes in the form of the proposed new Bill. The merger of the many superannuation schemes will result in the further dilution of the recognition due to service personnel for the long support they have provided to Australia and their preparedness to give up many basic human rights and expectations in delivering that service. Further, the proposed 10-person board comprising three trade union representatives, two Defence representatives and five others selected by

the Finance Minister will ensure that the required recognition and support due to Defence and ex-Defence personnel will be virtually eliminated. Recognition of the unique nature of military service will disappear along with any appropriate consideration for military personnel and their contribution to the safety and security of Australia.

In summary, the proposed Bill appears to be nothing more than another cynical Government move aimed at saving money and propping up union interests in response to politically-motivated undertakings. While the Government may rejoice in achieving a "win" in meeting its short-term agenda requirements, the long term losers will be the Australian community as a result of the continued fast tracking of the alienation that a large number of ex-Defence Force and serving Defence Force people already feel in respect of the disdain being showered on them by an indifferent and disinterested Government (reference some of Mr. Tanner's and similar recent comments from members of the Government).

If the Government remains intent on making changes to the ways in which superannuation schemes are administered it must recognise that the foundations for Defence vs civilian superannuation schemes are significantly different. As such, any proposed changes should require that civilian and military superannuation are managed by separate organisations that are appropriately manned and equipped to fairly administer the relevant schemes in the manners for which they were intended.

I thank you the opportunity to lodge my views regarding the proposed Bill, and would be happy to address any further queries you may have.

Yours sincerely,

Gary Belford