

# AUSTRALIAN ARMY TRAINING TEAM VIETNAM ASSOCIATION (WA BRANCH) INC.



**"KHONG HET ROI"**  
**(Never Finished)**

President: Rick Ryan Maj (Rtd)

Secretary: Mr John Riley

22nd March 2021

Committee Secretary  
Senate Inquiry - Defence Force Retirement and Death Benefits (DFRDB)  
Department of the Senate  
PO Box 6100  
Parliament House  
CANBERRA ACT 2600  
AUSTRALIA

Dear Senators and members,

RE: Senate Inquiry – Defence Force Retirement and Death Benefits (DFRDB) Commutation and Indexation

I am writing on behalf of all members to AATTV Association WA Branch seeking your support for an outcome for military superannuants in relation to those who commuted part of their pension under the DFRDB Fund. No doubt you have viewed the video from the Australian Defence Force Retirees Association (ADFRA). The link is: <https://www.youtube.com/watch?v=MIhpQpYwIv4&feature=youtu.be>

You will see from viewing this video that there is undisputable evidence that Military Superannuants that commuted their pensions are being ripped off in that once reaching the Notional Retirement Age they have paid back their commutation to the Commonwealth and yet have not reverted to their full pension as was to be expected. The Commonwealth Ombudsman in his recent report on Military Superannuation Commutation found that military superannuants were wrongly informed about commutation aspects related to their pensions. The uptake of commutation was some 86% of military superannuants (Ombudsman's figures from his report) which shows that former military thought obviously that commutation was too good an opportunity not to take up. What we were mis-informed about was that our pensions would not revert to 100% once we reached the Notional Retirement Age and had paid back to the Commonwealth our commuted sum.

Also the Ombudsman would not cover the indexation matters as referred to in the video from ADFRA and hence no determination was made.

Members of our Association are made up of in the main, military superannuants or widows of military superannuants who served our nation not only in times of peace but also in times of war. We seek your support with hope that at long last the Commonwealth (our past employer) will accept responsibility for the misinformation given to military superannuants in relation to commutation and fix the problem with reinstatement to a full pension for those that have reached the Notional Retirement Age and for those widows

and families whose military superannuant deceased member who had also reached their Notional Retirement age.

We also seek rectification of the indexation issues that treat military superannuants, widows and families unfairly as opposed to other Commonwealth pensioners. Once again the video presentation by ADFRA clearly shows the level on unfairness under current indexation standards.

Commutation - As mentioned previously, some 86% of Military Superannuants took up commutation. There had been a concentrated and what we now believe, a deceitful campaign for those representing this fund to coerce military members to accept a lump sum payment knowing full well that it would save the fund money in the long term. What was not disclosed to military superannuants was that once the borrowed amount had been paid back, that the military superannuant would not revert to a 100% pension. There is plenty of evidence to substantiate these claims and the DFRDB Commutation Campaign under Ken Stone and the Australian Defence Forces Retirees Association (ADFRA) have presented plenty of evidence to substantiate that defence force personnel were deceived, lied to and tricked over the commutation aspect of their superannuation.

On a personal note, I owned my own home, had a job lined up and really did not need the lump sum but thought it was too good an opportunity not to take up. After all we were also told that if you died before reaching the Notional Retirement Age, your estate would not have to repay the outstanding amount of what was borrowed. This too was a carrot offered by those going around selling the DFRDB Lump Sum payment.

Of course, the deception has now been revealed after military superannuants have reached their Notional Retirement Age and realised that their pension has not reverted back to 100% of their pension. This is akin to paying off a bank loan (mortgage) only to find that you continue to pay the bank once the loan has been paid back.

In the Commonwealth Ombudsman's Report which was clearly flawed, there were findings that military members were misinformed but the Ombudsman made no recommendation for recompense or reversion to 100% of your military pension once reaching your Notional Retirement Age. Subsequent questions to the Ombudsman for methodology and evidence of his findings were ignored. In other words it was another ploy by the government to deceive military superannuants with no outcome.

A number of our members submitted Statutory Declarations to the Commonwealth Ombudsman stating that we were never given information that our pensions would not revert back to 100% once the borrowed lump sum had been paid back and we had reached Notional Retirement Age. Not one of us was questioned by the Commonwealth Ombudsman over what was written in those Statutory Declarations.

Also, our members have asked the ADFRA to represent us on this matter and the matter of indexation. We are aware of the losses we have suffered from the model for calculating losses as provided by ADFRA.

This continued deception from the government, Commonwealth Superannuation etc on those that served this nation with pride is beyond comprehension.

You have the evidence of the deceit, trickery, falsehoods and outright theft from military superannuants, so now is the time to get it right and repay us to the very least in restoring our military pensions back to 100% once we have reached our Notional Retirement Age.

I remain yours faithfully,

Rick Ryan Maj (Retd)  
President

AATTV Association WA Br Inc.