

28th February 2010
Committee Secretary
Senate Standing Committee on Finance and Public Administration
PO Box 6100 ACT 2600

**SUBMISSION ON GOVERNANCE OF AUSTRALIAN GOVERNMENT
SUPERANNUATION SCHEMES BILL 2010 – SENATE INQUIRY**

I am writing to voice my objections to the subject bill, from a military perspective, in the strongest possible terms. I understand that this bill proposes to merge all government superannuation schemes into one. This effectively merges the Australian Reward Investment Alliance (ARIA), the Military Superannuation and Benefits Board (MSB) and the Defence Force Retirement and Death Benefits scheme (DFRDB) into a single trustee body from 1 July 2010.

The unique nature of military service has been carefully and eloquently explained by previous writers and submissions in a much better way than I can achieve, however, the simple fact that this bill is being considered, in its present form, is proof of the current governments total disregard to this aspect.

The proposed new governing body will consist of three trade union representatives appointed by the President of the ACTU, two military representatives appointed by the Chief of the Defence Force and five representatives chosen by the Minister for Finance.

When I retired from the defence force and became a DFRDB superannuant, I looked forward to a time where my DFRDB pension would maintain its purchasing power from the day I retired to the end of my days. Despite the facts of obvious military discipline, frequent and sometimes onerous postings and severe family disruptions, this was and still is the conditions of military service, I mistakenly believed the government would treat service personnel fairly and justly.

With all of the foregoing in mind how will the current ADF member consider his position of long term ADF employment if this bill is passed. He may think as follows:

- Will the new superannuation governing body with its current composition look after my service interests and take these into consideration when examining any possible adverse proposals affecting me? **NOT LIKELY.**
- My superannuation is now the same as trade unionists and public servants. In the light of my next possible posting to Whoopwhoop in support of government policy and getting shot at and disrupting my family in the extreme, do I want to remain in the service. **NOT LIKELY.**

With all of the foregoing in mind I could be excused for thinking that there is some long term background policy in keeping the ADF bereft of long serving, and therefore experienced, members in the service. I hope this is not the case although I ponder this with the government's handling of the indexation of the DFRDB scheme and Mathews.

In conclusion, I believe that merging defence superannuation and commercializing it will see an exodus of experienced ADF personnel. This will be disastrous for the services and the country. The ADF needs to attract good long term people not continually treat them as second class citizens who will do as they are told, accept blindly what crumbs they are given and not do anything about it.

Yours Sincerely,