

02 March 2010

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

SUBMISSION BY BARRY ENGLISH SSGT Ret.
ON THE PROPOSED
GOVERNANCE OF AUSTRALIAN GOVERNMENT SUPERANNUATION
SCHEMES BILL 2010

Dear Committee Secretary,

Background

In 1966 I volunteered for National Service in the Australian Regular Army. Subsequently I served our Nation for 20 years, resigning from the Regular Army with the rank of Staff Sergeant, and finally retiring from the Army in December 1987. I have been a contributor to the DFRDB Scheme and now draw DFRDB superannuation, after commutation, of \$683.94 per fortnight (\$17782.44 annually) after tax. My increase in Jan was \$8.78 and because of War Service I receive the Service Pension so that princely increase is 'clawed back' to \$4.39 per fortnight. I will continue to pay tax, even after I turn 65 years old, albeit with a 10% rebate, even though all other "pensioners" over 65 (with the exception of Commonwealth Public Servants) pay no tax at all. Seems to be very small comfort for service to our Nation of 20 years, including a tour of duty in Vietnam!

I mention these facts to emphasise that I am very interested in what happens to my superannuation, who controls it, how it is indexed and why is it taxed?

Comments

I am writing to object to the proposed changes being implemented next year by the Government to bring military superannuation under the same umbrella as other commonwealth employees, via the proposed *Government Superannuation Schemes Bill 2010*.

To combine all retirement and superannuation schemes into the one basket would undermine the unique status of those who enlist in the Services of those who sign away their basic rights to the Nation.

Military personnel, unlike their civilian counterparts, are required to take up arms and defend our country therefore putting their lives at risk more so than those who enter into other government departments.

The unique requirements of military service bring greater risk of personal injury to Service personnel that impacts on their entire life and their family who suffer hardships alongside their partners related war services and the rigors of military life. No Civilian employment includes posting to another location, at the convenience of the employer, sometimes every two years, interrupting the employment of their partner and their children's schooling.

This discrepancy and intermarriage of benefits is entirely out of proportion to those who do not have to place themselves in harm's way. Therefore to reiterate, it is an unfair proposal that would disadvantage those past members and future military enlistees who elect to serve in our military.

Why should a young person enlist into military services that place their lives at risk when they could stay home, hold down a government job and receive the same benefits?

Military service needs separate considerations and, as you once stated, Military service is of the highest calling our country can ask of its citizens. It is the Government's responsibility to ensure that our country employs and properly trains the right people to do what is asked of them (including the ultimate sacrifice) and then it is also the responsibility of governments to ensure these men and women are treated fairly during their engagement and well after the call to duty is done.

This new proposal will be resisted by all ex-servicemen and women along with their family members within our organizations, particularly where the Board is stacked with 3 ACTU members to 2 Service members who would easily be out voted on matters addressing Service related issues.

Our ex-service numbers are twofold as they include families so we are many throughout Australia and whereas we do not riot, demonstrate or scream to get our way like most groups; instead we are the loyal but silent protectors of our Nation and freedoms.

In summary I wish to lodge my objection to merge all military superannuation schemes with other superannuation schemes. I also strongly object to the proposed composition of the Board of Directors, in that there will be three ACTU Directors, only two Defence Directors and five Directors appointed by the Minister for Finance. In my humble view this could, yet, be another step in the diminution of the traditionally accepted "uniqueness of military service" Despite all guantees and undertakings, history is replete with examples where Governments, for whatever reasons, change such arrangements for financial reasons. I am very concerned that, one day, military superannuants will be treated exactly the same as Commonwealth Public Servants and trade unionists.

Military superannuation schemes should, nay must, remain separate from all other schemes, and be controlled by a separate governing body (Board of Directors).

Respectfully Yours,

