

01 March 2010

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

Email: fpa.sen@aph.gov.au

SUBMISSION BY WILLIAM L. KRAUSE
ON THE PROPOSED
GOVERNANCE OF AUSTRALIAN GOVERNMENT SUPERANNUATION SCHEMES BILL
2010

I am writing to object to the proposed changes planned for implementation next year by the current Government to bring all military superannuation schemes under the same umbrella as other commonwealth employees, via the proposed *Government Superannuation Schemes Bill 2010*.

I have been privileged to read the submissions by:

Defence Force Welfare Association
John W. Prichard, LtCol (Rtd)
Neil H. Weeks, AM, MC
Kevin Bovill, TPI

and conclude that there is not too much that I can add to their comments other than to reinforce and support what has been stated before me.

In short I submit the following statements for consideration by the committee:

- a. Placing all retirement and superannuation schemes of ex-military personnel into one government superannuation basket would undermine the unique status of those who enlisted and served in the Australian Military Services.
- b. Military personnel, unlike their civilian counterparts, are required to take up arms and defend the ideals and political agendas' of our country. Their lives are more at risk than their public service counterparts.
- c. The unique requirements of military service bring greater risk of personal injury to Service personnel that impact on their entire life and family.

- d. The families of military personnel suffer hardships alongside their partners from both physical and psychological injuries received from war service and the rigors of military life. For example, the paper written to Defence Chiefs by LCDR Zac Ramani in the late 1960's early 1970's on Educational Turbulence in the Children of Military Personnel highlighted one significant impact on the lives of military families.
- e. Military service needs separate considerations and 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 for military service and in turn must ensure these men and women are treated fairly during their engagement and well after the call to duty is done.
- f. In recognition of the unique nature of military previous governments did legislate to protect the financial interests of ex-service personnel through the setting up of military superannuation schemes.
- g. In my opinion military superannuation in Australia would be self funding today if the Whitlam Government had not legislated in the early 70's to take all funds from the DFRDB into consolidated revenue. **If this action had not been taken there would be no need for me to make this submission today.**
- h. Our ex-service numbers are twofold as they include families so we are many throughout Australia and 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.

Despite all the guarantees and undertakings, history is full with examples where Governments, for whatever reasons, seek to change these arrangements for financial reasons. Military superannuants are not ex-public servants and trade union representation was denied to them in the past through legislation.

Past legislation and the uniqueness of military service dictates that military superannuants cannot be treated exactly the same way as Commonwealth Public Servants and trade unionists.

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

William L. Krause
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