



Suite 5, 18 Napier Close Deakin ACT 2600  
PO Box 115, Deakin West ACT 2600

ABN: 36 651 805 702  
secretary@peacekeepers.asn.au  
www.peacekeepers.asn.au

**Patron:** Colonel Mary Brandy, CSM (Retd)

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Senate Standing Committee on Economics  
PO Box 6100  
Parliament House Canberra ACT 2600  
(Transmittal: economics.sen@aph.gov.au)

### **SCHEDULE 9 OF TREASURY LAWS AMENDMENT (Measures No. 4) BILL 2022**

#### **References:**

- A. Commissioner of Taxation v Douglas [2020] FCAFC 220, dated 4 Dec 2020
- B. Thornton/Campbell Submission (Submission 4) to Senate Economics Committee Review, dated 6 December 2022

The Australian Peacekeeper and Peacemaker Veterans' Association (APPVA) welcomes the opportunity to contribute to the Committee's important and critical review of the above subject and requests that this late submission be included for consideration.

Since the Federal Court decision as per Ref A., the APPVA has assisted affected Veterans both directly and indirectly, mainly providing conduits between subject matter experts within the Veteran community and the Australian Taxation Office (ATO). This was predominantly with a view to help the ATO Remediation Team in improving the ATO's engagement and communication with affected Veterans, which on balance, and remains strained.

In more recent times, the APPVA has been afforded great insight through the exceptional and detailed research undertaken and communicated formally by Mr Peter Thornton and Mr Bradley Campbell; Veterans who have provided a detailed submission to this Inquiry, as per Ref B. Without reservation or equivocation, the APPVA fully supports the thrust and contentions raised by Mr Thornton and Campbell.

In addition to the evidence provided in Ref B., the APPVA has seen clear historical evidence from the Occupation Superannuation Standards Act 1987 (OSSA) that the underlying rules and regulations pertaining to public sector superannuation disability entitlements has been in existence for decades, which lays waste to Government and bureaucratic assertions that an anomaly was created in 2007 when changes were made to the SIS Act 1997, or that the underlying premise of the Federal Court's judgement was somehow not the original policy intent.

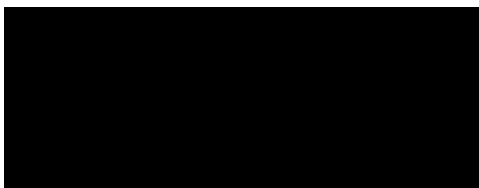
The APPVA is aware that the ACT TPI Association ran a straw poll mid last year to try and ascertain the demographic make-up of those who were in receipt of a public sector superannuation disability benefit. Whilst the response was poor for statistical sampling purposes, it nevertheless revealed that approximately 40% of Veteran respondents were in receipt of a benefit that was not derived from the Defence Force Retirements & Death Benefits Scheme (DFRDB) or the Military Superannuation Benefits Scheme (MSBS). This result seems consistent with the estimate given in Ref B, where in addition to the hard statics for DFRDB and MSBS given at Annex C, that approximately 4,000 Veterans are in receipt of either a Commonwealth Superannuation Scheme (CSS) or Public Sector Superannuation Scheme (PSS) invalidity benefit; benefits conferred upon Veterans who were assessed by the Commonwealth Superannuation Corporation as being TPI, for superannuation purposes.

The APPVA understands the nature of what it is to be classified TPI. Therefore, it is disappointing to see and hear parochial attitudes within the proposed legislation and other forums that serves to legislatively exclude and deny the rights of all those not explicitly covered by the Court's ruling.

As Thornton and Campbell have admirably shown, the underlying parameters and principles of the superannuation system are clear and unambiguous. The system clearly confers a tax-free compensatory element, based upon years of service render over years of service forfeited because of disability. This is seemingly consistent with other policies that offsets superannuation against other elements of compensation, as provisioned through DVA and Comcare.

In conclusion, the APPVA commends Ref B to the Committee's immediate attention. With the assistance of Mr Thornton and Mr. Campbell, the APPVA stands ready to assist the Committee if called upon to give evidence throughout this Inquiry.

Yours sincerely,



Ian Lindgren  
Vice Chairperson

