

**SENATE FOREIGN AFFAIRS, DEFENCE AND TRADE
REFERENCES COMMITTEE**

**INQUIRY INTO RECRUITMENT & RETENTION
OF DEFENCE PERSONNEL**

SUBMISSION

Submission No: 55

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May 17, 2001

The Secretary
Senate Foreign Affairs, Defence and Trade
References Committee
Parliament House
CANBERRA ACT 2600



Inquiry into Recruitment and Retention of Defence Personnel

1. Submission in relation to above based upon my experience as the Recruiting Officer (Reserves) at HMAS Lonsdale (1983 – 1988) and a member of the Pay and Conditions Branch HQADF (1990 – 1996) is forwarded.

A handwritten signature in black ink, appearing to read "James A. Eldridge".

Enclosure :

- Submission by J.A. Eldridge dated May 17, 2001. (1 page)

Submission by J.A. Eldridge of May 17, 2001

An attractive compensation package must be in place to recruit into and retain personnel in the ADF.

The major problem is that the traditional conditions of service which existed to recognise the special nature of employment in the ADF, and which rewarded persons for devoting part of their lives to serve their country have all but disappeared. The traditional conditions of service were set apart from those of the public service yet since the early 1980's this distinction has been gradually removed and now only a number of taxation concessions and the modification of certain criteria for eligibility to social security benefits prevail.

To enable recruitment into the ADF to become effective and attract suitable volunteers a more appropriate level of compensation must be offered and applied to recognise the extent to which employment in the ADF differs from that of civilian life.

Measures which would contribute to restoring the exclusiveness of ADF personnel would be

1. Exempting from income tax the Service Allowance which is paid to members of the ADF and extend the payment of this allowance up to the rank of COL (E)
2. Eliminate in entirety the reporting of fringe benefits on "payment summaries" and the counting of these and any other benefits received due to the special nature of employment in the ADF, in determining eligibility and access to social security benefits.
3. Exempt members of the ADF from the Superannuation Contributions Surcharge.
4. Exempt departing members from the ADF from the Termination Payments Surcharge.
5. Scrap the current MSBS scheme, which was introduced in 1990, and return the DFRDB scheme with the eligibility of ADF members to have access to their lump sum commutation at the time of departure. (Jess Report 1960's)

