

House Debates

Wednesday, 12 May 2010

Bob Baldwin (Paterson, Liberal Party, Shadow Minister for Defence Science and Personnel)

Excerpts from Hansard on Veterans' Entitlements Amendment (Income Support Measures) Bill 2010

Nothing for long suffering military superannuants whose standard of living continues to deteriorate due to unfair indexation and taxation of MSBS and DFRDB superannuation pensions and the gouging of DFRDB superannuation benefits that service men and women paid for during their working lives.

In addition to that, in a situation where this government has announced that we will have a peak debt of \$93.7 billion, at a time when it is spending an additional \$1 billion just to bail out the Home Insulation Program, how much would the government have been able to do for our veteran community if it had managed our economy economically responsibly? How much would that \$1 billion that is being spent to fix up a failed insulation program have been able to do for our veteran community?

The minister will argue that in the current economic circumstances there is nothing that they can do for the military superannuants under the MSBS or the DFRDB. I put to the government: your delay in responding to the report, which was tabled on 24 December 2007, your blatant disregard for the financial situation of those former members and current members of the military in relation to their superannuation payments and the fact that you are prepared to spend the taxes that they have paid in other means without due regard to their needs says that you have been negligent in the performance of your duty. I do not mean 'you' as the Deputy Speaker, of course, Mr Deputy Speaker; I mean the government, the Minister for Defence Personnel and the Minister for Veterans' Affairs. Veterans deserve a government that is upfront and honest with regard to its policies and promises—something the current government has failed to be on both counts.

Alan Griffin (Bruce, Australian Labor Party, Minister for Veterans' Affairs)

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I will take the opportunity to address a couple of other points that were raised in the debate. In particular, my good friend the member for Paterson raised a number of issues around broader questions, if you like, that relate to the veterans' entitlements system and some related issues. He made some points about a press release with respect to the budget. As I understand it, he raised issues from a [press release](#) produced by a series of organisations called the Alliance of Service and Ex-service Organisations. It covers the Defence Force Welfare Organisation, the Naval Association of Australia, the RAAF Association and the Royal Australian Regiment Association. I think, though, for the public record it may be a reasonable idea to go a little bit further than the member for

Paterson. The first two-thirds of the press release go to the question of congratulating and welcoming what this government has done with respect to last night's budget. I do not want to be accused of misquoting, so I am going to quote:

... welcome the budget decisions to provide new initiatives for Australian veterans over the next four years. The key features include: access to better health care and compensation for an additional 2,400 F 111 aircraft fuel tank maintenance workers ...

I will paraphrase the next dot point: 'Compensation and benefits for Defence Force personnel who participated in British nuclear testing in the fifties and sixties at Maralinga, Emu Field and on the Montebello Islands. And further:

... reclassification of the service of certain submarine special operations personnel between 1978 and 1992 to acknowledge their contribution, recognising it as qualifying service, opening up eligibility for benefits such as the Gold Card.

Up to 890 former submariners will benefit from this change ...

Improved health care for veterans and war widows and reduce unnecessary hospital stays through preventable admissions and improve the community care program.

The needs of carers have been addressed as part of the government's broader response to the *Who cares* report and the national disability strategy.

It is true to say—and the member for Paterson was quite clear about this—that additional issues were raised in that press release. That was the last third of the press release, which he spoke of. Three particular issues are raised there. There is a longstanding issue around the indexation of military superannuation and an issue around the reclassification of the service of certain counterterrorism special operations undertaken by SAS personnel. Again, there is no decision to remove the remaining level of erosion to the value of veterans' disability pensions nor to adjust them in line with the increase in community living standards since 1997.

I want to go through some of those issues, given that they were raised by the member for Paterson. On the military superannuation issue there are a number of complexities. The suggestion appears to be that the government has not done what the government said it would do when it was in opposition. At that time—and I was part of that opposition and I had responsibilities in this area of military superannuation prior to the election—two commitments were made. One was a commitment to have a review of indexation methodologies. That was the Matthews report. There is no doubt that many in the ex-service community are very unhappy with the results of that report, but the commitment from the government was to conduct a review and the government accepted the review's recommendations. I do not expect the ex-service community to be happy with that—far from it, but the commitment that was made was honoured.

The second one related to the Podger review into military superannuation. The Podger review was commissioned by the previous government and received by the previous government in July 2007. In the lead-up to the election, post that time, the government of the day refused to release that report publicly. So the Australian community, the veteran community, who were very concerned about this issue, were unable to find out what the report said. In opposition we committed to publicly release that report in order for a debate to ensue about what recommendations were included in that report. We released that report publicly in December 2007 and we committed to a consultation process with

the broader ex-service and military community about the recommendations included in that report. My colleague the then Minister for Defence Science and Personnel, Warren Snowdon, conducted that review in the first few months of 2008.

The very clear response to that review—and it was reiterated to me again by a number of ex-service organisations just several weeks ago—was that they were deeply unhappy with the recommendations included in the Podger review and they wanted government to go very slowly around the question of this and they did not want it implemented. If what the member for Paterson wants me to do is to implement a report that the ex-service community did not want and does not want, I wish he would come out and say that very clearly. But I want him to understand and I want the ex-service community to understand that, in line with their issues and their views around the Podger review, the government is very carefully considering what should happen with respect to that review.