



National President's Newsletter No 2 of 2015



1. Indexation of Veterans' Entitlements

Legislation seeking to authorise the Government's proposed change to the indexation of payments to those entitled to the Service and Aged Pension, the Income Support Supplement, the Disability Pension, the War Widow(er) Pension and equivalent MRCA payments from 1 July 2017 to indexation by the Consumer Price Index (CPI) has been introduced into the Parliament but awaits approval.

Acting on resolutions passed by each 2014 Branch conference, the RSL continues to oppose these changes. In this quest (as forecast in my last newsletter) I met with the Prime Minister at Parliament House on Monday 2 March.

The Prime Minister gave me to understand that the move to indexation by CPI of veterans' entitlements was a consequence of a broader Government decision to apply this form of indexation to other Commonwealth payments. However, he did not indicate that the Government had any intention of changing this stance.

This issue was again discussed in my meeting with the Minister for Veterans' Affairs on Thursday 19 March. A point which Senator Ronaldson raised was that indexation by CPI can sometimes be more beneficial than by other indexes.

We will continue to try to persuade members of the Commonwealth Parliament that whatever indexation regime is enacted for veterans' entitlements it must ensure there is no diminution in the value and buying power of these entitlements over time.

2. RSL comment on proposed new ADF Superannuation Scheme

The National Office with the assistance of the National Defence Personnel and Families Committee has been monitoring the welcome development by Government of a new superannuation scheme for members of the ADF for some months.

I met with the Assistant Minister for Defence the Hon. Stuart Robert at Parliament House on Thursday 5 March to discuss the issue. At the Minister's invitation I have

since sent a letter to him expanding on and further explaining the stance of the RSL on this very important condition of ADF service.

The text of this letter is:

Thank you for the briefing and exchange of points of view about the proposed new Australian Defence Force (ADF) superannuation scheme held in your office at Parliament House on Thursday 5 March 2015. This letter follows up on my commitment to formally advise the Government of the stance of the Returned & Services League of Australia (RSL) about this proposed important revision of a key condition of service for the men and women of the ADF.

The RSL welcomes the intention of the Government to reinforce the separate, special and distinctly different status of employment of the men and women of the ADF by proposing to introduce legislation for a new ADF superannuation scheme not open to other Commonwealth employees. This accords with the long held position of the RSL that it behoves the Parliament to separately legislate for all matters pertaining to the service and conditions of service of the men and women of the ADF.

As explained during our meeting, the RSL supports the intention that the new ADF superannuation scheme be fully funded with regular contributions by Defence. This is essential to allow portability of superannuation entitlements when members of the ADF transition back to the civilian work force at the end of their ADF service.

Given the move under Project Suakin to more closely integrate the Army Reserve with the Australian Army's permanent force and the already achieved integration of the naval and air force reserves with the permanent Royal Australian Navy (RAN) and permanent Royal Australian Air Force (RAAF), there is good reason to offer membership of the new ADF superannuation scheme to members of the army, navy and air force reserve forces as a choice for each individual on a once only decision basis. The RSL appreciates that this proposal may entail an administrative cost and that some members of the reserve may decline an offer of membership of the proposed new ADF superannuation scheme for taxation or other reasons. However, because of the ADF total force concept now evolving the RSL contends that each member of the ADF reserve should be given the choice of opting in or out of the new ADF superannuation scheme.

The RSL does not support the intention in the proposed new ADF superannuation scheme to have two rates of contribution for the men and women of the ADF with one for warlike service at 18% and the other for non-warlike service at 15.4%. The ethos of a highly effective defence force is to be all of one company. Despite the essential differences needed in training for war by land, sea and air forces, when engaged in the final stages of training for full scale warfare or when in combat those in the ADF fight alongside each other. A member of the ADF engaged in training for combat is inevitably exposed to hazards and potential injury because the training has to be realistic. Furthermore, members might be deployed on warlike service while being vitally supported in their combat tasks by other ADF members who are not at that point in time deemed as being engaged in warlike service. This is especially so in the joint and information led operations of the contemporary world. To differentiate between such service makes a mockery of the all of one company concept and could be corrosive of morale.

Another sound reason for having only one rate of contribution is that ADF members deployed on peace keeping operations may be exposed to considerable danger and yet not have their service deemed as warlike.

The proposed rate of contribution by Defence for ADF members in the proposed new ADF superannuation scheme for non-warlike service of 15.4% is the same as that for other Commonwealth employees and fails to match the Government's stance of treating members of the ADF separately. The RSL contends that the contribution for all service whether defined as warlike or otherwise should be at least 18%.

It would be prudent for governance arrangements of the proposed new ADF superannuation scheme to avoid the linkage of existing schemes such as MSBS with other Commonwealth superannuation schemes. This should bolster confidence by all, including the broader Australian superannuation industry, and diminish the prospect of portability of ADF superannuation entitlements on completion of ADF service being questioned or compromised.

3. Gift to the RSL by the Ambassador of Turkey

Following a reception at the Embassy of Turkey to mark the start of a history conference about the ANZAC Centenary on Tuesday 17 March, the Ambassador, His Excellency Mr Reha Keskinetepe, presented me with one of 100 copies of a gravure by the Turkish artist Colonel Erol Yildirim (Ret'd) depicting soldiers of his country in action during the Gallipoli campaign. The remaining 99 numbered and signed copies of this gravure were donated to the RSL as a mark of respect in this the year of the ANZAC Centenary.

Branches and Sub-Branches wishing to receive one of these gravures are requested to make application to Dawn Kitchener at the RSL National Office at national.president@rsl.org.au or by mail. Every attempt will be made to ensure an even distribution of these gravures across the nation and in the event there are more bids than available gravures a ballot will be conducted.

4. Remuneration for members of the ADF

During my meeting with the Prime Minister on Monday 2 March the quantum of the ADF pay case decision handed down by the Defence Force Remuneration Tribunal (DFRT) in November 2014 was discussed. I also raised the RSL proposal that major ADF pay cases put before the DFRT should not be previously agreed.

The announcement by the Prime Minister on Wednesday 4 March that the Government intended requesting the DFRT to reopen this ADF pay case was welcome news. It is understood this hearing is scheduled to be held on 16 and 17 April 2015.

This hearing provides an opportunity for the RSL to once again advance our opinion about the issues which should be taken into consideration by the DFRT when making judgements about the rates of remuneration for the men and women of the ADF. To that end I wrote to the DFRT on 19 March reaffirming the stance we took when the matter was before the DFRT last year. Amongst other things I emphasised the difference between members of the ADF and other Commonwealth employees and put forward the RSL view that it is inappropriate to use civilian workplace benchmarks such as productivity increases when assessing what is adequate remuneration for the men and women of the ADF. Another important point in the

submission was that rates of pay for those in uniform should not be eroded by increases in the cost of living.

I also sought the agreement of the President of the DFRT to allow our intervener Lisa Geraghty to appear before the Tribunal during the forthcoming hearing.

5. Visits to Sub Branches and other engagements

I convey my thanks to all who have made me welcome during my visits to Sub-Branches, District Conferences and Branch Board meetings since the beginning of the year. At the invitation of the Acting State President I addressed the NSW Branch State Executive on Tuesday 27 January and on Wednesday 4 February was present at the Annual General meeting of the Burwood, NSW Sub-Branch at the invitation of the Sub-Branch President. Then on Saturday 7 February I had the honour of formally opening the impressive new Sub-Branch building at Sandgate in suburban Brisbane. The following day I represented the RSL at the annual commemorative service at the National Prisoner of War Memorial at Ballarat.

A sad event was the funeral of the late Tim McCombe OAM on Saturday 14 February where I again represented the RSL membership.

This was followed by my attendance at the 73rd Anniversary Service commemorating the Bombing of Darwin on Tuesday 19 February and various events during the following days very kindly arranged by the President of the Darwin Sub-Branch.

Since then I have been twice to Queensland to attend District Conferences at St George on 27 and 28 February and at Nerang on 6 and 7 March. In between these engagements I gave a speech to the Australian Workers Union Congress on Monday 2 March about the ANZAC Centenary and the work being done by the RSL throughout the nation. Since then I was guest speaker at a dinner meeting of the ACT Branch of the Royal Commonwealth Society.

My most recent was to Narrabri from 14 to 17 March where I had the honour of speaking at and unveiling a plaque at the dedication of the splendid new commemorative area in front of the Narrabri RSL.

Rear Admiral Ken Doolan AO RAN (Retd)
20 March 2015