

The DFRDB Scheme is designed, in part, as a form of insurance covering the family in the event of the death of a member of the Defence Force or a retired member who was eligible to receive retirement pay, invalidity pay or a deferred benefit. This leaflet has been prepared by the Defence Force Retirement and Death Benefits (DFRDB) Authority to provide information on the benefits available to eligible dependants and is based on the legislation as at 1 Nov. 1981. It does not apply, however, to those pensioners who retired before 1 Oct. 1972. Further information may be obtained from the Authority at the address and telephone number at the back of this leaflet.

WHO IS ELIGIBLE FOR BENEFITS

2. Benefits are payable to eligible widows, widowers and children.

Although the term widow is used throughout this leaflet, benefits for widowers are paid under the same conditions as are widows' benefits.

3. An **eligible widow** means a person who was:—

- legally married to the member at the time of his death and was living with him as his wife on a permanent and bona fide domestic basis;
- not legally married to the member at the time of his death, but had lived continuously with him in a de facto relationship for at least 3 years immediately before his death.

Where (i) the person was legally married to the member at the time of death but not living with him on a permanent and bona fide domestic basis; or

(ii) the de facto relationship had not existed continuously for 3 years immediately prior to the member's death

pension is payable only where the Authority is of the opinion that she was wholly or substantially dependent on the member at the time of death.

Note: Where the marriage or de facto relationship commenced after the pensioner attained age 60, additional conditions apply and you should contact the Authority for advice if this situation applies in your case.

An **eligible child** is:—

- a child of a member (including an adopted or foster child, a stepchild, or a ward)
- an ex-nuptial child of a member and a child or ex-nuptial child of the widow of a member who, in the opinion of the Authority, was (or in the case of an ex-nuptial child of the member born after his death, would have been) wholly or substantially dependent on the member at the time of death.

An **eligible orphan** is:—

- an eligible child who has lost both parents through death, or who is in the care, custody and control of a person who has not, at any time, been paid a widow's pension under the scheme.

Payment on behalf of an eligible child or eligible orphan is made while that child is:

- under age 16; or
- over age 16 but under age 25 and is undertaking full time study at a school, college or university and not ordinarily in employment or engaged in work.

HOW TO APPLY FOR BENEFITS

4. Where a member dies whilst serving with the Defence Force, the family of the member will be contacted by the relevant Service Office (Navy, Army or Air Force) and provided with the appropriate application forms. The completed forms and the relevant marriage certificate, and birth certificates of the eligible children, should be sent to the Service unit which will send them to the DFRDB Authority.

5. Where a member dies whilst he is receiving, or is eligible to receive, a pension, the Authority or the paying agent (see Item 19) should be advised as soon as possible. Application forms which are available from the Authority, most Defence Force bases and paying agents, should be completed and returned direct to the Authority, together with the marriage certificate and birth certificates of eligible children.

6. The death certificate is required but may be forwarded when available.

7. The marriage and children's birth certificates should be located so that they can be easily obtained and forwarded when required. Payment of benefits may be delayed pending receipt of these certificates. In the case of members retiring from the Defence Force the marriage and birth certificates may be sent to the Authority at the time of retirement. The certificates will be returned after copies are taken and placed on individual files for use if required.

8. If the DFRDB pension is to be the widow's major source of income she may care to submit an Income Tax Instalment Declaration with the paying agent or the Authority. The form is available from Post Offices.

9. As the widow **may** also have an entitlement under the provisions of the Social Services Act she should contact the Department of Social Security in her State to ascertain her eligibility for such benefits.

EVIDENCE OF DEPENDENCE

10. Where a widow is required to provide evidence of dependence, (refer item 3(i) and (ii)) such evidence should include reference to:

- (i) the amount of fortnightly household income, the source of that income and the fortnightly expenditure incurred;
- (ii) whether the member had provided a marital home through ownership (or joint ownership), by payment of rent, or by payment towards the purchase price;
- (iii) whether the member had made payment of household and the widow's personal expenses;
- (iv) whether the widow was the sole, or a substantial beneficiary under the member's will; and
- (v) where applicable, whether payment of an allotment from the late member's pay was being made to his wife.

THE BENEFITS

11. An eligible widow of a member who dies in service receives a pension based on five-eighths of 76.5% of the member's annual pay at death for DFRDB purposes

e.g. member's salary was \$14,000; 5/8ths of 76.5% of \$14,000 is \$6693.75 per annum or \$256.75 per fortnight.

An eligible widow of a member who dies whilst in receipt of, or whilst eligible to receive, retirement pay, invalidity pay or a deferred pension benefit, receives a pension based on five-eighths of the member's pension at the date of death

e.g. member's pension was \$6000; 5/8ths of \$6000 is \$3750.00 per annum or \$143.84 per fortnight.

Each eligible child (other than an orphan) receives a pension based on one-sixth of the widow's pension plus \$312.00 per annum

e.g. 1/6th of \$6693.75 plus \$312.00 is \$1427.63 per annum, or \$54.76 per fortnight

or

1/6th of \$3750.00 plus \$312.00 is \$937.00 per annum, or \$35.94 per fortnight.

Each eligible orphan receives one-eighth of the pension that would have been payable to a widow plus \$702.00 per annum

e.g. 1/8th of \$6693.75 plus \$702.00 is \$1538.72 per annum, or \$59.02 per fortnight

or

1/8th of \$3750.00 plus \$702.00 is \$1170.75 per annum, or \$44.91 per fortnight.

12. If a retired member had commuted a portion of his annual pension to a lump sum, the pensions payable to eligible dependants are based on the pension the member would have been receiving had he not commuted.

Note:

- No provision exists for a widow or child to commute a portion of their pension entitlements.
- A widow's pension is payable for the rest of her life irrespective of her income or of whether she remarries.
- Although a child's pension is based on the widow's pension, it is payable in addition to that pension.

SINGLE MEMBERS

13. Where a member who has no eligible dependants dies an amount of one and one half times the contributions paid into the Scheme will be paid to the estate.

STUDENTS' PENSIONS

14. Shortly before a child attains 16 years of age, the person to whom the child's pension is being paid will receive an application for student's pension. If the child is a full-time student, the form should be completed, certified by the Principal or Registrar of the place of education and returned to the Authority. If the child is not a full-time student then pension will cease at age 16.

15. A similar procedure applies to children over the age of 16 years. A Student Pension Review form is sent at the end of each school year. If at the start of the next school year the student resumes full-time study the completed and certified form should be returned to the Authority. Arrangements will be made early after the commencement of the school year to cease the pension where the child does not resume full-time study.

16. When a student ceases full-time study, the person to whom the pension is being paid should notify the Authority as far in advance as possible so that an overpayment is prevented.

17. Pensions are automatically ceased when a student attains 25 years of age.

DEATH OF WIDOW, WIDOWER, DE FACTO SPOUSE

18. In the event of the death of the remaining parent, children's/students' pensions are payable at the orphans' rate of pension.

PAYMENT ARRANGEMENTS

19. Payment of pensions will commence as soon as possible after receipt by the Authority of the relevant documents, which in normal cases will be approximately 4 weeks. Thereafter payment will be

made fortnightly and may be paid direct to an account in your name with:—

- most savings banks
- any trading bank (i.e. cheque account)
- an approved building society
- an approved credit union

or by cheque to a postal address. Arrangements can also be made for payment overseas. Payment is made by the Authority's paying agents; the Department of Finance in the ACT and Northern Territory and the Department of Social Security in each State. Deductions for income tax are made each fortnight from pension entitlements by the paying agent who also issues group certificates at the end of each financial year. A child's pension does not form part of the taxable income of the widow.

PENSION INCREASES

20. Pensions payable under the DFRDB Scheme are increased in July each year based on the movement of the Consumer Price Index for the 12 month period ending March 31 of that year.

YOU CAN APPEAL

21. If you are dissatisfied with a decision made by the Authority you can apply in the first instance to the Authority for the decision to be reconsidered. A request for the Authority to reconsider a decision should be made within 30 days after you have received advice of that decision and the grounds on which the request is being made should also be stated.

22. If you are dissatisfied with the Authority's decision after reconsideration, you can apply to an independent body, the Administrative Appeals Tribunal, for a review of the Authority's decision.

GENERAL ENQUIRIES

23. If you have any enquiries concerning benefits payable under the DFRDB Scheme please do not hesitate to contact the Office on Canberra (062) 52-7911 or write to:—

The DFRDB Authority,
P.O. Box 22,
Belconnen, ACT, 2616.

LEAFLETS

Other Leaflets on the DFRDB Scheme are:—

New Entrants
Preservation of Rights
Retirement Benefits
Invalidity Benefits.



**THE
DEFENCE FORCE
RETIREMENT AND DEATH BENEFITS
SCHEME**

**Widows',
Widowers',
and Children's
Benefits**

Further information is available from the Office of:
The Defence Force Retirement and
Death Benefits Authority
P.O. Box 22,
Belconnen A.C.T. 2616