



# Australian Defence Force Retirees Association Inc.

No. A0108026R

We represent the interests of Defence Force Retirees regarding their Superannuation

www: <https://www.adfra.org/>

Email: [admin@adfra.org](mailto:admin@adfra.org)

---

## DFRDB UPDATE – NOVEMBER 2021

### The Senate FADT Committee's Inquiry

The Government has not yet responded to the Senate FADT Committee's report.

### The Interpretation of the Commutation Provision

Regarding the application to the Federal Court by Clinton McKenzie, the Court has set 31 January 2022 as the date of the hearing. Details of how members of the public can view the hearing online will be provided by the Court on the afternoon before the hearing.

### The Approach to the Prime Minister

It appears that our [Email to the Prime Minister](#) prompted this [Reply from the Minister](#), the Hon Andrew Gee MP.

We have responded with this [Follow-up Letter to the Minister](#). That letter also responds to this [Letter from the First Assistant Secretary People Policy & Culture](#), which is similar, if not identical, to letters received by a number of ADFRA members.

### Support from RSL National

This week, we received advice that the RSL National Board has decided to support the ADFRA position on the DFRDB scheme through DVA's ESO Round Table (ESORT) forum.

According to the [ESO Round Table \(ESORT\) website](#), the membership of the ESORT forum includes:

- Air Force Association \*\*
- Australian Peacekeeper and Peacemaker Veterans' Association
- Australian Special Air Service Association \*\*
- Defence Families Australia
- Defence Force Welfare Association \*\*
- Defence Reserves Association \*\*
- Legacy Australia Inc.
- Naval Association of Australia \*\*
- Partners of Veterans Association of Australia Inc. \*\*
- Royal Australian Regiment Corporation \*\*
- Returned and Services League of Australia
- TPI Federation Australia \*\*
- Vietnam Veterans Association of Australia
- Vietnam Veterans' Federation of Australia
- Australian War Widows Inc. \*\*

\*\* These Organizations are also members of the Alliance of Defence Service Organizations (ADSO), which also lists [additional ESO members](#).

ADSO's [Policy Objectives on Military Superannuation](#) include:

### **Fair Indexation for All DFRDB Recipients**

Objective: To extend the provisions of the Defence Force Retirements Benefits Fair Indexation Act to include all DFRDB superannuants under 55, especially to those in receipt of DFRDB invalidity superannuation pensions.

### **DFRDB Commutation**

Objective: To immediately apply the up-to-date life tables for calculating commutation and fortnightly payments for current and new DFRDB superannuants; and the rectification of the financial injustices caused by the application of out-dated life tables to superannuants.

Like that of its former *Fair Indexation* campaign, ADSO's current policy objectives indicate no understanding of the DFRDB legislation which has:

- Reduced by one-third the defined benefit entitlements of many DFRDB members through exclusion of the commutation component from indexation (regardless of your decision to commute) and failure to correct the compounding deficit induced through the application of the discredited CPI indexation factor for 38 years from 1976 to 2014; and
- Resulted in the further substantial reduction of those defined benefit entitlements of many members who exercised their right to commutation.

### **ESORT is not the appropriate Forum to advocate DFRDB Issues**

According to the [ESO Round Table \(ESORT\) website](#), ESORT serves as the main body for consultation under the *Legislative Instruments Act 2003* on the development of legislative instruments impacting members of the ex-service and Defence communities under the:

- *Veterans' Entitlements Act 1986*;
- *Military Rehabilitation and Compensation Act 2004*;
- *Safety, Rehabilitation and Compensation (Defence Related Claims) Act 1988*;
- *Defence Service Homes Act 1918*; and
- *War Graves Act 1980*.

Which **does not** include any of the Acts which govern Military Superannuation Schemes.

As there is no established forum to advocate the DFRDB issue, ADFRA will address them directly to the Minister and seeks the support of all ESORT and ADSO members.

If you are a member of or an office bearer in any of the above or other ESO's, then please question what your ESO is doing for you in relation to DFRDB, and urge your Organization to support ADFRA's position, as RSL National has done.

***Jim Hislop OAM***

President