



# Australian Defence Force Retirees Association Inc.

No. A0108026R

We represent the interests of Defence Force Retirees regarding their Superannuation

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## DFRDB UPDATE – DECEMBER 2021

### Senate FADT Committee's Inquiry

The Government has now posted its response to the Senate FADT Committee's report. It may be viewed by clicking on [Government Response](#).

We had no expectation of anything of significance in the response, and that has proved to be the case.

The matter of *'the accuracy of information provided to DFRDB members'* has now been laid to rest. But that was always a smoke-screen which has had nothing to do with the matters we have been advocating since ADFRA's formation. Therefore, we have asked the Minister to refrain from quoting or para-phrasing the [Government Response](#), when he eventually responds to our correspondence.

If you write to your MP or Senators about the matters we have been advocating, we suggest that you make a similar request.

### Support from RSL National

The RSL National Board has agreed to support ADFRA's position on the DFRDB Scheme, through the Ex-Service Organization Round Table (ESORT) forum.

However, as ESORT is not the appropriate forum to advocate DFRDB Issues, we have asked RSL National to pose the question to the Minister of Veterans' Affairs:

*"Is it possible to establish a forum, similar to ESORT, which can deal with Military Superannuation issues?"*

### Dispute of our Position on Commutation

Some individuals are still disputing our assertion that the Commutation provisions incorporated in the DFRDB Act are not consistent with the recommendations of the Jess Committee.

Recently, we received these [Comments](#), some of which have also appeared on Social Media. We addressed those comments in this [Response](#).

### Effect of Commutation and Indexation

The effect of Commutation and Indexation, on the entitlements provided by the DFRDB Act, is still not well understood.

After a request from a lobbyist who intends to take the matter to the Chair of the House of Representatives Standing Committee on Economics, we provided, in [The Defined Benefit Provisions of the DFRDB Act](#), examples of how the interaction of Commutation and Indexation affects the entitlements provided by the DFRDB Act.

Those examples show that if members live to the age of 92, the total reduction of their retirement pay, after commutation, will typically be more than four times the amount they commuted.

### ***Commissioner of Taxation v. Douglas (the Douglas Decision)***

Members who have received amended Assessments from the Australian Taxation Office for increased tax liabilities as a result of the Douglas Decision, should take note of last month's [Media Release](#), which advises that the Government has taken action to ensure no veteran will be made worse off due to that decision.

### **Seasons Greetings**

Thank you for your continued support over what has been a long and winding road. Progress is being made.

We wish you and your family a happy Christmas and a healthy and prosperous New Year.

***Jim Hislop OAM***

President