

J. A. Duffield
12 Hurrey Place
BEECHBORO
WA 6063

12 Jul 2012

Hon. S. Smith, MP
953A Beaufort Street
Inglewood, WA, 6932

Dear Mr Smith,

I've just been notified of a six monthly cost of living adjustment of **0.1%** to my military superannuation pension, an increase of **(79c)** per week, **before tax**.

You and your government say this is fair because you say CPI maintains purchasing power of our pensions.

I'm writing to tell you that this is not fair and that 0.1% does not come close to reflecting my essential cost of living increases over the past six months.

This latest CPI "increase" demonstrates yet again the absolute inadequacy of the CPI as a genuine cost of living index for retired military families, Defence widows and those on invalidity pensions. According to ABS statistics used to generate this CPI increase, over the last six months:

Health Costs increased by 3.2% ~ Insurance Costs increased by 1.6%

Transport Costs increased by 1.1% ~ Housing Costs increased by 1.0%

Food Costs supposedly reduced by 3.7% ~ but this is skewed by a banana price drop of 46%!

These are the essential costs that matter to me and many military retirees like me. But that's not all. Today's CPI then offsets the rises in essential items against significant falls in discretionary items with little relevance to my wife and me, including holidays, computers and household goods such as fancy TVs.

I am outraged at your government's continued discrimination against me and tens of thousands like me, together with your refusal to support a change to the same fair indexation method used for Age pensions. If you or any of your colleagues really believe that CPI indexation is fair, then you live on a different planet from me.

Serving and former Armed Forces men and women are not second class citizens, so why won't you protect the purchasing power of our military superannuation pensions?

I do believe that when I raised my hand in 1967 and swore to "truly serve my sovereign lady, Her Majesty Queen Elizabeth II, her heirs and successors, and the people and constitution of Australia..." that my nation undertook some reciprocity in this sworn contract. A contract that included certain recruiting rubrics (encouragements) such as

- ✦ a war service loan adequate to purchase a metropolitan home at a reduced rate of interest,
- ✦ should I be disabled as a result of my war service then a War Service pension based on the average wage (as it had been since 1916), and
- ✦ an independent superannuation scheme sufficient to retire on.

These recruiting rubrics have been compromised as follows:

- ✧ The War Service Home Loan has been privatised and now would even be an embarrassment as a War Service Car Loan,
- ✧ The TPI War Service Pension is now some 42% of the average wage,
- ✧ The superannuation scheme was compromised; first by Whitlam sucking its funds into consolidated revenue, then in the early 90s for two years Keating just killed any CPI adjustment, and it is now, due to its unique CPI indexation it is for the average military DFRDBF superannuant some \$5,000pa LESS than the Aged Pension!

I highlight this last point, any other Australian who chose to NOT pay superannuation and rely on the largess of government is some \$5,000pa better off than those of us whom served our nation and contributed to a superannuation scheme. In current texting parlance, I must comment – WTF?

Your governments inaction on this issue has had the effect of making most retired professional service personnel your best anti-recruiting team in the nation. I shall certainly be presenting the argument to my fellow veterans and service personnel; “Is it now about time that we boycotted all Veteran’s events that draw media, and politicians, and organise our own, sans Canberra suits and super-doooper-annuation?” We are big enough to pay respect to our Mates whom are no longer with us, without masonry, media and marches - in alternate locations.

Further, Minister, do you see the service provided (mostly army) by Rehabilitation Centres established by General Gillespie at major Field Force locations, Townsville, Holsworthy, Brisbane?, as an admission or acceptance by senior serving officers of our Armed Forces that DVA is both incapable and incompetent in caring for our wounded, in spite of their 11 or 12 billion\$ a year, and therefore another part your government's plan to eliminate DVA?

As far as this contributed superannuation pension is concerned, and its impact not only on the uniformed, you should consider the electoral and election implications. Some 300,000 in the ex service community from all wars whom have been progressively “done over” by government's one way or another, on average, each is wed and has at least one child whom will vote the same as the dad or mum who served, that is a good as a million votes Mr Smith, can you and the remainder of this government afford it?

What is clear to even many members in the Parliament, is that the CPI methodology of indexing military pensions is decidedly **NOT FAIR**. Using CPI is simply not a means by which **retired military families, widows and those on invalidity pensions** can keep pace with the enormous cost of living increases.

I strongly appeal to you to take early action to restore a **Condition of Service** that would see the buying power of military pensions maintained, not eroded, over time. That means that these pensions, must at the very least be indexed in the same way as that which was applied to Age and Service pensions in 1997 and again in 2009 to maintain their purchasing power.

Please be aware of the growing discontent within the defence family, particularly with military superannuates especially when we see all Parliamentarians receive a 3% salary increase to their salary with its resultant flow on to their superannuates.

I am deeply aggrieved that, having served my country willingly with my life at risk, I am being denied a promised right and being let down by Governments that have promised but failed to deliver.

I must also mention your predecessor in the seat of Perth, Dr Rick Charlesworth. At that time I was, over time, Chair of three school boards in the Perth Electorate, and research officer of the Deaths In Custody Watch Committee. At any time I called his office for an appointment, I usually got one within the week. Since you have been the the incumbent, in spite of repeated attempts, in a decade, not once has your staff been able to provide me with a face to face encounter with you!

Its time to stand and deliver!

Please fix this now.

I do wish I could conclude this letter Sincerely or maybe even Faithfully, I cannot,

Jim Duffield
Captain – Canungra Commission
RAE & Dog Handler – Retired

Attached:

1. Grandson's Letter (Incl 13 Jul, delivered by by hand by William Duffield 12 Jul)
2. Graph

Mr W Duffield
~~to~~ C/O Hurrey pl
Beechboro wa 60083

12th July 2012

Dear Mr Smith

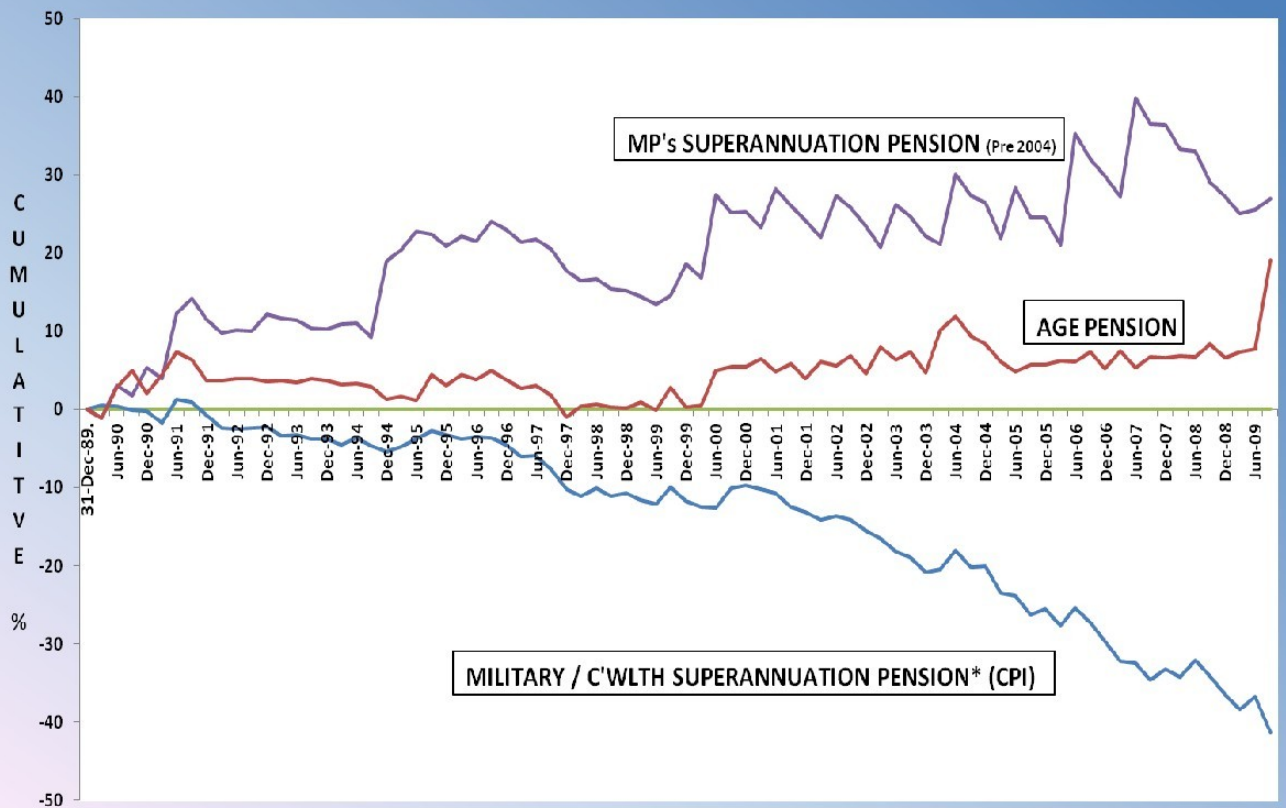
My papa was a soldier and fought for Australia. He was a soldier for a ~~the~~ very long time. My nana has looked after my papa the whole time.

My MUM has told me that men like you who go to Canberra and sit in parliament just get more money but men like my papa who fought in war for Australia only got a few cents. My MUM said this is because men like you won't fix a problem with pensions.

Mr Smith why do you think brave men like my ~~a~~ papa should be poor?

From
William Duffield

EROSION OF MILITARY / COMMONWEALTH SUPERANNUATION* AS REFERENCED TO MALE TOTAL AVERAGE WEEKLY EARNINGS (MTAWE)



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Data Source: Jim Johnson - SCOA NSW

— MTAWE
 — MP's Pension
 — Mil / C'wlth
 — Age Pension
 * KNOWN ALSO AS "RETIREMENT PAY"