



# AUSTRALIAN DEFENCE FORCE RETIREES ASSOCIATION

We act on behalf of Defence Force Retirees and their Military Superannuation grievances

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## DFRDB UPDATE - JULY 2019

Hi All,

Most of you will be aware that the Commonwealth Ombudsman's investigation into the administration of the DFRDB scheme with respect to commutation is in progress. But we are not waiting idly for the outcome.

We have continued to pursue the Minister on the narrow terms of reference of the Ombudsman's investigation and received this [Response from the Minister's Chief of Staff](#). The key statement in which is:

*"There are currently no plans for further investigation into the overall design of the DFRDB Scheme."*

In an [Article - The Albury Border Mail - 20 July 2019](#), there is this quote from a spokeswoman from the Minister's office:

*"The government consulted with the Ex-Service Organizations Roundtable to develop the terms of reference for the ombudsman's inquiry."*

*The public had the opportunity to provide input, this has now closed and the Ombudsman will consider this information as part of the investigation."*

A blatant cop-out.

On a separate front, Christian Bennett has been investigating and established from CSC that the DFRDB scheme is in fact a Trust with the following trustee structure:

1. A Commonwealth entity created by legislation in 2011.
2. Corporate Governance is provided by CSC Board.
3. Directors are nominated by stakeholders, i.e.;
  - a. The Minister of Finance, who nominates the Chair person and 5 Directors,
  - b. The President of Australian Council of Trade Unions, who nominates 3 Directors and
  - c. The Chief of Defence Force who nominates 2 Directors.Directors can serve multiple terms and tenure is limited to 9 years.

This is a matter of serious concern, because making the CSC and the Department of Finance responsible for protecting DFRDB members' interests is akin to putting Dracula in charge of the blood bank.

This and the Terms of Reference for a wider reaching inquiry will be raised by Kel Ryan, National President, Defence Force Welfare Association, at an upcoming meeting with the Hon Darren Chester, Minister for Veterans and Defence Personnel.

We are not holding our breath and will mount a legal challenge. More details when we have mapped out our strategy.

Regards,

**Jim Hislop**