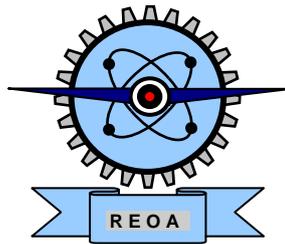


**Volume 1, Issue 2**

**Newsletter Date: November 2007**

**RAAF ENGINEER OFFICERS' ASSOCIATION (REOA)**



**Welcome to our second RAAF Engineer Officers' Association (REOA) Newsletter.**

On behalf of the committee members:

**We wish you the members, your family and friends and loved ones a very Merry Christmas 2007 and a healthy, happy and fulfilling 2008.**

Looking back over the past year the REOA is going as strong as ever. We have introduced a logo, caps and shirts and of course our official Newsletter. We also had a successful visit again to the RAAF Museum at Point Cook, our annual dinner in Melbourne and participated in formal submissions to Government on terms and conditions for payment of Defence pensions.

Articles on all these activities appear in this issue of your Newsletter.

Look forward to seeing you all in 2008 in good health.

GPCAPT Tom Douglas

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## REOA Members' Visit Pt. Cook & the RAAF Museum.

By Richard Orr

In early June 2007, some 30 REOA members, partners and friends visited the RAAF Museum at Point Cook. It was a great day to be out and about.

Before having lunch at the Officers' Mess, the assembled group spent several hours going over the static displays at the Museum. This facility is a wonderful source of history of the RAAF at work and provided the opportunity for much reminiscing by many of the members present.

Lunch at the mess provided a welcome opportunity to partake of good food and refreshments. And, even more importantly, to catch up with friendships which had developed over many years service in the RAAF.

After lunch we watched a magnificent aerial display by a Mustang and listen to talks by members of the ground crew and pilot.

All those who attended agreed that it was a great way for our members to refresh memories of their career in the RAAF.

In appreciation of the many hours of volunteer work done by ex-members of the RAAF at the Museum, whose unstinting efforts brought this great facility into being, the REOA made a donation, albeit small due to our limited resources, to the continuation of the work by the museum's staff.

To the management and staff of the Museum and the many voluntary support members we express our thank you for the day and look forward to another visit during 2008.



## REOA Members' Annual Dinner 27<sup>th</sup> September 2007.

**By Richard Orr**

As has been our custom for a number of years now, we held our annual dinner on the last Thursday in September. Unfortunately, our numbers were down on previous years. Excuses/apologies for non-attendance ranged from being ill, on vacation, or 'did not receive our emails' in time. Arhh, that's life. Guys please put the date for the 2008 dinner in your diary now; the tentative date is 25 September 2008.

We had acceptances from 32 members to attend this year's dinner at the Oaks-on-Collins. This is a relatively new hotel (but, in an older building) on Collins Street, Melbourne. I am very happy to be able to report that our function administrator looked after us extremely well; the function room overlooked the Olderfleet Buildings on Collins St, it was well organised, with food and service being above reproach. And, what's more, we were able to keep the cost to members down to \$45/head. Great value; I'm sorry so many missed the event.

Once again Bob Bartram was volunteered to be our Master of Ceremonies for the evening. As all of you would appreciate this was a task he performs with much aplomb. Many thanks Bart.

We had hoped that our wandering minstrel, Peter Jupp, would be able to perform for us. But that was not to be so. He was, unfortunately for us, busy at work overseas. Maybe we will be able to have him on stage at next year's dinner.

Rather than try and organise a speaker at short notice the function committee decided that this year we would concentrate on fellowship, with only two very short interruptions for a few comments by Bill Belton on 'Men's Health Issues' and Richard Orr to give a brief update on the Review of Military Superannuation

Bill reminded us all on the importance of regular health checkups, the need for regular exercise etc, and to be proactive in maintaining good health. (Did you know that Bowel cancer kills 90 Australians every Week. However, if detected early, 90 per cent of bowel cancers can be cured. Source 'The Cancer Council Victoria', go to [www.cancervic.org.au/FOBT](http://www.cancervic.org.au/FOBT) or ring 13 11 20 for more information.) You owe it to yourself, your family and friends to stay in good health.

The Department of Veterans' Affairs is also ready to help any ex-service member who has been diagnosed with cancer with the costs of medical treatment. The process of gaining DVA financial assistance is simply; you only need to establish Defence Service and have an oncologist provide a letter to DVA confirming the cancer. You do not need to establish any causal link between the cancer and Service to gain DVA acceptance. For more information contact either a member of the REOA committee or RAAFA (Victorian Division).

We all look forward to your company at the 2008 dinner.



**Our Master of ceremonies Bob Bartram hard at work keeping us all entertained and in line.**



**A happy group of REOA members enjoying the evening fellowship and dinner.**

## What, if anything, is happening about changing the method of indexing our DFRDB pensions?

**By Richard Orr**

This is a subject that should be of interest to anyone in receipt of a DFRDB or MSBS pension.

A number of people, most acting in a voluntary capacity, in many Ex-Service Organisations [ESOs] have been beavering away trying to get ministers, MPs and our members in ESOs involved in the problems and deficiencies with our Military superannuation schemes.

We have generated a lot of activity but achieved very little from government. But, that may be about to change. If you hadn't noticed we are about to have a Federal Election. Politicians tend to become more interested in our problems at this crucial stage of their careers.

Of the many items that need attention the most pressing and costly is changing the indexation of our pensions from movement in the CPI to an index that reflects movement in salary and wages. Hence our bid to have pensions indexed in line with the movement in the Consumer Price index [CPI] or Male Total Average Weekly Earnings [MTAWE], whichever is the greater.

This was the intention of the original architect of the DFRDB scheme, John Jess, back in 1972. One of the things Whitlam did, based on advice from Professor Pollard, in 1973 was to change the method of indexing our pensions to movement in the CPI. Initially this was satisfactory.

However, that is no longer the case. Two Senate Select Committees have recommended that our pensions and those of superannuated Commonwealth Public Servants be changed to a wage based index. The first was in 2001 and the second was in 2002. It took the government until February 2005 to reply to the second report; wherein it rejected outright the conclusions and recommendations of the Senate Select Committee that the method of indexation of our pensions should be changed.

They still maintain that CPI is adequate for us.

Of course, such an index is not adequate for our erstwhile politicians. Those who are retired or were in the parliament before the 'Latham' changes in 2004 will have their pensions indexed in line with movements in Back-Bencher pay.

In the last 10 years retired politicians have seen their pensions increase by 55%.

Age and Service pensioners have seen their pensions increase by 51%.

Defence superannuation pensions have languished behind with an increase of only 30%. And, the government contends that it is looking after the members of its Defence Force. It beats me as to what they would be doing if they didn't have our interests at heart.

We were given some hope in February this year when Minister Billson in his capacity at the Minister Assisting the Minister for Defence established a Team to Review Military Superannuation matters.

The Review Team headed by Andrew Podger [a retired senior public servant] and assisted by David Knox [an actuary and superannuation specialist] and Lee Roberts [representing the uniformed side of Defence], had six months to produce their report. Their report was delivered to the Minister on 31<sup>st</sup> July 2007.

The content of that report appears to be a 'State Secret'. We are still waiting for the Minister to advise us when he will release it for public scrutiny. Will we see it before the election is held? I cannot say, and those who I have canvassed are equally in the dark. We're being treated like mushrooms again, or should that be still.

ESOs and other interested parties made some 300 submissions to the Review Team. Some of those submissions are available on the internet.

Submissions made by AVADSC, DFWA, RSL, the Naval Association and RAAF Association were all very similar and hi-lighted some 14 major items in our Military Superannuation Schemes that required attention.

With an election approaching now is the time to be writing to your local member – Labor or Liberal, it does not matter – the PM, MPs and Senators.

These letters should make it clear that we do not appreciate being treated as second class citizens. This Liberal government has, over many years, shown a shameful disregard for the well-being of the men and women who have loyally served their country in peace and war.

### **Stop Press. 09 Nov 07.**

The Coalition has defended its decision **NOT** to release the Report on Military Superannuation, saying the complex issues required a whole-of-government approach and that it would not be in a position to release its Military Superannuation Review until early in 2008. Labor on the other hand has promised to release the report within a month of gaining office. They will consult with interested parties, but made no firm commitments on implementing a change to the method of indexing our pensions.

27<sup>th</sup> September 2007

Post Script:

**Sourced from a Media statement by SCOA and DFWA on 01 Nov 07, and other ESO contacts.**

Candidates in the Hot Seat

At a series of 4 public meetings across Canberra and Queanbeyan in the last week, about 650 military and public service pensioners had the opportunity to quiz Coalition, ALP, Greens and Independent candidates about what they are doing to stop the erosion of retirees' pensions because of inadequate CPI indexation. The meetings were organized by the Superannuated Commonwealth Officers' Association (SCOA) and the Defence Force Welfare Association (DFWA).

The meetings were made aware of the large numbers of Commonwealth retirees in many marginal seats across the country.

The meetings noted that Kerry Tucker, the ACT Senate candidate for The Greens, was able to commit Greens support for fairer indexation as it applies to other Government funded pensions. The meetings expressed disappointment, sometimes in strong terms, that the Liberal's ACT Senator Gary Humphries and the ALP's Bob McMullan MP and ACT Senator Kate Lundy and ALP candidates Peter Conway (ACT Senate) and Col. Mike Kelly (Eden-Monaro) were unable to do more than express their personal support for higher indexation.

Many at the meetings pointed out that the personal support of the Coalition and ALP candidates on this issue has not changed since the last election but nothing practical has been achieved by them. That led several attendees to question whether there would be any point in voting for the major parties.

Eden-Monaro's sitting Liberal member, Gary Nairn, was unable to attend the Queanbeyan meeting but sent a letter stating that the Government considers that CPI indexation is adequate, a position which annoyed many at that meeting given Mr Nairn's previous public support on this issue.

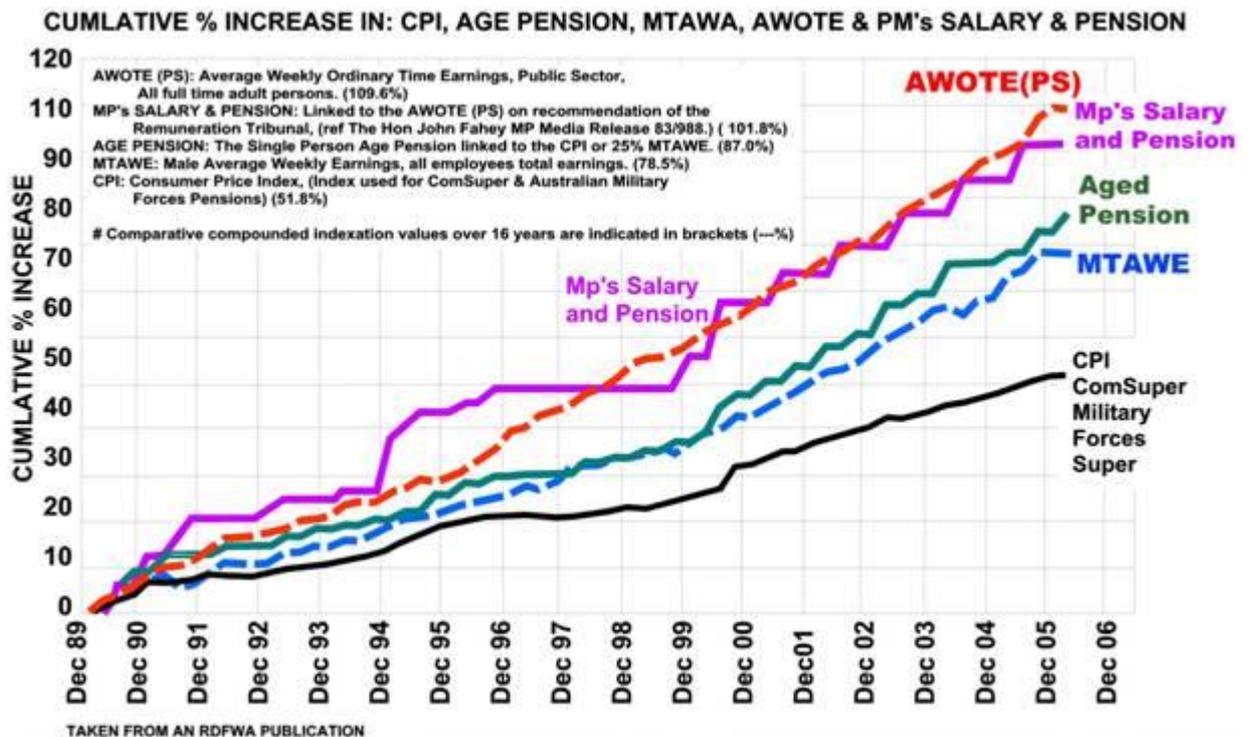
In the interest of equity, the meetings called upon the major parties to commit to maintaining the relative value of Commonwealth retirement pensions by indexing them at the same rate as is used for other Commonwealth pensions, ie the higher of CPI and MTAWA.

The most believable statement came from Bob McMullan (Labor) arguing that despite his best efforts for many years he did not hold out much hope for any significant changes in the near future. Opposition within the Labor Party is still strong.

And, from a Liberal politician at another meeting earlier in the month, the member for Macarthur apparently told the audience that the review team in their report on Military Superannuation made around 53 recommendations - of which the government was inclined to accept all but one recommendation (he did not specify what the rejected recommendation was). However, he went on to say that the release of the report had been deferred because there was not enough money in the DVA/Defence budget to accommodate all of the expense of the accepted recommendations and that the government was exploring alternative means of funding via the Treasury and Finance. What a Cop-out: especially when they can find billions at a moments notice to fund other projects.

**From the above you would be correct in concluding that neither the Liberal nor Labor party has any interest in doing anything about improving superannuation benefits for current or retired members of the Defence Force.**

It is still some time before the election is held on the 24<sup>th</sup> November 2007, so we should not give up hope. The Liberals', in a last desperate grasp to save themselves from annihilation, may find it is possible to approve all the recommendations contained in the 'Podger Report' on Military Superannuation. Anything is possible.



## Financial Report 2007

By Richard Orr

### REOA Accounts For Year Ending 30 September 2007

Opening Balance ING Maximiser Account	\$ 805.81
Interest Earned over year	<u>\$ 49.68</u>
Closing Balance this account for year	\$ 855.49

Opening Balance WBC Classic Account	\$ 485.87
Mid year function at Pt. Cook & RAAF Museum; 27X\$20/hd	\$ 540.00
Donation by member unable to attend	\$ 20.00
Refund to partner unable to attend	\$ 20.00
Expense for lunch at Officers' Mess	\$ 397.91
Donation to RAAF Museum	<u>\$ 50.00</u>

	\$ 92.09
Sale of Merchandise, from Ron Ledingham	\$ 46.00

End of year dinner at Oaks on Collins; 32 @ \$45/hd	\$ 1,440.00
Donation from a member	\$ 5.00
Dinner expense at 31X\$40/hd	\$ 1,240.00
Mail out to members not on email	<u>\$ 20.00</u>
	<u>\$ 185.00</u>

Anticipated closing balance of WBC account	<u>\$ 808.96</u>
<b>Financial Position of REOA at 30th September 2007</b>	<u><u>\$ 1,664.45</u></u>

Summary of Business for the year.	
Closing balance for year	\$ 1,664.45
Opening balance for year	<u>\$ 1,291.68</u>
<b>Net profit for the year.</b>	<u><u>\$ 372.77</u></u>

Richard Orr  
Honorary Book Keeper  
28th October 2007

**REOA Caps and Shirts for sale**

There are still a limited number of peaked caps and shirts with the REOA logo available for sale.

Caps @ \$15 each fit all sizes; adjustable.

Shirts @\$25 each size XL only-complete with collar and pocket.

**Contact:**

Ron Ledingham Mobile: 0409 420 458; E-mail: rledingh@bigpond.net.au

**We're on the Web:**

**[http://mc2.vicnet.net.au/home/  
raafreoa/web/index.html](http://mc2.vicnet.net.au/home/raafreoa/web/index.html)**

Point of Contact (POC)

Editor

**REOA**

Noel Hadfield  
Wing Commander (Ret)  
RAAF Engineer Officers Association  
E-mail: nhadfield@optusnet.com.au

Any feedback/ comments and/or material for  
inclusion in the following editions of the REOA  
Newsletter contact Ron Ledingham on:  
[rledingh@bigpond.net.au](mailto:rledingh@bigpond.net.au) phone 03 97799291.

Telephone: (03) 9511 7775

**RAAFA (Vic Div)**

Richard Orr

Home 'Phone/Fax: 03 9877 6067  
Mobile: 04 2938 1862

[richardorr@bigpond.com](mailto:richardorr@bigpond.com)