

DISSENTING REPORT BY COALITION SENATORS

FAMILIES, HOUSING, COMMUNITY SERVICES AND INDIGENOUS AFFAIRS AND OTHER LEGISLATION AMENDMENT (FURTHER 2008 BUDGET AND OTHER MEASURES) BILL 2008

Coalition Senators are broadly in agreement with the majority report with respect to Schedule 3 of this bill relating to child support, but strongly disagree with the majority report with respect to proposed changes to the Partners Service Pension.

Schedule 3 - Child Support

Coalition Senators note the largely mechanical nature of the amendments in this part of the bill. We acknowledge the strong comments made from a variety of viewpoints about the philosophical basis for the child support reforms, of which this bill forms a part.

It will of course be necessary for consideration to be given to the ongoing concerns of stakeholders with respect to the implementation of these child support reforms, on which the committee has earlier reported, but we do not believe this bill is the vehicle for such consideration.

Schedule 2 – Partner Service Pension

Coalition Senators are very concerned that these changes represent a cost cutting measure which fails to acknowledge the special status of veterans' relationships.

Most concerningly, the bill introduces a twelve month termination rule for partners (of less than age pension age) who separate from the veteran where there is no divorce or new marriage-like relationship for either party. The measure will purportedly save \$39.4million over 4 years. Coalition Senators believe that this will see many separated partners lose an entitlement and be forced onto welfare.

It should be acknowledged that there is a high incidence of separation and divorce in veterans' relationships, a probable reflection of the high incidence of stress and disability resulting from some military service. The partners of veterans are often the victims of this stress and disability, and it is therefore appropriate that special arrangements be made to deal with their situation. Of course, most of the affected partners will be women and the product of these changes will be that these women, often after long periods in a relationship caring for a veteran without the opportunity for outside employment, will now on the breakdown of that relationship be forced to apply for a Newstart allowance.

Coalition Senators are partially reassured by indications given by the Department of Veterans' Affairs during the inquiry that members of a couple who live in separate accommodation due to illness (including mental illness) will still be entitled to receive the partner service pension. The inquiry heard that there is a high incidence of conditions such as Post Traumatic Stress Disorder among veterans. Many veterans' separations will be attributable to such disorders so the entitlement to a pension for the separated partner will often be preserved.

Coalition Senators however believe that distinguishing the grounds for a separation based on medical or psychological circumstances within the marriage is a hazardous and subjective path and may not provide for sufficient acknowledgment of circumstances where a relationship ends but an entitlement is still deserved given that the breakdown will often be attributable to the nature of military service.

We note that these changes will impact particularly heavily on the families of veterans of the Vietnam conflict. As the Partners of Veterans Association of Australia put it to the committee:

...it will most certainly impact heavily on the wives of Vietnam veterans and, additionally, partners of both our current and future serving Defence Force members. The wives and families of our Vietnam veterans have already paid a huge price for their veterans' war service and they continue to suffer the consequences of that service—to the extent that, for some, the cost became too much. No consideration has been given to the many years of service that these unfortunate families have endured only to be advised, in no uncertain terms, that they will now become welfare recipients. Those in the Australian community who have served their country in war cannot be compared to the most dangerous civilian occupations, and nor should they ever be. This is also the case for the families they return to.¹

Nor are we reassured by the provisions for the continuation of the pension due to illness separation. We note that in these circumstances there must be an intention by the parties to continue in a marriage-like relationship, a condition that will simply not be met by many women who would otherwise have an entitlement under the present arrangements for a pension after separation.

Coalition Senators regard these changes as mean spirited and a breach of faith with the veteran community which has served this nation and whose family members deserve special consideration as a result.

Coalition Senators also doubt that a saving of the kind projected will be achieved, given that many separated partners will qualify for an ongoing pension under the illness separation provisions. It is doubtful that the resultant reduction in savings to the budget is warranted given that this measure diminishes the entitlements of those who have suffered much in the country's service.

Accordingly, **Coalition Senators recommend that the bill be amended by deleting Schedule 2.**

Senator Gary Humphries

Senator Judith Adams

Senator Sue Boyce

¹ Narelle Bromhead, Partners of Veterans' Association of Australia, *Proof Committee Hansard*, p. 23.