



Association of Independent Retirees (A.I.R) Limited

ACN 102 164 385

WORKING FOR AUSTRALIANS IN RETIREMENT

IN TOUCH

MARCH 2014

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PRESIDENT'S MESSAGE

Following upon a review of the objectives set out in the Strategic plan, there will be more attention directed to the external influences affecting the future of the Association in 2014. In 2014, my attention will now be directed towards wider Association objectives and priorities:-

- Broadening the level of awareness of A.I.R. among non-member self-funded retirees in the community.
- Supporting the advocacy activities by direct personal representation and interaction with the Federal Government.
- Improving the public face of the Association via media and other representative involvement.
- Exploring for opportunities to share resources with external agencies and other retiree not-for-profit organisations.
- Assisting in the membership promotion and retention program the Board has put in place.

A.I.R. represents all self-funded retirees. The ABS estimates the component of Australians aged 65 years and over was 3,337,600 (females 1,789,750 / males 1,547,850) at 30th June 2013. Approximately 50% of people in this cohort either partly or fully self-fund their retirement. It follows that there are about 1.67million self-funded retirees currently in the Australian population. A.I.R. is the only retiree organisation exclusively servicing the needs of self-funded retirees in the community and reaches a greater audience than just its membership. Despite the current level of A.I.R.'s membership, there are 1.67million Australians directly benefiting from the Association's activities. The funding of these activities and services is derived almost entirely from members' annual subscriptions. Unlike some other NFP organisations, no funding assistance or grants are currently available to our organisation. A.I.R. is truly *independent* in its funding sources.

The Board has recognised that some self-funded retirees may have been deterred from taking up A.I.R. membership because it involved becoming a branch member and all that goes with it. Health, physical incapacity, transport or remote locations have been further reasons for people not taking up membership in the Association. The Board has now moved to establish a national members-at-large (MAL) register with a capacity to provide sub-registers of MAL within each division. This would enable state and regional matters to be addressed by MAL, in addition to national issues. MAL

will effectively become a branch administered by the national office and be represented at AGMs and GMs by a member chosen from their ranks. John Wenban, a stalwart who has given many valuable years of service to the Association, has agreed to be the MAL National Co-ordinator. Division Co-ordinators can be appointed at the discretion of the respective division. The membership audience is moving towards the use of electronic communications and it will be a requirement for MAL members to provide an email address because all contact will be undertaken electronically.

Furthermore, the Board is appealing to all current members to move to electronic communications to reduce the impact of increased postage costs on the national budget.

The Board is making every effort to retain and advance membership of the Association. Promotional material has been provided for every branch and division. A visitation program by Board members to branches will support local promotion of A.I.R. and increase local awareness of the work undertaken by the Association. Members affected by branch closures will be encouraged to take MAL membership as a retention initiative.

In February, a consultative process began with all branches and divisions receiving details of an arrangement for an integrated banking system. This would align all A.I.R. accounts under the umbrella of a single service provider. Under the proposed arrangement, branches and divisions would retain exclusive control over the funds they administer. With the establishment of a national MAL register, the integrated system would incorporate an on-line facility for the payment of annual subscriptions. This system could be expanded to include on-line payments by branch members into branch accounts, should branches opt to align their accounts with the nominated service provider.

It had been previously proposed that divisions would be required to align their accounts with the nominated service provider. However, following member input, the Board has decided that it would not be obligatory for divisions and branches to align their banking arrangements with the new national system. Branches and divisions would be welcomed to participate on a voluntary basis. More details about the new banking arrangements are contained in a further article in this edition. Comments will be welcomed.

The build-up to the May Budget has the media and some NFP organisations attacking the position of self-funded retirees. Indeed, the sustainability of future superannuation and Commonwealth pension payments in the next few decades has been questioned. Exaggerated, dire situations have been predicted and new revolutionary solutions proposed. These included removing the tax-free status of allocated pensions derived from superannuation funds and other measures attacking the entitlements of self-funded retirees. To counter the media hype, A.I.R. will issue *responses* that illustrate the over- reaction and superficial acceptance of the sustainability argument. Removing incentives for taxpayers to provide for their future retirement as self-funded retirees and attaching punitive conditions to existing allocated pensions would be counter-productive. At the same time, the A.I.R. Pre-Budget Submission acknowledges the need for the comprehensive examination of superannuation rather than a piecemeal fiddle as a means of generating additional government revenue.

Although it has taken some time to develop, a bulk email facility has been incorporated into the IT systems package. Access to the facility is via the website. The facility can be utilised by authorised officers to contact members listed in the special interest groups, national/division MAL, national and division-by-division membership registers. Lists are compiled via an auto extraction from the database in real time so that they are always up to date. This removes the need for time consuming manual compilation and updating of circulation lists. Developing and expanding the listings to include branch registers will be available over time. The facility has been made available to two branches and is proving to be very useful, enabling them to use it as a means of circulating information to their members. It will be a time-consuming task to add all branches and divisions simultaneously. To allow a phase-in period to be applied, initial preference will be given to branches with a large membership (say – *the first 15 branches with the largest membership numbers*). Branches must register their interest in using the bulk email system with the Secretariat.

The Board has made great progress in restructuring the Association, improving management and introducing IT systems. We have reached this point using the process of consultation with the membership and the Board will continue to apply this principle on future major changes. Yet more remains to be done. Board members are enthusiastic about A.I.R.'s future and it is on this basis that I will seek a further term as National President at the November 2014 AGM.



Max, Barton, National President

E-mail: president@retirees.com



INTEGRATED BANKING SYSTEM PROPOSAL

The A.I.R. Board is planning to have in place by the 1st July 2014 a new banking system with the potential to integrate bank accounts across the whole of the A.I.R. network of branches, divisions and national office. The participation of branches and divisions in the proposal will not be obligatory and will be on a voluntary basis. Branches and divisions would retain exclusive control over the funds they administer and will be welcome to participate on a voluntary basis. The national office would be restricted to read only access.

The preferred service provider is Westpac.

- Westpac is the biggest provider of banking services to the not-for-profit (NFP) sector in Australia.
- Westpac has developed special software to service the NFP sector in Australia.
- Westpac's software will accommodate the established A.I.R. organisational structure including the special arrangements required for the national MAL branch.
- Westpac software provides the requisite level of security.
- Westpac can integrate electronic access to its banking facility via the A.I.R. website.
- Westpac software has the capability to accommodate change and enhancement.
- Westpac will incorporate on-line payments by branch members into branch accounts should branches opt to align their accounts with the nominated service provider.
- The Westpac network of service centres and post office agencies is well positioned to serve the needs of all levels of the organisation.
- Westpac can provide banking services on the commencement date i.e. 1st July 2014.

The diagrammatic umbrella structure of the proposed integrated system is shown below.



A range of accounts (4) will be available to divisions and branches which wish to align their banking arrangements within the integrated system. Any number or combination of account types can be opened to suit the particular requirements of branches or divisions. viz:

1. Community Solutions Account

An everyday transactional / trading account allowing deposits (cash, cheque, electronic), and withdrawals (electronic, cheque, debit card), and managed / controlled via online banking.

2. Community Cash Reserve Account

An at-call savings account, where deposits are made electronically (transfer between accounts online, or EFT direct). Variable interest calculated daily, paid monthly. You cannot make payments out of this account (via your trading account). No minimum deposit required.

3. Westpac Notice Saver - 31 Day Account

An alternative to a cash reserve or term deposit account, allowing you to earn higher interest on balances (calculated daily, paid monthly). You must raise a notice to withdraw funds (31 days). Good for funds where they do not need to be accessed immediately.

4. Term Deposit

A traditional term deposit product to earn interest at term maturity (minimum \$5,000)

Overview Summary

	1. Community Solutions Account	2. Community Cash Reserve Account	3. Westpac Notice Saver 31 Day Acct.	4. Term Deposit
Service Fee	Free	Free	Free	Free
Transaction Fees	Free	Electronic Free	Electronic Free	n/a
Variable Interest (subject to change) see note below	0.35%	2.4% see note below	3.10% On Hold 2.5% On Notice 0.0% At Call	Price on Application
Minimum deposit	No	No	\$1	\$5,000
Access Via	Corporate Online Business Online	Corporate Online Business Online	Corporate Online	Corporate Online Business Online
Deposits	Electronic Cash Cheque	Electronic (transfers and direct)	Electronic (transfers and direct)	n/a
Withdrawals	Cash Cheque Electronic Scheme Debit Card	Electronic (via trading account)	Electronic (via trading account)	On maturity (via trading account)

Note : Interest payable within Community Cash Reserve Accounts will be negotiated on the basis of the total funds held in all Community Cash Reserve Accounts. This approach will provide better interest rates where small sums are held in reserve accounts.

Branch and Division Treasurers could access bank account details in *real time*, make payments and reconcile transactions, anywhere, anytime using the on-line banking platform.

Other advantages of joining the scheme would be the reduction in hard copy reporting, information for audit purposes etc., which was highlighted in my February communiqué to branches and divisions.

Prior to introducing the system, the Board will conduct a consultative process with branches and divisions in respect to their needs should they wish to join the banking scheme. Comments and suggestions can be submitted by divisions and branches to the Secretariat until Friday 18th April.

Max Barton, National President

A.I.R. POLICY AND ADVOCACY

2014 may be a tough year - Prime Minister Tony Abbott has warned his colleagues to brace for growing community anxiety as the Government considers spending cuts in the May budget.

The suggestion is that there is an imperative need for the Federal Government to exercise a "fiscal repair job" to restore the balance sheet, to rein in spending, to reduce red tape and to meet the Coalition's 2013 election commitments on health and education.

Further impacts will undoubtedly emerge from the National Commission of Audit findings and recommendations in regard to efficiency and productivity improvements across all areas of Commonwealth expenditure and those coming from the Productivity Commission report into "An ageing Australia; Preparing for the future," released on the 22nd November 2013.

Speculation is rife with wild claims from many quarters appearing in the press on a daily basis. We see headlines like "Medicare needs a revamp but let's not tax the sick", "Changing Medicare to allow for co-payments is the only way to contain services for costly GP services", "Elderly carry the nation's burden", "Pension privilege in the crosshairs", "Why our ageing population needs responsible planning, not policy on the run", "Facing the ageing shift", "Finding the cost of care", etc.

Members should note A.I.R.'s current and relevant advocacy documents, available on the A.I.R. website for public viewing:-

2 February 2014	Submission on Better Regulation in Superannuation
31 January 2014	2014/15 Federal Government Pre-Budget Submission
22 November 2013	Submission to the National Commission of Audit
18 September 2013	Letter to Prime Minister Abbott from A.I.R. President
9 April 2013	A.I.R.'s Pre-Election Statement.

- Please note that the article from our Deputy President Dr Barry Ritchie, "**A.I.R. Responds to Government Pre-Budget Inquiries**" (page 6) provides more detail on the number of ways regulatory efficiency can be achieved.

The above 5 documents clearly state our position and the Government recognises that self-funded retirees, after a life time of hard work, have made a significant contribution to our nation's success and are entitled to a safe and secure retirement. They acknowledge that, by looking after our own retirement needs, self-funded retirees save the Commonwealth Budget considerable pension costs. The Government knows that many self-funded retirees are not wealthy and are under financial pressure. Policies which support this are being introduced, such as the indexation of the CSHC to help reduce the cost of living for self-funded retirees. Furthermore, there has been no negative change to superannuation in the Government's first term of office. However, despite having done the right thing and saved for their retirement, many seniors continue to live in fear of unexpected medical bills and of losing their entitlement because of modest changes in retirement income.

With the Productivity Commission report into "*An ageing Australia: Preparing for the future,*" released on the 22nd November 2013, the key points were:-

- Australia's population will both grow strongly and become older. Such slow but profound shifts in the nature of a society do not elicit the same scrutiny as immediate policy issues. The preferable time to contemplate the implications is while these near-inevitable trends are still in their infancy.
- Population ageing is largely a positive outcome, primarily reflecting improved life expectancy. A female born in 2012 will on average live for an estimated 94.4 (91.6) years. However, population growth and ageing will affect labour supply, economic output, infrastructure requirements and the Governments' budget. Australia's population is projected to rise to around 38 million by 2060, i.e. around 15 million more than the population in 2012. Sydney and Melbourne can be expected to grow by around 3 million each over this period.
- The population of those aged 75 or more years is expected to rise by 4 million from 2012 to 2060, increasing from about 6.4 to 14.4 per cent of the population. In 2012, there was roughly one person aged 100 years old or more to every 100 babies. By 2060, it is projected there will be around 25 such centenarians.
- Total private and public investment requirements over this 50 year period are estimated to be more than 5 times the cumulative investment made over the last half century, which reveals the importance of an efficient investment environment.
- Labour participation rates are expected to fall from around 65% to 60% from 2012 to 2060 and overall labour supply per capita to contract by 5 per cent.
- Average labour productivity growth is projected to be around 1.5 per cent per annum from 2012-13, well below the high productivity period from 1988-89 to 2003-04. Real disposable income per capita is expected to grow at 1.1 per cent per annum, compared with the average 2.7 per cent annual growth over the last 20 years.
- Collectively, it is projected that Australian Governments will face additional pressures on their budgets equivalent to around 6 per cent of national GDP by 2060, principally reflecting the growth of expenditure on health, aged care and the Age Pension.

Major impending economic and social changes can create the impetus for new reform approaches not currently on the policy horizon. For example:

- The design of the Age Pension and broader retirement income system may be linked to life expectancy after completion of the current transition to 67 years in 2023.
- Using some of the annual *growth* in the housing equity of older Australians could help ensure higher quality options for aged care services and lower fiscal costs.

- Wide-ranging health care reforms could improve productivity in the sector which is the largest contributor to fiscal pressures. Even modest improvements in this area would reduce fiscal pressures significantly.

We are moving into a very rapidly changing scene. Australia's ageing and expanding population is a massive economic and social challenge for the Government. There are compelling and sobering messages from the Productivity Commission: *"Such slow and profound shifts in the nature of a society do not elicit the same scrutiny as immediate policy issues. The preferable time to contemplate the implications is while these near-inevitable trends are in their infancy."*

From the perspective of A.I.R.'s members, my views are that:

- User-pays principles will be reluctantly acceptable, but the application of co-contribution must be linked with the ability to pay as one grows older and one's assets and income reduce.
- There needs to be a taper rate on co-contributions, making them more reasonable for those on fixed incomes, for part pensioners / partly self-funded retirees and for those fully self-funded with moderate assets and income.

The following are essential:

- Productivity-improving reforms in the service delivery within both the health and aged care systems.
- Better accessibility for all to the health and aged care systems.
- An effective and financially-viable Medicare and private health insurance system.

The current transition to retirement provisions within superannuation needs to be maintained. The age at which one can start to draw down an income stream pension in a transition to retirement arrangement should not be higher than 60 years of age when the Age Pension qualifying age is increased to 67 years on 1 July 2023. The provisions for hardship and government - supported benefits for the disadvantaged must be maintained, especially for people of senior years.

For retirees over the pension age, the ability to use the equity in one's home for emergencies (an equity release or deferred payments scheme) needs to be developed, but it must not be a reverse mortgage type arrangement where the value is significantly eroded by the interest burden.

In conclusion, if you feel strongly about any of this, please discuss your concerns at your branch meetings and make contact with your local Member of Parliament to let your views be known.

Robert Curley, A.I.R. Director – Policy and Advocacy; NACA representative.

A.I.R. RESPONDS TO GOVERNMENT PRE-BUDGET INQUIRIES.

Merciless media beat-up is panicking Australians into believing that an ageing population will be an unmanageable economic and social challenge. Far from it. Increased efficiency of Government regulation and improving health technology and service delivery, amongst other initiatives, will lead to a sustainable life for older people at manageable cost to the community.

A.I.R. has demonstrated a number of ways regulatory efficiency can be improved with substantial cost saving in its submissions to the National Commission of Audit (November 2013) and the Treasury Inquiry into regulation and governance and improved competition in superannuation (February 2014).

The Association submitted that regulation of superannuation, particularly in the drawdown phase (pension phase) has proved to be highly inefficient and costly. While the Government may well be administering its role as the regulator of superannuation efficiently, it is wasting its resources as well as members' superannuation funds by regulating and coordinating activities that are inefficient and/or no longer needed.

Almost all Government regulatory and servicing costs in superannuation are met by user-pay levies imposed on fund members, without any accountability to them. Hence, fund members assets are being eroded by the cost of meeting Government regulation requirements and the cost of the Government administering those regulations.

A.I.R. pointed out that the Government is wrongly focusing solely on the needs of the large superannuation funds. It submitted that these issues cannot be considered in isolation from the views and needs of individual members. It is not enough to assume that members' interests will align with industry need and regulation. There is a serious and growing dysfunction between the needs of members and the outcomes being delivered as a consequence of the structure of the industry. One consequence of this dysfunction is the need for many multiple accounts for members.

The present industry system leads to multiple accounts as people change jobs and as retirees withdraw pensions. The greatest complaint indicated from industry surveys of baby boomers is the problem of dealing with multiple superannuation accounts with statements at different times and for different amounts. Amalgamating them is often not possible. Where it is possible it is a complex, tiresome and costly procedure.

Many multiple accounts are small and the Government has been forced to set up a process at its cost to receive small accounts to avoid them disappearing over time, through the imposition of administrative fees by funds that are greater than the interest received by the account.

A number of industry surveys of baby boomers who are about to retire have shown that nearly half of those surveyed expect to continue to work into their seventies. Retirees who work and now get the 9.25% SG compulsory superannuation must have it paid into a superannuation fund even though they can then withdraw it the next day, incurring superannuation fund fees for both transactions and delays of months to receive the funds.

To reduce the problem of multiple accounts, the Association submitted that the following principles should apply:

- Fund members should have the right to have SG contributions by any employer paid into their existing nominated fund. At present, employers nominate the fund. All taxed superannuation funds and modern awards should be made compliant with this principle.
- Retirees undertaking work should have the option to nominate to receive the SG contribution as part of their remuneration where they do not wish to preserve it in superannuation.
- Retirees should have the option to add the SG to their existing superannuation assets used to pay an account-based pension. At present this is not possible and the SG must be paid into an accumulation account or a new pension commenced.

A submission to the Treasury Inquiry in February 2014 addressed a Discussion Paper on issues that had not been legislated in Stronger Super. Stronger Super arose from the Cooper Review into superannuation. It identified that some 80% of employees were disinterested in the way in which their superannuation was managed. They reasonably expect that when they retire (often many years later) they will collect a substantial sum from their superannuation to help them through their retirement.

To address this issue, Stronger Super set up a simple default fund system called MySuper. Default superannuation funds invest and administer SG contributions where employees do not nominate a superannuation fund. A number of costly regulations controlling how these employee contributions were to be distributed amongst superannuation funds were delayed and were not legislated before the election.

MySuper has only made worse the problem of multiple accounts, which occur on many occasions when employees change their jobs. To avoid this problem, the Association submitted that employees should have only one MySuper account. As they changed jobs, their assets in their MySuper account would be transferred to their new account.

An administrative system, SuperStream, is being developed by the Government to smooth the flow of the multitude of superannuation transactions brought about by the multiple account system. Fund members are paying \$420million in fees over three years to meet the development cost. The cost of existing regulatory systems developed because of the multiple-account industry structure can be reduced by combining them into one system. Such a system would allow automatic transfer of previous SG contributions to the employee's new default fund on changing employment. Bringing the number of costly Government administrative systems into SuperStream would achieve a very significant reduction in multiple default accounts, and would achieve significant benefit to small business.

Since the commencement of compulsory superannuation, a system had developed to 'share' employee's superannuation contributions amongst union-run superannuation funds. The Cooper Review accepted that this model of member-driven competition through 'choice of fund' has "struggled to deliver a competitive market" that reduces costs for members. He defined 'market' as that between funds competing for the business of a new member.

To achieve 'greater competition', the Fair Work Commission was required to review default superannuation funds in modern awards every four years leading to a two-stage process to select default funds. The first stage has an expert panel assessing applications and compiling a list of suitable funds. The second stage involves the Full Bench of the Fair Work Commission selecting up to 15 default funds in each award. These checks were over and above the process for the original approval of MySuper funds by APRA.

A.I.R. submitted that regulatory approval of MySuper funds by APRA was sufficient. Further, it supported the findings of the Cooper Review that it was not possible to provide a competitive environment amongst superannuation funds on the

basis of standardised default funds. Further, the Fair Work Commission was not the appropriate place to determine which default funds should receive default employee contributions. Modern awards should not contain provisions limiting employer responsibilities in transferring default funds to superannuation funds.

The Association submitted that true market competitiveness should be achieved by superannuation funds developing competitive funds for those members interested in maximising their superannuation, in developing competitive retirement products, and in developing competition between all funds, industry, retail, and self-managed. Such competition would be far more effective in developing low-fee, efficient and competitive funds and would be in stark contrast to the present comfortable distribution of member funds through costly regulatory bodies. Artificial competition between default funds can never be the driver for improving returns to members.

A number of other costly and low value regulatory impositions were also addressed. The Association submitted that retirees of any age should have the ability to add concessional and non-concessional amounts to superannuation to the same extent as those in the accumulation phase of superannuation. To achieve this, age-related barriers should be removed together with the 'gainful employment' test. The requirement to audit SMSFs in the full pension phase has no justification, adds no compliance value, but imposes unnecessary cost. The requirement should be removed.

Barry Ritchie, Deputy President and Chairman RIRG, britchi1@bigpond.net.au

HONORARY MEMBERSHIP FOR TONY COWLEY.



Ken McKay, Tony Cowley, Max Barton at the Company AGM
Photograph by Ian Hoffmann

Tony Cowley's membership of A.I.R. began over 20 years ago. From the outset, he was pro-active in his local branch of Macarthur on the NSW Southern Highlands. His background in accounting and taxation were quickly put to good use. His record of service includes the following:-

Branch Treasurer (16 years), Branch President (3 years), Vice-President (7 years), Membership Officer (8 years).

National Delegate (17 years), Division Delegate (7 years).

National Treasurer/Board member (4 years).

Tony represented A.I.R. on the ATO Personal Tax Advisory Group from 2003 to 2012.

With his wife Peggy, Tony has attended every National Conference for the past 20 years.

Tony has given generously and willingly of his time and knowledge over many years at all levels of the organisation, creating an impressive and superlative record of service.

The Macarthur Branch, the NSW Division and indeed all A.I.R. members were pleased to endorse the conferring of Honorary Life Membership on Tony at the 2013 Company Annual General Meeting. Congratulations are extended to Tony for this well-deserved recognition.

410 VISA ADVOCACY GROUP

A promised meeting took place at the West Perth office of the Assistant Immigration Minister, Senator Michaelia Cash, on Tuesday 28th January 2014. This was attended by Advocacy Group member, Mike Goodall of Perth Northern Suburbs Branch.

Mike presented up-to-date statistics (received from Immigration staff) to the Minister, who expressed surprise at the large reduction of numbers of 410s since 2010. Mike ventured the belief that some had died, while some had returned to their country of origin because of perceived health costs in Australia and/or because of huge increases in living expenses, particularly in Perth.

The Minister then referred to an issue which was originally raised by Chris Evans during his tenure as the Immigration Minister. New Zealand and Australia have reciprocal agreements relating to work, social provisions and permanent residency. The Minister intimated that giving 410's permanent residency, admittedly at far less cost than New Zealand visa holders, would set a precedent for the Kiwis that the Australian Government would find unacceptable.

It was confirmed that ways are being looked at to ease our difficulties with reciprocal health care agreements, possibly granting Australian health insurance instead of the existing visitors' products. As always, watch this space!

Peter Kerr, National 410 Visa Advocacy Group Co-ordinator

A.I.R. MEMBER BENEFITS

Enjoy the benefits of A.I.R. membership with the following exclusive member services:-

AIG (Aust) Ltd (formerly Chartis Travel Insurance): A.I.R. has entered into a partnership arrangement with the AIG group, to provide a range of travel insurance products for A.I.R. members. The on-line quoting service is available on www.chartistravelinsurance.com.au/independentretirees/default.aspx

Best Western: Toll Free Number 131 779. Quote the A.I.R. ID Number 013 860 30 and ask for A.I.R. corporate rates. Each owner has different rates and you must quote your A.I.R. ID Number prior to making a booking.

Budget Car & Truck Rentals – Budget Buddies: Telephone 1800 111 02. Budget Buddies continues to provide corporate reduced rates and excellent vehicles to drive and rent when on holidays or needing a van to move goods. For rate enquiries and bookings, please quote the A.I.R. BCD Number NOO 1859 or consult the website www.budget.com.au Email: bizzclub@budget.com.au

Hyundai Fleet Advantage: A national fleet discount (offering substantial savings on the full Hyundai vehicle range) is available to financial A.I.R. members. This popular program has operated since 2004. Members are required to produce documentation confirming their A.I.R. membership and complete a "Fleet Owners' Statement." As dealers need time to establish proof of membership, membership should be current before ordering your vehicle.

Many people are joining A.I.R. to take advantage of the Hyundai offer. The Board is concerned that the Secretariat is being contacted to provide a membership number for prospective purchasers. Instead, branches should advise Hyundai dealers in their area that proof of membership should be obtained via the Branch Membership Officer. The retention rate of people who join A.I.R. to get a car at fleet discount rates is poor and many branches are charging a service fee (up to \$150) to offset the work involved.

John Yard, Director

DIVISION REPORTS

QUEENSLAND DIVISION

The Division has been analysing data from its recent survey. The response was excellent, with some 45% responding (including a 50% response from those who used the internet for completing their form.) The final analysis indicates some interesting results, which will be reported to Division members.

The major activity over the holiday period has been the receipt of contributions from branches to the draft reports from the Queensland Competition Authority on Electricity prices. This has once again been a major effort by those branches which contributed. The draft report was over 100 pages. There is no good news on electricity prices, but the price will inevitably rise. The amount will be at the whim of the Government.

The Division is in consultation with the Minister for Communities concerning changes to the arrangement of the State Seniors Round Table. The Round Table was an excellent method for all retiree organisations to put their case to the Minister. However, COTA (who provided the secretarial services to the group) has withdrawn after making some financial arrangement with the Minister. We are attempting to determine from the Minister what if any new arrangements are to be put in place to ensure this previous access and consultation path is continued. And what is to be the role of COTA in this new scenario?

The Division meeting will be a two - day event with some major items to be covered. Membership will be an important item on the agenda. This will include methods that might be attempted to help existing Branches and to open new ones.

Preparation of the State Pre-Budget Submission will be on the agenda, as will discussion around the ramifications of outcomes from the National AGM and recent Board decisions.

The Queensland Members-at-Large Branch is operating exceptionally well, with good feedback being received from its members. Future Division plans include visiting those areas where branches have closed to retain the interest of those remaining members, paving the way for future branch renewals. The Division Executive will be meeting with the Committees of all the Brisbane branches in March as part of this program of the branch visit program. This has been a very rewarding activity, enabling the exchange of information.

The Division has recently lost one of its stalwart supporters with the recent passing of Don Peverill. Don was President of the Brisbane North Branch for 10 years. His contribution at Division level was outstanding, not only in his work with advocacy but his willingness to be the public face of A.I.R. at Senior Expos and mining conferences. In addition, Don regularly presented the case for A.I.R. to members of Government. We offer deepest sympathy to his partner and family.

Eddie Childs, Division President

WESTERN AUSTRALIA DIVISION

Like most, the W.A. Division remains challenged with membership. "New Membership," (led by Ken McKay with the provision of new promotional folders and material for recruiting) is a positive step but importantly, ensuring membership retention has not been forgotten. Over time, the best drawcard in meeting attendance has been the securing of quality, interesting and informative guest speakers. Unfortunately, W.A. was faced last year with the familiar problem of the drastic shortage of members willing to take on a branch committee role, and in particular that of the main office bearers. As a result, one metro and two country branches closed, but fortunately many members either transferred to another branch or joined the W.A. Regional Branch.

Several Branches again held their popular Christmas functions which are enjoyed by all. Socialising now appears to be an important ingredient in A.I.R. membership.

Western Australian members are greatly appreciative of the work being carried out on the website and the resulting improvements appear to have increased interest. Members have also commented on the quality and standard of submissions presented on members' behalf to the various Government Departments. Both health and superannuation remains an integral part of retirees' lives and without the dedication and enormous amount of work carried out in particular by Robert Curley and Barry Ritchie, research and submissions by A.I.R. would not be forthcoming. It is indeed pleasing to see easy-to-read material appearing on the website from time to time, creating interest amongst members. Warm thanks are extended to Robert and Barry, whose work is time-consuming and challenging.

Diane Blades, Division Secretary

NEW SOUTH WALES DIVISION

The NSW Division last met in December 2013. Sydney St. George Branch President and former Division Secretary (Mary Bourke) gave an outline of the work of the Peer Review Panel in reviewing the A.I.R. Constitution. Board Representative and Division President (Robert Curley) thanked Mary for all her efforts, and said that the new Constitution will ensure a much more professionally-run organisation which will also be more "Division-centric".

Division Vice-President, John McPherson (Southern Highlands) commented on the critical importance of the work done in health & ageing over recent years by Richard Gould, Robert Curley and Mary Bourke. A.I.R. input remains vital and relevant.

The new publicity material prepared by the Branch Ideas Network and presented by Ken McKay at the AGM was discussed. Ken is to be congratulated on this work, together with his work with the Branch Ideas Network. All NSW branches have been encouraged to join BIN.

The Division applauded the Life Membership bestowed on Tony Cowley at the National AGM for his outstanding contributions at Branch, Division and national levels. Tony is a long-standing and valued member of Macarthur Branch.

Division Membership Officer, Betty Doyle (Far North Coast) reported that all 17 Branches in NSW now have no un-financial members. Betty commended BMOs for their good work. Graham Knight (Dubbo/Orana Branch) has taken on the position of Division Secretary, gaining many contacts around the State and new insights into the organisation.

Graham Knight, Division Secretary

VICTORIAN STATE DIVISION

The Division meeting on 19 February was followed with a visit to Parliament House by the members of the Committee of Management. The group arrived at Parliament House around 2.30pm, sat in on question time and then moved to a side dining room for afternoon tea. David Southwick MLA (Member for Caulfield; Parliamentary Secretary for Police and Emergency Services) welcomed us & introduced us to Deputy Premier Peter Ryan, Hugh Delahunty MLA (Member for Lowan, Minister for Sport & Recreation, Minister for Veterans' Affairs), Craig Ondarchie (Northern Metropolitan, Parliamentary Secretary to the Premier) & Michael Gidley (Member for Mount Waverley).

David Southwick and staffer Alex Baranikow took group photos & we moved for a tour of Parliament House. At various times during the visit we met Andrea Coote MLC (Southern Metropolitan Region), Dee Ryall MLA (Micham), Andrew Elsbury MLC (Western Metropolitan Region) and Murray Thompson MLA (Sandringham). Daniel Andrews (Liberal Opposition Leader) and Bernie Finn MLC (Western Metropolitan Region) both acknowledged the group with a wave. Apologies were received from Louise Asher MLA (Brighton; Minister for Tourism and Major Events, as well as Minister for Innovation, Service and Small Business), while David Davis, (Minister for Health & Ageing) intended to join us but the fires in the Latrobe Valley took priority.

The purpose of our visit to Parliament House was to raise issues contained in the State Pre-Budget Submission. I was a little disappointed there was no real opportunity for advocacy, but it proved a good public relations exercise. Our attendance did make our Parliamentary representatives more aware of A.I.R., and several have since expressed to David Southwick that the organisation is carrying out an important role.

Sandy Anderson, Division President

SOUTH AUSTRALIA DIVISION

Since the last edition of *In Touch*, our Division has been in a rebuilding mode following a major branch closure and the loss of Division executives due to ill health and resignation. The positions have been filled and it now full steam ahead. This is timely, as by the date this report goes to press we will know who our government will be for the next 4 years.

We have in the past been advocating for the abolition of stamp duty on the purchase of a new home by older people when they look to downsize. This has not yet happened but the current Government is talking, if re-elected on 15 March, of a grant to offset stamp duty for anyone over the age of 65 years who builds a smaller home for retirement.

Although our Division is a small one, the branches are solid and the Division will be looking to help them expand.

John Yard, Division President/Division Representative

TASMANIA DIVISION

The Tasmania Division gathered on 20 February at the Punchbowl Christian Centre; it had not met since the AGM last August. Regrettably, the resignation was received of Pat Turner (long-standing Division Secretary) due to ill health. The committee noted Pat's contribution over many years and wished her well for the future. Sue Shea offered to fill the casual vacancy of Secretary until the Annual General Meeting.

Matters covered in the agenda included the National Board decision to outsource financial recording activities, the Board's proposal to establish an integrated company banking system, and the Board's proposal to establish a Members at Large classification at either State or National level. The Tasmania Division resolved to support in principle the Board's proposal to establish an integrated company banking system, although benefits need to be positive to encourage adoption at Branch and Division levels. The Division resolved to support a MAL branch to be established within central administration.

The meeting was advised of the following Board activities: discussion with Australian Investors Association; discussion with British Pensions in Australia; formulation of a draft Risk Management Plan; formulation of a member retention plan; advocacy and policy development activities; and the provision of a new bulk e-mail facility.

Rob Cleary, Division President/Division Representative

BRANCH NEWS

WARRNAMBOOL (VICTORIA)

Computer mentoring: Increasing the number of members who receive their communication by email is an aim of most branches. In an effort to foster this objective, a survey carried out at Warrnambool Branch identified a significant number of members who wished to learn how to use a computer/tablet or to increase their ability to use one.

There were several avenues available for tuition but they were either expensive, their teaching methods were suited to younger persons rather than seniors who were in many cases afraid of technology, or they were at the wrong time or place etc. To overcome this problem, Warrnambool Branch has implemented a mentoring system. Members who have expertise in various aspects of computing and tablet use have been recruited and paired with members whose learning requirements match their expertise. However, we may have to go outside the branch for additional mentors because of a shortage of members using Windows 8 which will be supplied with a new computer. Many of us dinosaurs are still using XT!

Rod Carter, Warrnambool Branch

CAIRNS AND DISTRICT (QUEENSLAND)

One of our members received an Australia Day Achievement Award in this year's celebrations, on behalf of the Cassowary Coast Regional Council, which covers the Innisfail/Tully/Mission Beach/Cardwell region.

Bill Sue Yek has been a member with the Cairns and District Branch since April 2009, frequently travelling from Innisfail to our monthly meetings. In Innisfail, Bill has been active in the local community for the past 50 years. He is a Past President of the Innisfail Rotary Club and a Senator of the Jaycees Service Club, leading to the award of a Paul Harris Fellowship. He has been President of the Innisfail Seniors' Centre for the past twelve years. Bill is known for making visiting seniors and all other callers to Innisfail welcome at the Centre, which promotes wellbeing and enjoyment.



Bill Sue Yek

Margaret Johnson, BMO and Social Organiser.

BAYSIDE-GLEN EIRA (VICTORIA)

Susan Steele, Treasurer of the Bayside-Glen Eira Branch, conducted an iPad session at the meeting of 25 November 2013. Thirty-five members attended, eager to get the most out of their iPads or be introduced to them for the first time. It is worth noting how well this meeting was attended, as it was not advertised externally.

We were fortunate to be able to use iPads provided by the local council so that the session was hands on for everyone. Sue holds regular iPad sessions for the Bayside U3A and is a very skilled teacher. Sue recommended using both a cover for our iPads so they do not get scratched and a passcode for security reasons. Sue demonstrated a number of functions of the iPad, using a projector and screen to make it easier to follow every step. In particular, Sue showed us how to use the GPS function to get directions and tips on the main functions of the Settings menu. We were shown how to use the iPad for purchasing apps from the iTunes store and as a kindle so we could catch up on our reading. Sue demonstrated how to access the AGE newspaper subscription service and use the iPad for banking by making sure we had a secure connection.

Everyone enjoyed the session and found it most helpful. We were all grateful to Sue for such a user-friendly presentation and were especially pleased to have one of our own members giving the session.

Sue Williams, Branch Secretary.

NORTH CENTRAL DISTRICT BRANCH (WESTERN AUSTRALIA)

The Honourable Tony Simpson, Minister for Seniors W.A., addressed the North Central District Branch (NCDB) on Wednesday 5 February. The Minister started by reporting that in 2013 more people in the state turned 60 than babies were born and that there had been a 21% increase in the number of W.A. seniors between 2011 and 2014.

In response to questions sent to the Minister before the meeting, some of the topics covered by Tony Simpson were safety and security, senior abuse, W.A. cost of living rebates, stay-at-home support, photo ID's, travelling on public transport, country fuel cards, desalination plants, alternative power, amalgamating councils, parking bays for people with disability, traffic lights and stamp duty relief.



Tony Dodd, Tony Simpson, Joy Rourke

The Minister was accompanied by Judy Tennant, principal policy advisor. In addition, the NCDB was pleased to welcome Charles O'Donnell (Division President), Diane Blades and Larry Jones (both members of the W.A. Division), members from other branches, a group from Retirees W.A. and other first time visitors.

Joy Rourke, Branch Secretary

QUEENSLAND MEMBERS-AT-LARGE BRANCH

As at January, the Queensland MAL Branch had 122 members. Since then, there have been numerous enquiries and membership information has been widely distributed.

QR Codes and the 21st Century: MAL is interested in using the new QR Code (Quick Response) for newsletters. This will be an exciting and important development, as MAL is virtually a correspondence-only membership and the code will help us to bridge some of the huge location and information gaps across Queensland. Apart from that – all A.I.R. members can be advantaged by the prompt access to information by the use of this code.

It has been pleasing to receive positive responses from our members. Just maybe the nature of this no-meeting branch, with no pressure or guilt to fill office-bearer positions, is appealing and could be extended to other concepts and locations. Who, for example, is looking after Alice Springs, Katherine and Broome?

Barry Schache, President, Qld. MAL

FAR NORTH COAST BRANCH (NEW SOUTH WALES)

The Far North Coast Branch celebrated 20 years since its formation in March 1993. The afternoon tea event took place on Friday 26 July 2013. A local band was hired for the afternoon at the Ballina RSL. Catering was from the RSL with sandwiches, tea and coffee and augmented with two large anniversary cakes arranged by a member.

The afternoon began at 1.30pm with an hour's concert with Dean Doyle and Sophistication. The enjoyable afternoon tea included a brief history of the Branch and the presentation of certificates to founding members who had maintained continuous membership for 20 years. The eight Branch presidents were named and the anniversary cake was cut by our founding President, Jill Brennan.

Over 150 people attended and enjoyed the 20 Year celebrations. Since then, a number of the visitors have attended a Branch meeting, with some becoming members. The Branch committee is now considering further opportunities for raising the profile of the Branch in the local community.

Warren Rose, Branch President

SYDNEY NORTHERN BEACHES (NEW SOUTH WALES)

The Branch Christmas luncheon is considered an important event in our annual calendar and has been well supported since 2002. In 2013, we had 5 VIP Guests, who included Hon Bronwyn Bishop MP, Mr Mike Baird MP and our sponsor representatives. Entertainment included a high school clarinet ensemble and a professional violinist. Drinks were provided on arrival, followed by a 2 course dinner.

Besides short addresses by the 2 politicians, the guest speaker was Vicki Norris, who starred in such TV shows as Bandstand from the 1960's. She even gave an interesting specially compiled power-point historical presentation. Over

the years we have had great presentations by *Jeff Watson, Jeanne Little, Johnny Pace, Toni Lamond, Noelene Brown and June Dally-Watkins*. This event always proves highly successful as a means of promoting our Branch and A.I.R. to our members and our VIP guests.

Brian Penhall, Branch President.

MELBOURNE EASTERN (VICTORIA)

Approximately 80 members and friends gathered on Friday, 7 February to celebrate the occasion of the 20th Anniversary of the formation of our Branch. It was pleasing to note that five local politicians accepted our invitation to be present with us at this special event. Each MP expressed their appreciation at being able to be involved, congratulated our branch and wished us all the best for the future.



Bruce Atkinson, MLC, President of the Legislative Council, **Anna Bourke, MP**, Federal Member for Chisholm, **Neil Angus, MP**, Member for Forest Hill, **Michael Sukkar, MP**, Federal Member for Deakin, and **Dee Ryall, MP**, Member for Mitcham.



Guy Warner, Betty McKillen, Alison Warner, Joan Akins, Beryl Richards, and Joy Waller-Ogden) Foundation Members

Photographs by Ray Keppie

Our oldest member (Cyril Handoll, 91 years), together with our youngest member (Dianne Markham, 61 years) were invited to blow out the candles and cut the cake, while Victorian State Division President, Sandy Anderson, proposed a toast to the branch.

The Member for Mitcham, Dee Ryall, made a presentation of a Victoria Award to Patsy Haywood (a former member of Melbourne Eastern, now of Barwon). Unfortunately, Patsy was unable to attend and the award was accepted on her behalf by Jessie Handoll. Patsy will attend our meeting in May, when Dee Ryall will present the award personally.

Sharon Ellis, Mayor of the City of Whitehorse, thanked the branch for its involvement in the community, and wished us all the best for the future. It was a morning of great fun, fellowship and celebration, voted by all to be a huge success. Everyone stayed to enjoy a light luncheon of hot finger food, freshly made sandwiches and a selection of slices.

Alan Wright, Branch President.

BARWON (VICTORIA)

In early 2012, a small number of A.I.R. members discussed the opportunity for the formation of a branch to bring together interested retirees in the Geelong, Bellarine Peninsula and Surf Coast areas of Victoria. The former Geelong Branch had closed in 2007, with most of the remaining members transferring to Melbourne North West or Ballarat.

The President of the then Southern Cross Victorian Division, Rod Carter, put the word out through contacts, networks and the "What's On" section of the local press to arrange a gathering to explore interest in the formation of a branch. The first meeting was held in Grovedale and 12 interested people attended. It was agreed that a branch should be established. Amazingly, interest persisted after 10 of the 12 attendees ended up in committee positions!

By 30th June 2012, membership had grown to 15, and regular meetings with a good range of speakers were being held. We headed into our first full year of operation with enthusiasm to grow our membership and to keep the meetings topical and of interest to self-funded retirees. Speakers included accountants/financial advisers (Davidsons – now a branch sponsor), a hearing specialist, a funeral director, the Victorian Electoral Commission, legal experts, an ambulance paramedic, an antique dealer, the Australian Shareholders Association and a Vietnamese boat refugee.

Whilst our membership was growing steadily in the later months of 2012, the committee wanted more! Posters were put up in bowling clubs, community halls, U3A, etc. An initiative to advertise A.I.R. to the local Probus clubs was the most productive. This resulted in us showing a membership of 36 at the end of our first full year of operation on 30th June 2013 – an increase of 140%!! Our Branch President, Patsy Haywood, was thrilled to accept the Maureen Kingston Memorial Award on behalf of Barwon Branch at the Company AGM.

Graeme Rogers, Branch Membership Officer

PERTH (WESTERN AUSTRALIA)

The Perth Branch has set goals for the coming year; the major one being to focus on increasing our membership. We currently have 54 financial members, which we hope to increase by at least 25% by the end of June. Over the past twelve months, the Branch has attracted over 100 visitors to monthly meetings, but we have not been able to convert those who attended to become members of the Association. The visitors have been mainly attracted by the guest speakers arranged. In February, the talk was on estate planning, which attracted forty one visitors, with only fourteen members present. After the last meeting for 2013, we arranged a Wind-Up Lunch at a local tavern, attended by 26 members and friends. The occasion proved a great success and we are planning another similar event in March.

Val Carter, Branch Secretary

BRITISH PENSIONS IN AUSTRALIA (BPiA)

Although British Pensions in Australia's [BPiA] key mission is campaigning to cause change in Britain's approach to UK State pension indexing, for a minimal annual subscription BPiA will provide help to members wishing to discover their UK pension entitlement.

BPiA will also help paid-up members apply for this extra UK retirement income. Most people who have worked in Britain, irrespective of their nationality, will discover they'll probably have generated some retirement income entitlement. This comes from the compulsory UK National Insurance deductions from their wages/salaries.

BPiA Inc is a non-profit association. It is mostly run by volunteers and almost all are UK expatriate pensioners. We help people with their UK pension enquiries because we wish to attract and encourage them to join us. Funds received from these subscriptions help fund the political campaign in which we are engaged in Britain. This campaign is being waged to cause change in the discriminatory non-indexing of the UK's pension in some countries. Unfairly, this pension "freezing" applies to 550,000 UK Pensioners, mostly retired in Commonwealth countries like Australia. Over 630,000 UK expatriate pensioners elsewhere enjoy UK pension indexing each year

So if you have worked in the UK and are unsure as to your possible part UK pension entitlement, please contact us on 1300 308 353 or via bpia@people.net.au or our website www.bpia.org.au. You have nothing to lose, but there's the potential to gain an additional part pension. Also, if you apply for an Australian Age Pension, Centrelink will want to know your UK pension income, so it's best to be on the front foot. Centrelink's pension is means tested, Britain's is not. Moreover, Centrelink may deduct up to 50% of the British pension from your Australian Age Pension. Nevertheless, two part pensions provide more retirement income than just one.

Jim Tilley, Hon Chairman, BPiA Inc. (A.I.R. member, Cronulla-Sutherland /St George Branch)

A SERIOUS WORD!

Whose job is it?

This is a story about four people named **Everybody, Somebody, Anybody, and Nobody.**

There was an important job to be done and Everybody was sure Somebody would do it. Anybody could have done it, but Nobody did it. Somebody got angry about that, because it was Everybody's job. Everybody thought anybody could do it, but realised that Everybody wouldn't do it.

Branch Members:

Some members keep their branch so strong, whilst others join just to belong.
Some dig right in, some serve with pride, some go along just for the ride.
Some volunteer to do their share, whilst some lie back and just don't care.
Some always pay their dues ahead, some get behind for months instead.
Some do their best, some build, some make, some never give but only take.
Some lag behind, some let things go, some never help their branch to grow.
Some drag, some pull, some don't, some do. Consider, which of these are you?

Do you just belong?

Are you an active member? The kind that would be missed?
Or are you just contented that your name is on the list?
Do you attend the meetings, and mingle with the crowd?
Or do you stay at home and crab both long and loud?
Do you take an active part, to help the branch along?
Or are you satisfied to be the kind to just belong?

Don't just be a Member! Take an active part!

John F.Cox, Noosa Branch, from the Queensland Division's "Breaking News", December 2013.

"THERE IS A DIFFERENCE
BETWEEN BEING SMART WITH
YOUR MONEY AND JUST BEING
CHEAP." (UNKNOWN)

IN TOUCH, MARCH 2014

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WEBSITE - ASSOCIATION OF INDEPENDENT RETIREES (A.I.R.) LIMITED

www.independentretirees.com User name:-Member Password: 95ret782

The website provides an abundance of information, which members are advised to access. The home page carries regular updates on important advocacy developments, together with other significant information. The website provides information about membership, activities, the different organisational levels of the organisation (Board, Divisions and Branches), media releases, advocacy, sponsorship, A.I.R. Special Interest Groups and much more.

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