



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

ACN 102 164 385

.....WORKING FOR AUSTRALIANS IN RETIREMENT

**IN TOUCH**

**NOVEMBER 2014**

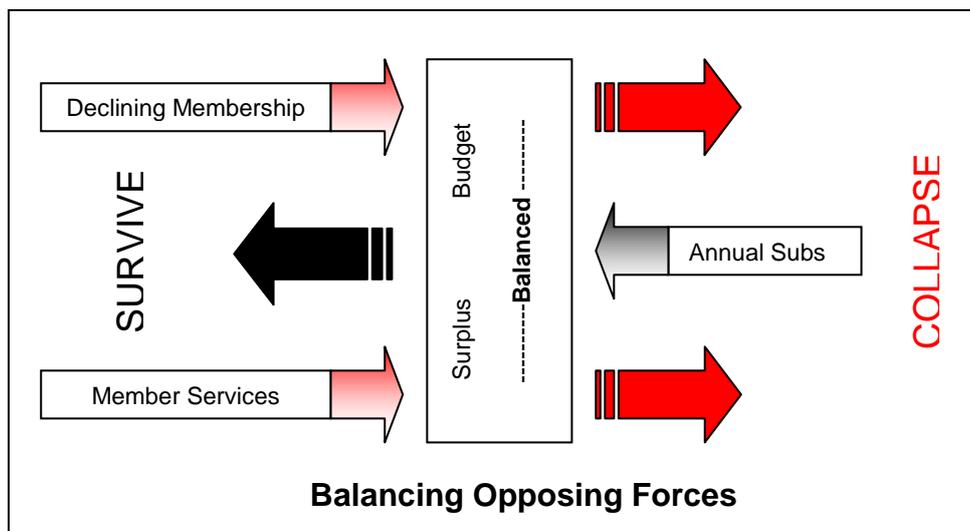
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## PRESIDENT'S MESSAGE

### A.I.R. SURVIVAL

The Annual Report contained in the packages recently sent to delegates contains comprehensive details of A.I.R. activities undertaken in 2013/14. At the time of the AGM, I will briefly comment on some of the matters relative to 2013/14. These remarks will foreshadow the challenges that lie ahead in 2014/15 and future years. In order to provide all members with an understanding of these challenges, I am releasing my comments in this regard ahead of the AGM. A.I.R.'s survival in future years will depend upon how we 'the united membership' respond to these challenges.

As an organisation, we are facing opposing forces that fetter our capacity to move forward. I have attempted to illustrate in the following diagram the forces we need to deal with in order to provide a stable and balanced platform to sustain future operations.



It is no easy task for the Board to reconcile these opposing forces. Over recent years the Board has accommodated these pressures through internal adjustments by:

- Modernising its administration costs by introducing an IT management system
- Reducing the size of the National Board of Management

- Providing an Integrated Banking System (IBS)
- Establishing a National Members-at-large Branch (NMAL) register.

There is no foreseeable room to reduce the management and administrative costs.

There has been some limited success in obtaining new members since introducing an updated promotional program and undertaking several regional goodwill tours in Victoria and Western Australia. However the decline in membership continues due to:-

- Current members not renewing.
- Couples converting to single membership.
- Members displaced by branch closure not taking up NMAL status.

There appears to be a common theme to the cause of A.I.R. branch closures within NSW, Queensland and Victoria. It is the inability to appoint office bearers. Without a succession plan, survival of branches will always be under threat. To assist, the Board is examining ways to reduce reporting requirements placed on divisions and branches. The Integrated Banking System (IBS) is an example of the Board's movement towards simplification. Again, it is disappointing to the Board that many branches have not taken up this option.

### New Members

Division	Qld	NSW	Vic	W.A.	Tas	S.A.
Number	244	149	121	82	51	1

The promotional program has some time to run and may result in new member numbers. A total of 648 new members were added in 2013/14, but this was insufficient to offset membership losses. Other like-minded organisations are experiencing similar problems, but this does not take away or ease the concern of a diminishing A.I.R. membership.

The Board has consistently looked for opportunities to increase the range of services to members. This has involved:-

a. Negotiations with kindred organisations for resource sharing. Affiliations with the Australian Shareholders Association (ASA) and the Australian Investors Association (AIA) have added 'investor' information services for members actively engaged in their own portfolio management.

b. Discussions with service providers and suppliers for discounted day-to-day lifestyle needs and products. The current economic environment has made it difficult to expand the range of services presently available.

The Board will continue to examine other options for the delivery of member services using external sources. For member services utilising A.I.R. internal resources, the Board has reached the point where further expansion is not possible under the current financial and volunteering limitations. In 2013/14, the Board achieved a significant surplus in its management of funds under its control. A drop-off in membership renewals in 2014/15 will, on present indications, result in a significant deficit in the national accounts for this year. This fact heralds future increases in member subscriptions.

It is with a sense of frustration that I find myself reporting to you the difficult times we are facing as an organisation. It cannot be ignored and solutions must be found. A united whole of organisation commitment is required.

Following the AGM, there will be an open forum for delegates to discuss the above issues. Please provide your comments and suggestions directly to your branch delegate ahead of the AGM, so that the forum will be a productive session.



**Max R. BARTON, National President**

## INTEGRATED BANKING SYSTEM (IBS)

The Integrated Banking System (IBS) is now operative. Some participating Branches have commented that the process and paperwork required to align individual Branch and Division accounts can be difficult. Recent negotiations with the service provider, Westpac, have led to the elimination of some of the steps in the establishment procedures, making it easier for Branches to become part of the IBS. To date, participating branches are reporting favourable outcomes and satisfaction with the IBS when the establishment process is completed.

The take-up of branches has not been as rapid as anticipated. Branches are urged to align their bank accounts with the IBS in the interests of overall efficiency and simplification of statutory administrative and compliance requirements incumbent upon the Association. Westpac branch officers can assist A.I.R. branches in making the transition into the IBS. Board member, Rob Cleary (telephone 03 6334 3030, email [pejare@tpg.com.au](mailto:pejare@tpg.com.au)) is also available to help branches undertaking the establishment process.

**Max R. Barton, National President**

## ADVOCACY

**The Board has decided to establish a sub-committee for policy development and advocacy matters.**

This sub-committee will be chaired by Robert Curley and will initially include Max Barton, Charles O'Donnell and Sue Hart. It will incorporate all facets of our federal advocacy activities, including that of the Retirement Investment Research Group (RIRG) which was originally established to advise the Board on the implications of government policies on the incomes of self-funded retirees, taking account of:-

- (a) Overlapping superannuation and taxation issues;
- (b) Evolving demographic and political changes;
- (c) Maturing expectations; and
- (d) Equitable treatment of those already retired and others preparing for self-funded retirement.

The objective in creating the committee is to spread workloads more evenly across Directors, reduce the discussion time at Board meetings and deal with policy matters efficiently and speedily. The sub-committee's primary role will be to make recommendations to the Board on proposed actions / key areas such as:

1. Annual Commonwealth Pre-Budget Submissions.
2. Annual Federal Budget review and outcomes.
3. Pre-Election Submissions and tactical planning.
4. Submissions in response to the Federal Government and their agencies' discussion papers.
5. Media Releases.
6. Letters to the Prime Minister and Federal Ministers.
7. Media spokesperson.
8. Communications with members including advocacy & policy statements and information factsheets.

The Board has agreed to an Advocacy and Policy update summarizing A.I.R.'s current Federal policy positions. Over the next few months, we are also intending to publish, for members' information, fact-sheets to explain individual policy positions in more detail, including rationales.

### **A.I.R. Advocacy and Policy update statement – October 2014:**

The Federal Government has stated in policy documents and other communications a recognition that many self-funded retirees are not wealthy, are under financial pressure and (by looking after their own retirement needs) save the Commonwealth Budget considerable pension costs. However, contrary to this philosophy, the Government has taken away benefits and has failed to provide promised support. The action of successive Federal Governments has been to readjust the accumulation phase of superannuation, at the same time doing little to simplify or enhance the current restrictive drawdown phase.

The Government professes a commitment to:-

1. Australia's three pillar retirement system: an age pension as a safety net, a compulsory system of retirement saving through superannuation and tax incentives for voluntary savings.
2. The encouragement of Australians to actively plan and save for their retirement, to take full advantage of the benefits the superannuation system provides and to work toward a self-funded retirement.

However, this commitment now needs to be seriously questioned. We have a situation, that where to qualify for financial concessions, health care and aged care, one must meet an income and assets test with means- tested co-contributions required. A.I.R. will continue to work to achieve equity for members.

#### **The policies of A.I.R. are:-**

- That all retirees, no matter whether they accumulated their retirement assets within or outside superannuation, should have access to a specified tax-free component of their assets for their day to day living expenses.
- That the sale of assets to be transferred should be exempt from capital gains tax for those aged 65 years and over who commence a superannuation fund specifically to access an income stream pension.
- That the age and work tests for retirees 65 years and over to set up and pay into superannuation be abolished.
- That the Government reintroduce the personal tax exemption on \$1,000 of financial instrument interest (granted in the 2010-2011 Budget).
- That the Government take action to offset the financial impact on retirees arising from the rapidly increasing costs for federal, state and local government services.
- That the Government introduce regulations to limit or eliminate the excessive use of superannuation and income stream products as a means of taxation-minimised estate planning.
- That the Government streamline regulation of the drawdown phase, including longevity financial management, to reduce the cost of superannuation fund management in the pension phase.
- That the Government remove the 2013 base rate for calculation of the private health insurance rebate percentage introduced by the previous Government.
- That the PBS Safety Net threshold for single retirees be set at 65% of the couples / families threshold level or at the same percentage difference between the Age Pension threshold income limit for a single person and a couple.
- That the Commonwealth Seniors Health Card for single retirees be set at a percentage difference between the Age pension threshold income limit for a single person and a couple.
- That the rapidly increasing out-of-pocket health care costs for older Australians be addressed and reduced.
- That there be a fundamental re-think of the central funding mechanisms for health care in Australia, to address the short and long term needs of preserving efficient Medicare and private health insurance provisions.
- That the Government introduce incentives to medical specialists to provide bulk billing to age pensioners and Commonwealth Seniors Health Card holders;
- That the National Health Reform agenda be re-considered to provide better and more affordable access to services.
- That the eHealth initiatives including the current personally-controlled Health Record proposals be introduced
- That the Aged Care Reforms programme commenced on 1 July 2014 should be continued and strengthened. There needs to an ongoing review on the impact of the fees and charges on part age pension and self-funded retirees, together with re-consideration of the equity and fairness concerning the cost of residential care (including the accommodation charges) for part pensioners and fully self-funded retirees.
- That all 410 visa holders who have resided in Australia for 10 or more years become entitled to permanent citizenship.
- That the Government reduce benefits payable under the proposed Paid Parental Leave Scheme.
- That there be no changes or broadening of the GST without adequate and full compensation to offset any increase in the cost of living for those Australian who are retired and have limited fixed incomes.

**Robert Curley, A.I.R. Director and NACA representative.**

## **NATIONAL MEMBERS-AT-LARGE (NMAL)**

The National Members-at-Large (NMAL) sub-register was established on the 1st July 2014. Since that time, there have been several important changes made to its operation and administration. The original process set down by the Board in May provided for NMAL members to be serviced only by electronic communication. This has now been modified, so that members of NMAL without an email address will receive communications by post. Members displaced by branch closure were automatically transferred to the NMAL sub register on the 1st July 2014 with either a financial or non-financial status and will remain on the 2014/15 sub register until their financial status is clarified. Follow-up and reminder notices to members with non-financial status will take place in November. Prospective members unable for any reason to join at branch level will be accepted as new members of NMAL.

Payment of annual subscriptions for NMAL members is by direct payment to the Secretariat, by cheque or direct deposit to the IBS - BSB 033002 Acc No 819176. Please ensure that your name is recorded with every direct deposit.

A problem has arisen with the resignation of the NMAL Coordinator. A new appointee is required and members of the Board are actively seeking a suitable replacement. The following duty statement is included to assist anyone interested:-

### **Coordinator – National Members-at-Large (NMAL)**

1. To provide a quarterly report to the Board on activities and membership status.
2. To act as the 'first point of contact' for NMAL members.
3. To liaise and work with the NMAL Branch Membership Officer (the Secretariat) by providing information on NMAL Membership in respect to deceased members, new members, resignations and non-financial members.
4. To certify payments from the NMAL account for services provided to NMAL members.
5. To act as the national delegate to a General Meeting of A.I.R. as the NMAL representative.
6. In conjunction with the Secretariat, to ensure NMAL members without an email address are regularly provided with a monthly copy of *AIRActive*.
7. To produce regular newsletters, bulletins etc. to ensure NMAL members are kept informed of A.I.R. activities.
8. To co-ordinate any other activity that is beneficial to members of NMAL, as sanctioned by the Board.

The A.I.R. Secretariat has the responsibility for the collection and receipt of annual NMAL membership subscriptions, processing new member applications, maintaining the NMAL register and providing a mailing list (from the database register) for regular communications to NMAL members.

***Max R. BARTON, National President***

## **A.I.R. SPECIAL INTEREST GROUPS**

### **A CHALLENGE FROM THE BABY BOOMERS GROUP AND THE BRANCH IDEAS NETWORK:**

#### **HOW YOU CAN MAKE A CONTRIBUTION TO THE FUTURE OF A.I.R.**

After more than 6 years contributing to A.I.R. through various roles as Branch Committee Member, Deputy President and President Noosa branch, Queensland Division Delegate and Director on the Board, I have made the decision to retire when my term expires on 18 November 2014.

My decision to become part of A.I.R. at the age of 56 was due to a need to "give something back to the community". I chose A.I.R. from a wide range of organisations because I truly believed in what they were trying to do – by fighting for the needs of fully and partially self-funded retirees. Along the way, I have tried to "make things happen" by introducing national initiatives like the Baby Boomers Group, the Branch Ideas Network, the strategic alliance with the Australian Investors Association and a whole new image of A.I.R. through our new national promotional material.

My work will continue under the guidance of Robert Grover, President of the very successful Gold Coast Branch, who will take the role of Group National Coordinator for the Baby Boomers Group and the Branch Ideas Network. Leon

Carrall from the Brisbane North Branch will take over the role as Liaison Officer for the strategic alliance with the Australian Investors Association.

Both Robert and Leon are relatively new to A.I.R. – both having joined in their early sixties and both passionate about protecting the interests of fully and partly self-funded retirees in Australia. Robert and Leon have committed some of their time to try to make a worthwhile contribution to the future of our organisation. I wish them every success in the future. My replacement on the Board as Queensland Division Representative is Jim Fountain, who is currently the Vice President of the Gold Coast Branch. Jim has a marketing background and will be a valuable contributor to the Board.

Finally, I hope my contribution might encourage other younger men and women in our organisation to offer your time and energies to help A.I.R. at branch, division or board level. I'm sure that you will find it just as satisfying as I have.

**Ken McKay – Director, A.I.R. Board, [mckayjk@hotmail.com](mailto:mckayjk@hotmail.com)**

### **410 RETIREMENT VISA ADVOCACY GROUP**

Where to now? Since my last report, we have received written responses from both The Hon. Scott Morrison (Minister for Immigration) and his deputy, Senator Michaelia Cash. In essence, both have reiterated that other matters continue to take precedence over the concerns of 410 Visa Holders and have referred back to the outdated arguments in relation to perceived future costs of granting permanent residence. In the meantime, two Federal Members, Ian Goodenough and Christian Porter, have intimated a wish to be involved in our future advocacy and they are trying to engage with Scott Morrison to establish what will be required to take matters forward in a positive way.

Discussions over the last several months have shown that it is very likely that self-funded retirees, and that includes all 410s, will be cost-neutral to Government. This latter point was confirmed by Dr. Barry Ritchie in his presentation at the State Library in Perth, WA. As cost was stated to be the only barrier to the granting of permanent residency, it is to be hoped that Treasury will recognise this as a true reflection of the cost effect to the economy and move forward with whatever legislation is required to grant the wish of every 410 Visa Holder who has now lived permanently in Australia for more than 10 years.

**Peter Kerr, Co-ordinator, 410 Visa Advocacy Group**

## **DIVISION REPORTS**

### **TASMANIA DIVISION**

The Tasmania Division held its Annual General Meeting in August and the following office bearers were elected -

Rob Cleary (President), Dennis Smith (Treasurer) and Sue Shea (Secretary/DMO). Following the merger of the Mersey and Northern Tasmania branches, the Tasmania Division now comprises Hobart, Burnie and Northern Tasmania Branches.

Activities in the State involved participation in the Tasmanian Senior's Week in October with Hobart Branch conducting a "Living Well in Retirement Expo" at the Wrest Point Hotel, while Northern Tasmania was an exhibitor at the City of Launceston's Afternoon Tea and Mini Expo, also featuring in their local newspaper with advertising and editorial.

In an attempt to retain interest in the Devonport/Mersey area, the Northern Tasmania Branch will be holding a special meeting in Devonport on Friday 14th November with guest speaker, Ms Emily Dent speaking on "Living Better, Living Longer - The New Aged Care Decision Maze."

The President of the Senate, Senator the Hon. Stephen Parry, provided an excellent address at a Northern Tasmania Branch Meeting on 15 August and is pictured with the Branch President, Christina Holmdahl. (Photo: Sandra Bell.)



The Northern Tasmania Branch has been conducting an Investment Discussion Group (IDG) since July 2011. The numbers attending have increased significantly due to the variety and quality of the guest speakers covering economic and investment issues. From its inauguration, this activity has been supported by the Shadforth Financial Group which provides a regular report on the economic outlook, updates on company reporting and share-market trends.

Burnie Branch continues to be active and has been successful in obtaining interesting guest speakers including Mr Grant O'Brien, Managing Director and C.E.O. of Woolworths Limited.

All branches within the Tasmania Division are devoting much time and energy to recruiting new members, retaining existing members and increasing their profile and image by "Working for Australians in Retirement."

***Sue Shea (Secretary and DMO) and Rob Cleary (Division President)***

## **WESTERN AUSTRALIA DIVISION**

We certainly have had an eventful year. At the 2013/2014, AGM we were unable to fill all positions on our Divisional Committee. Therefore we were stretched and sometimes unable to do what was wanted. However, Diane Blades and Faye Grey joined the Executive during the year and gave necessary support.

Margaret Walsh became President of the Perth Branch. The latter had been operating for some years without a President and with shrinking numbers, but kept open by Secretary, Val Carter and co-opted Acting President Larry Jones (who was also Acting Treasurer and Membership Officer). With Margaret's appointment, stabilisation is occurring at Perth, numbers are slowly growing and new people are being appointed to executive positions. The Division acknowledges the outstanding efforts of Val Carter and Larry Jones.

Being short on Executive numbers, the Division decided to focus on what we could do - and that was to hold a Retirees/Seniors Forum. (Editor's comment: Please note further information under the heading of "Special Events").

The Division now has a full Committee with all Executive positions filled. Margaret Walsh has agreed to work with Robert Curley on the Aged Care and Health advocacy portfolios. W.A. members are contributing more to A.I.R. The Division is in the early stages of planning our next project and we are finishing the year in a positive manner.

***Charles O'Donnell, Division President***

## **NEW SOUTH WALES DIVISION**

The past 12 months have been challenging and yet at the same time successful. At our recent Division AGM, the previous Division executive committee members all stood for office and were re-elected. Many thanks for this support. Sadly, we have been unable to attract new members and this remains a concern. The loss of older members and the recent closing of three branches has been an unfortunate downside. However, a positive is the new A.I.R. brochures and marketing material which are being used for membership promotion.

Attracting retired or those about to retire Baby Boomers is critical for our long term success, as is having good communications and an effective and informative web site. If we are to attract the newer generation tech savvy retirees, it is essential that we get our A.I.R. website up to a professional level. The website needs to be regularly updated.

Advocacy is the essence of our existence. The NSW Division and its Branches continue to be busy in direct discussions with senior Ministers and local MP's at both State and Federal levels. These meetings have been positive. Close connections at the local level are critical to help MP's clearly understand the reasons behind issues raised.

In the NSW Government 2014-15 Budget, it was agreed to pass on the full pensioner and senior card concession rebates in 2014-15 and absorb the loss resulting from "cost shifting" in the Federal Government's 2014-15 budget, in which the Commonwealth announced a number of changes that impact significantly on NSW finances. The state will make up the shortfall in 2014-15, but will re-assess the situation for 2015- 16 onwards. The NSW Government has

called on the Commonwealth to reinstate the \$450 million funding reduction to NSW concessions over the next 4 years. A.I.R. was a co-signatory of a letter to the Prime Minister from the NSW Government. The NSW Treasurer has indicated that he intends to seek a long term resolution of recently announced Commonwealth funding cuts.

The NSW Government's Whole of Government Ageing Strategy has been running for over 18 months and we are seeing targeted and innovative initiatives being rolled out. We have appreciated the opportunity to continue working with the NSW Government and to have input on this process. We are an important stakeholder in this initiative. The AIA Alliance with A.I.R., which gives all of our members the opportunity to attend investment presentations at a professional level and be informed of changing situations, has been well received.

***Robert Curley, Division President***

## **QUEENSLAND DIVISION**

At the 2014 AGM, the Division followed the example of the Board and reduced the size of the Executive by abolishing the Vice President position. This was done to streamline the Executive with the side benefit of reducing operating costs. Notwithstanding this action, the only submitted nomination received for Executive Officer positions by the closing date was for the Deputy President position. Fortunately, the Secretary and Treasurer positions were subsequently filled from the floor and therefore the demise of the Division was circumvented. The position of President remains vacant. The associated appointed positions of Division Representative to the Board and the Division Membership Officer were filled by formal nominations.

The outgoing Executive implemented many new initiatives over the previous two years, resulting in a strong and active Division. Eddie Childs (former President), Des Reppel (former Deputy President) and John Cox (former Vice President) deserve congratulations and recognition for their outstanding contributions. Jolyon Forsyth (former/ present Treasurer) and Paul Southgate (former Secretary and present Deputy President) completed the team. It is somewhat upsetting that members are not prepared to step up and formally nominate to work for and support their Division which lobbies hard for issues raised by Branches at State Government level.

The Division is coordinating a booth and member attendance at the October Mining 2014 Forum, where the National President will be a presenter. A number of Branches took part in recent Seniors Week events and promoted A.I.R. The next Division meeting will be in November and a major discussion item will be the issues for inclusion in the Pre-Budget Submission to be lodged with the State Government Treasurer.

A challenge will be to determine how to attract 'younger' members to take on office-bearer responsibilities — a problem not unique to Queensland Division.

***Paul Southgate, Deputy President***

## **BRANCH NEWS**

### **BRISBANE NORTH BRANCH**

The Dickson Seniors' Expo was held at Strathpine, just north of Brisbane, over two days on 11 -12 August 2014. The Expo is a large and popular event for the region. About 700 people attended on the first day and approximately 400 on the next. There were over 50 stalls, free sample bags, lucky door prizes, fashion parades and guest speakers.

Brisbane North Branch members staffed a stall and connected with visitors to the Expo. Our stall attracted a lot of visits from retirees and quite a few people thinking of retirement. Every visitor was told about A.I.R. and given promotional material. We managed to distribute over 250 promotional brochures, so let us hope that some of these translate to new members for either Brisbane North Branch or Moreton Bay Branch which also services the collection area.

A winner was that we had A.I.R. fridge magnets to hand out. These were a Queensland Division initiative and certainly proved extremely popular. In this way, we hope that the A.I.R. name will last much longer than all the brochures and booklets collected by the people. At a guess, we handed out about 300 magnets. Something else that attracted

people's attention was our new banner which was draped across the back of the stall. The banner's background colour is red with white lettering. It is difficult to miss. The predominant words on the banner are "Australians in Retirement". The number of people saying they identified with the slogan was really surprising. By pushing the Australians in Retirement message, it was obvious that people were much more willing to approach our stall than in previous years to inquire about our activities and discover what we could do for them.

Overall, I definitely feel that the Expo was a success for our Branch and A.I.R. as a whole. We worked hard to get the message across about what the Branch offers retirees and the activities we arrange. We hope to have recruited new members but one thing is definite - many more people now know about A.I.R.

**Col Harper, Branch Secretary**

## HOBART BRANCH



Cliff Iles (centre) and funeral company representatives.

A successful Retirement Expo, the first organised by the Hobart Branch, was held at Wrest Point Hotel on Thursday 16 October. More than 130 people viewed the 22 exhibits at the Expo.

Participants included Centrelink, share brokers, investment advisors, financial planners, solicitors, insurance brokers, private health insurers, estate planners, providers of pre- paid funerals, aged care providers, retirement villages (both residential and domiciliary), financial institutions and suppliers of mobility products (including mobility scooters & walking frames). Hearing tests were also available.

**Cliff Iles, President, Hobart Branch**

## WIMMERA BRANCH.



Dr Philip Nitschke  
Photo - Wimmera Mail Times

On 18 July, the Wimmera Branch conducted a public Forum which featured Dr Philip Nitschke from Exit International. Despite the local media providing minimal publicity, 130 to 140 people attended and the Forum went really well. Reports which followed on ABC Radio and in the "Wimmera Mail Times" have been very positive.

Prior to the Forum, a large number of A.I.R. brochures and an information sheet were distributed. Given the controversial subject, a number of members were opposed to the event and elected not to attend. However, it is anticipated that we will gain quite a few members as a result of the exposure that Wimmera A.I.R. received.

**Lyll Wheaton, Branch President**

## PERTH NORTHERN SUBURBS BRANCH

Five members of the Perth Northern Suburbs joined other members of the public on 19th September for morning tea with the Western Australian leader of the Labor Party, Mark McGowan, to discuss the recent cuts to seniors' concessions by the Federal and WA State Governments.

In the photo: Ron Davenport (former A.I.R. National Secretary) and A.I.R. member Kathy Nicolaou talk with Mark McGowan. Ken Travers, Member for the Perth North Metropolitan Region, is in the background.

**John Muller, Branch Secretary.**



## QUEENSLAND REGIONAL BRANCH

It is around 14 months since the A.I.R. - QRB program commenced and during that time the membership level has ranged between 34 and 124, with the latter number being the more constant figure. There have been three memberships cancelled or ceased by notification during that period. Time will prove whether others leave through attrition rather than notification. We expect that our membership of 124 will be considerably reduced by 31 October, and hence the nature of this report.

The Queensland Regional Branch is just a little different – it has a President, a Treasurer BMO, and the balance is largely made up of invisible members. There are no meetings, although I have met with some at one-off events, or casually. Basically, the reality is 124 people spread across Queensland who may never physically meet. Our members do not live near a branch, or their branch has closed, or they have personal reasons for not attending meetings. However, they want to stay with A.I.R. for what it is and what it offers via information, advocacy, representation and interchange. They have been well groomed by their previous branches!

\* Communication is by phone, internet/ email, special circulars or the monthly News Bulletin which has ranged between 4 and 8 pages (average 5-6). Regular items refer members to *AIRActive* and In Touch.

\* The News Bulletin for a “no meetings” branch needs to be like a conversation, an interaction, between the editor and each member. It must not be just information circular to a group. The transfer of A.I.R. information needs to be in a manner which relates to each member rather than just a general news release – it is a personal message to them. There are almost no other opportunities to converse!

\* We try to build confidence in members by remote control, to believe in, challenge, support, interact, and share the realities of being retirees in an Association like A.I.R.

So, as QDMC members, would you think that A.I.R. could assist you if you only received a news bulletin once a month? No meetings, no investment discussion group or other special interest groups, no personal contact other than phone or email? Our challenge is to try to make A.I.R. real, positive, fulfilling, interactive and inclusive to members who may never meet - but who place their faith and trust in us to be a strong group advocate for their needs, entitlements and retirement realities. Thanks for the challenge!

***Barry Schache, President, Queensland Regional Branch.***

## **A SPECIAL EVENT - RETIREES/SENIORS FORUM IN PERTH**

A.I.R. in Perth held its breath as it launched a Retirees/Seniors Forum in late July 2014. It was a risk. We had invested heavily in money, manpower, and media contacts, had flown people across Australia, selected an outstanding group of speakers and had booked an excellent venue. We worked hard in visual & audio performance with a highly efficient behind-the-scenes group. Welcome packs for visitors featured the company’s latest promotional brochures. Val Carter donated a weekend at her 28 Apollo Quays, Mandurah resort as a door prize. We thank Val for her generosity.

The organising team was Maurine Crook, Margaret Walsh, Brian Cooper, and Darrell Govan, supported by Diane Blades and Larry Jones, with overview from Charles O’Donnell. Each played a very important part. The Forum was the vehicle to re - launch A.I.R. in W.A., with Max Barton (National President) and Dr Barry Ritchie (Deputy President) as our drawcards. Their visit attracted other quality speakers who gave their presentations free of charge.

The planning was excellent, allowing the confidence to launch a strong advertising campaign. A professional journalist prepared media articles and each Branch helped to flood community newspapers. A small article was placed in the main WA newspaper; Don Keene and other members spoke on radio; television stations interviewed Max Barton.

The Retirees/Seniors Forum was a huge success. The venue was booked out and 70 non-members attended. We were congratulated by our speakers and other people for the professional presentation.

Then the bonus was the following day when Max Barton, Barry Ritchie and Robert Curley (Director- Policy and Advocacy, who was in Perth on other A.I.R. business) attended the Perth Southern Districts Branch meeting. The Branch had an open house for all A.I.R. members.

They went to considerable trouble and expense to provide a venue for their members plus visitors to meet our 3 most Senior Directors in casual conversation and enjoy morning tea. Again, this was a great success.

What have we achieved by doing this? The gaining of new members, the retention of current members, the introduction of the 3 most senior A.I.R. Directors to our WA members, the building of relationships with the media, the development of strong relations with the WA Government and the considerable increase of our WA profile.

**Charles O'Donnell, Division President/Representative**

### **AN OVERVIEW OF A REPORT OF THE SEMINAR IN "THE VICTORIA PARK EXAMINER" - by Hamish Hastie**

Cost of living increases and changes to health care were major concerns for self-funded retirees as they voiced their concerns at a series of forums held last week. About 250 people attended the Association of Independent Retirees (A.I.R.) WA forums at the State Library and Carlisle Victoria Park bowling club. Guest speakers spoke about the impacts of the state and federal budgets, health care and superannuation.

Attendees voiced their concerns about the loss of concessions and attacks on self-funded retirees. Self-funded retiree Phillip Zeid, 92, has supported himself for more than 30 years and said he had noticed massive increases in cost of living expenses. 'Our incomes are more or less static, so any tax increases eat into it more than most other people,' he said. 'Once upon a time you could go down and get a cup of coffee for five pence. It's the same with a whole lot of other items; I'd never have dreamt that I would pay \$3 or \$4 for an avocado.' Mr Zeid said the government should recognise the role self-funded retirees played in reducing pressure on welfare and pension payments.

Self-funded retiree, Jeff Trew said moves to reduce concessions like the reduction of the private health insurance rebate showed it was an attack. 'There's this general approach to retirees that those concessions and benefits are going to be stripped away progressively. The majority of self-funded retirees are not wealthy people.'

A.I.R. Deputy President Dr Barry Ritchie said, 'People are saying retiree concessions have to be cut back and the country cannot afford retirement. Self-funded retirees are people who have worked all their lives and they've managed their funds so they can live in retirement without government support. The contribution that self-funded retirees make to the Government is about \$40 billion every year and that's about equal to the cost of aged care in Australia.' Dr Ritchie wanted the government to recognise the contribution self-funded retirees made and not apply heavier taxes on them.



Pat Billett, winner of a weekend at 28 Apollo Quays Mandurah WA., with Margaret Walsh (Committee)

## RETIREES/SENIORS FORUM, PERTH



Charles O'Donnell



Attendees at the WA seminar



Barry Ritchie



Dr Judy Edwards (former Member for Maylands) and Brian Cooper (Committee)



Geoff Rooke and Peter Kerr



Margaret Walsh (Committee) and Trevor Lovelle (CEO, Aged and Community Services, WA)



Ron Davenport (former National Secretary) asks a question.



John Venn - Australian Investors Association

## INFORMATION OF INTEREST

### TRANSITION TO RETIREMENT PENSIONS (TRP)

The concept of retirement has changed over the years for many Australians. In the past it was common to reach a certain age, retire completely and go on an age pension and/or cash out your superannuation. In more recent times the use of income streams in retirement has become more common, as more consumers have larger superannuation savings and can make the most of a concessional taxation environment. Employees are also looking for more flexibility when nearing retirement as other health and lifestyle factors become more important. These people may wish to cut back their hours or work part time instead of ceasing work completely.

A Transition to Retirement Pension (TRP) option allows members to draw an income from their superannuation if over preservation age and still working. A TRP operates like a normal 'Account Based Income Stream Pension' (ABP) where a minimum annual drawdown requirement applies. For those aged under 65 the minimum is currently 4% of the balance. However there is a maximum drawdown amount allowed each year of 10% and no commutations (lump sum withdrawals) are permitted. The maximum drawdown and lump sum restrictions are removed once the member permanently retires or reaches age 65.

From a Government Income Support point of view, the total amount is assessed under the assets test. Currently under the income test the amount drawn less a Deductible Amount (DA) which represents the member's capital, is assessed and added to any other assessable income. To determine the DA the pension purchase price is divided by the member's life expectancy. The DA stays fixed unless the abovementioned restrictions have been removed and commutations are made. ABPs and TRPs commenced from 1 January 2015 will be assessed under the deeming provisions.

With regard to taxation, any income received by superannuants who have reached age 60 is tax free just like they are from any 'taxed' super fund or income stream. For those aged 55 to 59, the taxed component within the pension payment is assessable income. However, a 15% offset applies. The amount of the taxable component within the pension payment is proportional to the taxable component within the member's accumulation fund. Any earnings generated in a TRP are tax free to the fund.

It is also worth noting that the member is not obliged to convert all of their superannuation benefit to a TRP. Other accumulation benefits can still be held by the member simultaneously. This is particularly important for continuing employer and/or personal contributions.

So if you are aged 55 to 64 years and are considering retirement but would prefer to ease into it rather than stop work completely, then a TRP might be an option to help make the transition smoother.

**Source: The National Information Centre on Retirement Investments Inc. (NICRI) [www.nicri.org.au](http://www.nicri.org.au)**

*The National Information Centre on Retirement Investments Inc. (NICRI) is a free, independent, confidential service that aims to improve the quality of investment information provided to individuals who are investing for retirement or facing redundancy. NICRI works at arms-length from both government and the finance industry to provide a completely unbiased source of information to the public. It does not give or imply financial advice. Funding for this consumer service is provided by the Australian Government.*

### A MESSAGE FROM ALZHEIMER'S AUSTRALIA

As you well know Alzheimer's Australia has a vision to create a dementia-friendly nation, a place where people living with dementia are supported to live a high quality of life with meaning, purpose and value. We have been proud to launch a video that will bring us closer to achieving this by encouraging communities to become dementia-aware, understand what it is like to live with dementia and most importantly, begin to reduce dementia stigma. In the video, we share the stories of Glenda, Keith and Graeme, who are living with dementia.

Here's a link to the video: <http://youtu.be/z15-0xZTng4>. I hope that you can help us spread the word and get as many people watching the video as possible. We would appreciate it if you could promote the video on your website, social media, and among your members and networks.

**Glenn Rees AM, Chief Executive Officer, Alzheimer's Australia**

## ONE CLICK eBUTTON

Coffs Harbour engineer Ian Kinny has revolutionised personal safety for Australians by developing the eButton, a world first in utilising Low Energy Bluetooth technology to initiate a smart phone help app. The eButton is a small and easy to operate device linked to an app on the user's smart phone. One click on the eButton sends a request for help via SMS to the user's selected "help" contacts. The SMS gives the location of the user with updates sent if the user moves.

Unlike other devices in the market, the eButton is specifically designed for the user to discreetly request assistance in times of need with just one click. There is no need to handle the phone and unlike other systems, the eButton does not rely on voice communications. The eButton benefits users in many situations, from the dangerous and threatening, through to the day-to-day escapism of long business meetings or awkward dates.

"You might be threatened, or it might be impractical or embarrassing to take your phone out of your bag, unlock it, and scroll through several screens to either call, SMS or initiate an app to request assistance," Mr Kinny, Director of AppAce Pty Ltd said. "People needing the eButton could include an elderly person living independently, a person walking to their car or using public transport, backpackers, or a teenager at a party needing to be collected by their parents but not wanting to initiate a call for risk of being ridiculed."

The eButtonApp, installed on a compatible Android smart phone, allows users to select any number of contacts they trust to assist as "help" contacts. The eButton works up to a 20m clear distance from the owner's phone,

Mr Kinny said the eButton would enhance personal safety across the nation. "There was a void in the market for a portable and personalised safety alert device," he said. "Essentially we wanted to create a 'peace of mind' button which would serve families as well as encourage good corporate social responsibility for businesses looking after their employees, including late night workers or those working in remote regions." The eButton costs \$29.95, with the corresponding eButtonApp priced at \$1.99. Current postage within Australia for the eButton is \$7.20. There are no ongoing charges.

For more information: [www.ebutton.com.au](http://www.ebutton.com.au) or contact Maree Butterworth, [maree@elevatepr.com.au](mailto:maree@elevatepr.com.au) / 07 3286 3333

**Article submitted by Cynthia Wagner, Sydney Hills District Branch**

### **IN TOUCH, NOVEMBER 2014**

Editor: Patsy Haywood, email [itchyfeet@bigpond.com](mailto:itchyfeet@bigpond.com)

Thanks are extended to Sue Shea (Registrar) for organising the mailing list and to Ken Rowan (Webmaster) for undertaking the bulk emails.

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[www.independentretirees.com](http://www.independentretirees.com)

**Disclaimer: (a) The Association of Independent Retirees (A.I.R.) Limited and the Board of Directors do not accept any liability for the results of any actions taken or not taken on the basis of information published for or on behalf of the Association, its organs and officers. (b) Articles contributed to this Newsletter and published as a service to members do not necessarily reflect the views or policy of this organisation. Articles are intended as opinions and items of debate only and should not be acted upon without expert advice.**

## **A.I.R. COMPANY ANNUAL GENERAL MEETING**

The following motions from the A.I.R. Board Proposing Changes to the A.I.R. Constitution (Special Resolution) and a General Business Notice of Motion item are to be considered at the 2014 Annual General Meeting. The Constitution may be changed only by a Special Resolution that requires a 75% majority of those entitled to vote. A normal simple majority is required for the General Business Notice of Motion.

### **PROPOSED CONSTITUTIONAL AMENDMENTS:**

Submitted by the Board; moved by Max Barton; seconded by Charles O'Donnell.

**Rationale: provided by the A.I.R. Board:** Members will be aware that substantial change to the A.I.R. Constitution was agreed at the 2013 Annual General Meeting. It has become evident since that time that further minor amendment is required to accommodate the practical implementation of the A.I.R. Members-at-Large membership category, also agreed to in 2013.

Following is the text of the clauses which it is proposed to change:

1.1 Definitions (New definition)

6.1 Membership Categories (Insertion of new clause 6.1.6)

9.1 Representatives at General Meetings of the Company (insertion of new sub-clause 9.1. (e))

Motion: That the current Constitution of the Association of Independent Retirees (A.I.R.) Limited be amended as proposed below to accommodate the practical implementation of the A.I.R. Members-at-Large membership category, effective from the close of the 2014 A.I.R. Annual General Meeting.

**1.1 Definitions:** Member-at-Large means any member included on a National Sub-Register administered and maintained by the National Office. (New definition)

### **6. Membership**

6.1 Membership Categories: Insert new Clause 6.1.6:

6.1.6 A Member-at-Large is a natural person who:

(a) Has been accepted by the Company for membership;

(b) Has paid all fees owing to the Company;

(c) Is a self-funded retiree;

(d) is included on a National Sub-Register administered and maintained by the National Office.

A Member-at-Large who ceases to be fully or partly self-funded may continue to be a member.

### **9. Delegates to General Meetings of the Company.**

Insert a new sub-clause 9.1(e):

9.1 Representatives at General Meetings of the Company

Members of the Company are represented at General meetings by the following members, who are known as the Delegates:

a) The Directors; and

b) A Delegate of each Branch; and/or

c) a proxy appointed by a Delegate other than a Director as his/her representative at any General meeting of the Company in accordance with the Act;

d) An Alternate Director appointed by a Delegate who is also a Director;

e) A Delegate of the National Members-at-Large Sub-Register.

### **10.9 Resolutions Proposed by Members through their Delegates**

Amend wording:

10.9.1 Resolutions for consideration at General Meetings of the Company submitted through a Branch, Division or the Board on behalf of a Member-at-Large.

**GENERAL BUSINESS** (of which 45 days' notice has been given in accordance with Clause 13.2(e))

**A.I.R. WEBSITE: Notice of Motion submitted by Southern Highlands Branch.** Moved by Charles Davies-Scourfield; seconded by Martin Flaxman. **Motion:** That the A.I.R. website be reviewed professionally with the objective of creating a resource that contains current material and is relevant, topical, user-friendly, informative, and professional in appearance for the benefit of both members, and non-members.

**Rationale: provided by Southern Highlands Branch**

The Southern Highlands branch believes that the AIR website urgently needs to be reviewed with an objective of making it relevant, more user-friendly, topical, informative and professional looking.

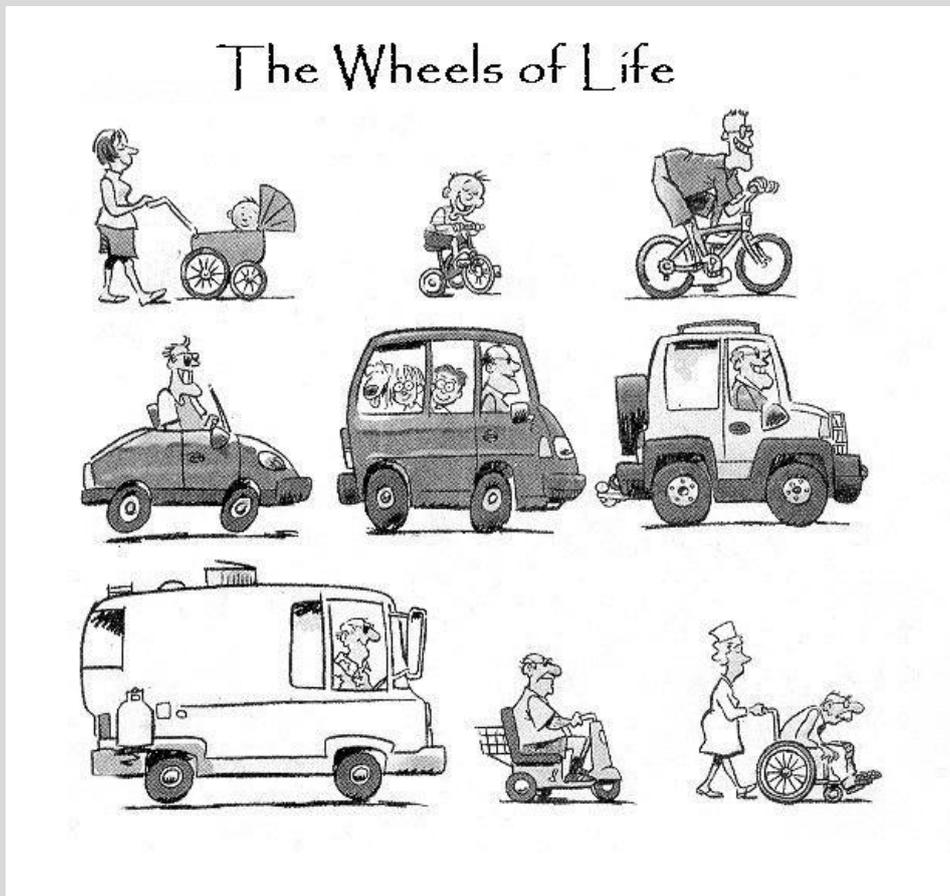
It is the principal source of information to both members and those who may be considering joining. As it stands, it is largely out-of-date and difficult to navigate.

We have undertaken a review by clicking on all the information presented (see attached). It is noteworthy that many of the pages contain no information at all, and many others have not been updated for some years.

We recommend having a professional renovate, or rebuild entirely, the A.I.R. website and ensuring that it is maintained in a relevant topical manner with regular updates.

**Additional Note:** Since the receipt of the above Notice of Motion, the newly formed IT Management Group is examining an upgrade of the website. Further details from the group will be available to the AGM at the time of discussing the Notice of Motion.

**Max R. BARTON, National President.**



(From My India.com. Submitted by Keith Ward, Swan Hill Branch)