



Hobart Branch

Newsletter

May / June 2009

General Meeting—19th June

Please note the earlier starting time of 10.00am as suggested by the members at the Member's Forum in April. The topic will be:-

'Australia's social security system: a social or demographic contract?'

The venue is still the Derwent Room at Wrest Point Hotel Casino



Dr Natalie Jackson is an Associate Professor (in Demography), located in the School of Sociology and Social Work, University of Tasmania. She gained her PhD from the Australian National University, and holds Bachelor and Master of Social Science degrees in demography and anthropology from the University of Waikato in New Zealand.

Natalie is a regularly invited presenter and keynote speaker at a broad range of government and industry conferences and seminars, and media commentator on related issues.

As an ageing baby boomer herself she says she has a vested interest in getting things right.

We still need people to fill vacancies for Secretary and Newsletter Editor!

Unfortunately, at the time of preparation of this Newsletter, we still do not have a Secretary or a Newsletter Editor.

This Newsletter has been prepared as an interim Newsletter and hopefully we can convey the important issues to the members until we have a more permanent

solution.

The Newsletter Editor's role is to prepare and assist with distribution of the bimonthly Newsletter.

The Secretary's role is to take Minutes, prepare Agendas and act on correspondence.

There is not a great deal of work involved in either position, and if anyone feels that they would like to assist, then please contact me, either via post, by email at air.hobart@gmail.com or by phone on 0418 121 814.

Geoff Dodge (President)

Meet your Committee

At the General meeting on 17th April 2009, a suggestion was made that the details of Committee members should be included in the Newsletter. In view of that suggestion, the names and positions of the Committee are listed as follows:-

President—Geoff Dodge

Immediate Past President—
Ashton Shirley

Vice President—Patrick Murray

Treasurer/Membership Officer—
Peter Comas

Other Committee Members are:-
Stan Purdue, Margaret Wilmot, The
Hon Ken Lowrie OBE OAM and
Cliff Iles AM

Members can be contacted by email
at air.hobart@gmail.com or by tele-
phone on 0418 121 814.

Subscriptions are due

Accounts for the Financial year
commencing on 1st July 2009 are
enclosed with this Newsletter.

We look forward to your renewal at the
earliest convenience.

Web and Email details

Our email address is — air.hobart@gmail.com

AIR National website is — www.independentretirees.com

Our website is — www.independentretirees.com.au/branches/hobart

Lunch in the Coffee Shop

Following the general meeting on Friday 19th June, members and guests are invited to attend an informal luncheon in the Wrest Point Coffee Shop. The price is discounted to \$21.50 per

head for a group of 20 or more, and the meal is great value. If you would like to attend please book with Committee Member Mr. Stan Purdue, whose phone number is 6234 6159 and email address is

thelstan@netspace.net.au

Bookings are required by 12th June. It is essential that you make a booking otherwise we will not be allocated sufficient places.

Do you want additional information by Email?

If you would like to receive information that is received by email and is not distributed in a hard copy form, send an email request to air.hobart@gmail.com, and your details will be added to our email mailing list.

Planning for 15th National Conference in Hobart is proceeding

The 15th National Conference will be held in Hobart next year and the Conference Committee has now met some 10 times and is meeting monthly.

The following has already been agreed to:-

Venue – Wrest Point Hotel Casino

Dates – From Monday 8th November 2010 to Thursday 11th November 2010

Theme – “Sailing Ahead - Hobart 2010”

Program – A very preliminary program has been adopted, and will not be finalised until the last half of this year depending on what the current issues are likely to be. We have identified a number of subjects that will form the basis of the speakers program. We would welcome any suggestions from members on subjects and speakers.

Government House Reception – We have requested a Reception at Government House and have been asked to re-submit our request later in the year, although the response we received was positive.

Flyer – We will have a small flyer printed shortly and this will be distributed to all Branches right across Australia.

Sponsors Prospectus – We have prepared a Prospectus for Sponsors and are currently in the process of making presentations to prospective Sponsors.

Sponsors – We have identified a number of potential sponsors. It would be appreciated if any members can provide details on any additional sponsors that may be interested in participating.

Any suggestions, comments or general feedback from our members are invited and should be referred to Geoff Dodge on 0418 121 814 or email at air.hobart@gmail.com

The following information has been received from our National Deputy President (Coleman O'Flaherty):-

1. Submission to Australia's Future Tax System Inquiry re Dividend Imputation

Many A.I.R. members have alerted the Board to current rumors that the Government Panel reviewing Australia's Future Tax System is addressing the question of whether there should be change to Dividend Imputation as applied to shares. What with the impact on retiree incomes and investments of the current financial crisis, there is fear in the hearts of many self-funded retirees re the additional negative effects on their incomes and assets that would result from withdrawing or reducing Dividend Imputation.

Introduced in 1987, Dividend Imputation is designed to avoid double taxation on dividends. Corporations obtain Franking Credits for the tax paid (notionally at 30%) on profits that they earn. To the extent that the corporations pay dividends from these profits, they can pass on the tax paid on these dividends as Franking Credits to their shareholders. Where the shareholders are individuals, they can use these Franking Credits to reduce the tax that they must pay on their personal incomes. If the shareholder is a Superannuation Fund, the fund (because of its special status) can claim back the tax paid from the ATO.

Many self-funded retirees are shareholders with equity investments in Australian corporations. In many instances, the investment strategies that they employed prior and since their retirement have been influenced by the availability of Dividend Imputation.

A.I.R. is opposed to any change to the current Dividend Imputation policy, as any direct or indirect increase in personal taxation that arises from a change to that system is likely to have a negative impact on the ability of self-funded retirees to maintain their lifestyles, maximise the use of their investments, and minimise the need for government welfare support in their retirement years. Accordingly, a supplementary submission has just been submitted to the Inquiry which recommends: *1. That no change be made to the current Dividend Imputation system; and 2. If Recommendation 1 is not accepted, and a change is proposed to the current Dividend Imputation system, that the opportunity for extensive discussion of any alternative model or models be provided to all stakeholders, especially self-funded retiree shareholders.*

2. Did you know that:

(i) Following the recent passing of a number of *Equal Treatment In Commonwealth Law* reform bills, same-sex partners are now eligible for their spouse's reversionary superannuation pension. (More information can be found on the web at www.comsuper.gov.au)

(ii) *Aurora Energy* offers Tasmanian holders of a Pensioner Concession Card an electricity discount of \$0.8543 per day, throughout the year. (Phone 1300 132 003 for more information)

(iii) The Commonwealth Government will provide: 1. Up to \$1600 toward the cost of installing *ceiling insulation* in owner-occupied homes with limited or no existing insulation (Phone 1800 508 571 for further information), and 2. A rebate of up to \$8,000 to households earning less than \$100,000 p.a. to instal new *Solar Panels*, and up to \$5,000 to extend an existing (less than 1000 watts) Solar Panel system. (Phone 1800 808 571 for more information)

(iv) As of 1 January 2009, reciprocal concessionary arrangements relating to the use of Public Transport (long advocated by A.I.R. for Seniors Card holders) have been agreed in all States and Territories, except Western Australia. So if you plan to travel to the Mainland at any time in the future, be sure and take your *Tasmanian Seniors Card* with you.

(v) The *Social Security and Veterans' Entitlement (Commonwealth Seniors Health Card) Bill 2009* has still not passed through the Senate. Subject to the passage of this legislation, the adjusted taxable income test for the Commonwealth Seniors Health Card (CSHC) will be extended on 1 July 2009 to include income from a superannuation income stream with a taxed source (including lump sum withdrawals) Consequently, some thousands of self-funded retirees will lose their access to their much-valued CSHCs, unless the bill is blocked or amended in the Senate. A.I.R. is taking every opportunity to talk to Senators about this (e.g. I have personally lobbied two Senators in the past six weeks). Can you help?