



Hobart Branch Newsletter

November / December 2008

Branch General Meeting.

Friday 19th December 2008

Derwent Room, Wrest Point Hotel Casino. Commencing at 10.30 am.



Guest Speaker:

Hon Duncan Kerr SC MP

The title of the address is:

“The Global financial situation V the Australian financial situation.”

(The address will be followed by the Annual Christmas luncheon.)

Annual Christmas Luncheon.

Friday 19th December 2008

Wellington Room, Wrest Point, Commencing at 12 noon.

Cost per person \$ 40.00

It is necessary to pre-book for this luncheon. Please post your cheque with the names of those attending to:-

“The Treasurer, AIR, PO Box 990 Sandy Bay Tas 7006” Not later than Monday 8th December 2008.

As Wrest Point requires firm numbers, AIR cannot accept late bookings.

Menu: Creamy sweet corn and chicken soup.

Roast turkey and baked Virginia ham with lemon and Thyme seasoning, spiced peaches and cranberry sauce.

Warm Christmas pudding with Vanilla ice cream, whipped Rum butter and Brandy sauce.

Freshly brewed Coffee, Tea, and Mince pies.

President Geoff Dodge's Report on the 2008 AIR National Conference.

I attended the AIR National Conference at the Events Centre, Caloundra, from 24th to 26th October 2008. There were some 250 members from all over Australia present, including 19 members from Tasmania. Both Margaret Wilmot and Cliff Iles from Hobart were also present.

The theme of the Conference was The Great Years Ahead, and there were some twelve speakers from outside AIR that addressed the Conference on varying subjects, including Global Warming, Global Financial Situation, to Qualification for Pensions.

At the Gala dinner on Saturday night, the announcement was made that Perth had won the Newsletter competition. However, an honorary mention was made for the Hobart Newsletter.

With the 2010 Conference being held in Hobart, it provided me with the opportunity to experience a National AIR Conference and I was most impressed.

We will have a lot of work to do to ensure that the standard is maintained, but with the support of the Committee, Wrest Point, the Tasmanian Convention Bureau and the natural beauties that Hobart and Tasmania have to offer we are off to a great start.

President's Report on National AGM.

Following the National Conference, the National AGM was held on 27th October 2008. Coleman O'Flaherty from Tasmania was elected as the National Deputy President.

Hobart's motion to amend the constitution to allow all ordinary members the opportunity to cast a postal vote on special resolutions to amend the constitution was defeated, primarily because it was not supported by the Board.

However, Hobart's motion to amend the constitution to require a special resolution to be passed by a 75% majority of the votes cast by those entitled to vote was carried. This brings the constitution into line with the Corporations Act.

The Moreton Bay Branch moved a motion that the proposed restructure of the National Board be adopted. Details of the proposed restructure can be read on pages M1 to M4 of the Spring Edition of the Independent Retiree Journal, which was sent to all members prior to the AGM. However the matter has been referred back to the Board for further consideration before being re-submitted to members.

Indexation of Superannuation pensions for retired Commonwealth public sector employees.

Senator the Hon Nick Sherry, Minister for Superannuation and Corporate Law, wrote to the editor on 29 August 2008 as follows:-

“ I can advise that on 26th June 2008, in my role in assisting the Minister for Finance and Deregulation, The Hon Lindsay Tanner MP, in relation to the superannuation arrangements for Australian Government civilian employees, I announced a review of the pension indexation arrangements in Australian Government civilian and military superannuation schemes. The review will consider and report on:

- Whether the purpose of indexation in these schemes meets the obligations of the Australian Government as an employer;
- Whether indexation of superannuation pensions by growth in the CPI, over a specified period, is an appropriate measure and/or whether there are more appropriate measures.

The review will be conducted by Mr Trevor Matthews. The review commenced in July and is expected to be concluded within the 2008 Calendar year. The AIR Board has made a submission to the review.

State Superannuants not covered by the Matthews Review into Indexation.



Senator Sherry, in his letter dated 29th August 2008 stated: "In respect of State public sector schemes, I note their operation is subject to legislative and other arrangements under State and

Territory law. Any amendments to the indexation arrangements of Australian Government superannuation pensions would not necessarily flow on to pensions paid from State superannuation schemes."

This means that the Tasmanian Division of AIR will have to lobby the Tasmanian Government to achieve a flow on of any changes to indexation of pensions granted to Commonwealth superannuants.

Review of Australian Taxation System.

The Treasurer announced in the 2008-09 Budget that the Government will conduct a comprehensive review of Australia's tax system. The review panel will provide a final report to the Treasurer by the end of 2009.

The review will encompass Australian Government and State taxes, except the GST, Among the issues to be considered will be the need for further enhancements to the tax and transfer system facing individuals, families and retirees.

One particular issue affecting public sector superannuants is the inequity of the current taxation treatment of additional non-superannuation income for members of defined benefits schemes (principally retired public sector employees) compared to the taxation treatment of additional non-superannuation income for members of a taxed scheme.

AIR Welcomes Assistance for Self Funded Retirees.

AIR welcomes the announcement of the Prime Minister, Treasurer and Minister for Families of a \$4.8 billion down payment to assist pensioners, seniors and carers. AIR President, Theresa Kot, welcomed the Government's inclusion of self-funded retirees eligible for the lump sum payment of \$1,400 to singles and \$2,100 to couples.

"Self-funded retirees are particularly affected by the current global financial situation due to their dependence upon income from savings or superannuation which are adversely impacted by the present market forces," Ms Kot said.

"It is apparent from the membership of our Association, that there will be a proportion of the self-funded retiree sector whose income will be affected to the point where they may need to move to a Govt. pension."

"We are most appreciative of the assistance being provided to eligible self-funded retirees at this time." Ms Kot said.

Eligibility for the lump sum payment to self-funded retirees.

Centrelink advises (on their website) that the eligibility criteria for \$1,400 for singles and \$2,100 for couples are as follows:

- Age Pensioners
- Disability Support Pensioners
- Carer Payment recipients
- Wife and Widow B Pensioners etc.
- Veteran's Affairs Service Pensioners
- Veterans' Income Support Supplement
- Veteran' Affairs Gold Card holders eligible for Seniors Concession Allowance
- Age pension age receiving Parenting Pay, Special Benefit, or Austudy.
- Self Funded Retirees holding a CSHC.

People who are receiving Carer Allowance will also receive \$1,000 for each eligible person in their care.

Do I qualify for a Commonwealth Seniors Health Card (CSHC)?

To qualify you must:

- Be an Australian resident, living in Australia.
- Not subject to a newly arrived residents waiting period.
- Have reached age pension age but do not qualify for Age Pension (or do not receive certain other Social Security/ Veterans Affairs pensions/benefits).
- Provide Centrelink with your and your partner's tax file number or be granted an exemption.
- Have an annual adjusted taxable income of-
 - Less than \$50,000 (singles)
 - \$80,000 (couples combined)
 - \$100,000 (couples combined who are separated due to ill health)
 - The limit is increased by \$639.60 for each dependent child.

Your adjusted taxable income is your taxable income plus certain other components outlined in the 2008/09 Budget. Minister Macklin has advised as follows: " From 1st July 2009, all income from a superannuation income stream with a taxed source will be included in the adjusted taxable income test for CSHC eligibility. Centrelink has Financial Information Service Officers who can provide further information."

To claim your CSHC you need to lodge a CSHC claim form with Centrelink. Couples can lodge their claims on one claim form. You will need to provide a minimum of 50 points of identity and proof of Australian residence, and proof of your income.

If you think that you may be eligible for a CSHC you should make an appointment to see a financial adviser at Centrelink.

Rose Garden Trip.

Following Gillian Groom's address at our October general meeting, 36 people travelled

to Woolmers Estate at Longford on 7th November to visit the National Rose Garden. Although the flowers were not in full bloom and it was a bit chilly, an enjoyable day was had by all.

Overdue Membership Subscriptions.

Membership subscriptions are now overdue. The fee is \$50 for a couple and \$35 single. Please post your subscription to "The Treasurer, PO Box 990 Sandy Bay 7006." Unfinancial memberships will be written-off at the end of December.

COTA Human Rights Week Event.

A public meeting to discuss the basic single pension and current pension and tax anomalies will be held at the Hobart Town Hall (Macquarie St. entrance) on Thursday 11th December commencing at 11am.

Vacancy for Branch Newsletter Editor.

The Branch President, Mr. Geoff Dodge, invites any member who may be interested in editing the Branch Newsletter to contact him on (03) 6273 2395 to discuss the duties involved. The retiring editor will assist the new editor to get started.

Newsletter Editor says farewell.

This is my final newsletter for AIR. I have edited the newsletter for almost 10 years, and it is time for me to hand over to a new editor with fresh ideas. The newsletter is a vital means of communication between the committee and the members of the Branch, and I trust that you will continue to enjoy reading future editions.

Ray Christie, retiring editor.

***Disclaimer:** A.I.R. Does not offer financial advice. The articles in this Newsletter are of a general nature for the information of members. A.I.R. does not accept responsibility for any errors or omissions. Members should seek financial advice from a licensed financial adviser where appropriate. A.I.R. is not associated in any way with any political party.*

Association of Independent Retirees (A.I.R.) Ltd. Hobart Branch. PO Box 990 Sandy Bay 7006.