

Independent

Retiree



Newsletter of the Association of Independent Retirees Ltd Port Macquarie Branch

February 2010

From The Chair:

I have been requested by Rod Lynch our State president, along with all other NSW branch presidents, to ask our members a question. **"Have any of you had any pathology done recently and have you been bulk billed for this?"** Some pathology laboratories apparently are not bulk billing CSHC holders, resulting in expensive services. If you have been charged, can you please let Don Bulgin know on 6581-0131 or by email to dhbulgin@bigpond.com. Also you can request your GP to refer you to a pathology laboratory that bulk bills. It will be interesting to learn which laboratories in our area bulk bill and those who don't.

It's Seniors Week next month, perhaps we should organise a branch get together; let me or any of the committee know your thoughts. Also our National Board is once again promoting "March for Membership" drive. Last year I encouraged you to bring along a friend to our March meeting, and like last year we will have a special afternoon tea. As always, looking forward to seeing you at our meeting on February 26th.

Cheers, Wendy

Committee Meeting: Wednesday, March 10, 2pm Port City Bowling Club. All members welcome.

Investment Meeting: Saturday, March 20, 2pm Port City Bowling Club. All members welcome.



TAFE Dinners: Our committee has managed to book two dinners at Port Macquarie TAFE on Wednesday, April 28 and Monday, September 20, both starting 6pm. Cost will be \$26 per person for a three-course meal. Bookings will be taken at our February meeting for the April dinner.

AIR on the Web: For members able to access the web you will find a lot of useful and interesting information on our AIR website. Go to www.independentretirees.com.au. Username is **airbranch** and password is **290405**. Worth taking a look.

ASIC Gets More Power: New legislation introduced in parliament this month will make ASIC responsible for the supervision of Australia's financial markets. The bill will remove the obligation on Australian market licensees to supervise their markets and will give ASIC additional powers, including the ability to make and enforce rules with respect to trading on such markets. Minister for Superannuation and Corporate Law, Chris Bowen, said the decision to transfer responsibility to ASIC was significant and would put Australian financial markets in good stead for the future. Under the bill the maximum penalty for a breach of a market integrity rule will be reduced to \$1 million for an individual or corporation, which is equivalent to the maximum the ASX (Australian Securities Exchange) can currently fine a market participant for a breach of an ASX rule. The maximum pecuniary penalty payable when entering an arrangement with ASIC to avoid civil proceedings has been lowered from 80% to 60% of the maximum the court can order as an encouragement for an arrangement to be made. Details on how the new regime will work are still being developed.

Tax Breaks for the Elderly: We keep getting leaks from the Henry Review on taxation which was completed in December but has yet to be made public. The latest, from Treasury chief Ken Henry, who headed the inquiry, predicts possible tax breaks to encourage older people to remain in the workforce, or return to work. Speaking at the

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Australasian Teachers Association conference in Sydney last month Henry said older people generally demanded a lot more from government than younger Australians, especially in health and aged services. He said the tax system would, over time, “need to generate revenues to meet substantially large fiscal costs”. In other words the government will need more money which means more tax.

Retirement Gap Increases

The superannuation industry’s peak lobby group, the Investment and Financial Services Association (IFSA), has repeated its call for the Federal government to raise the compulsory superannuation contribution guarantee to 12% to avoid Australia’s predicted \$695 billion retirement gap. IFSA chief executive John Brogden has also called on the government to implement other initiatives, including tax concessions. Otherwise much of the shortfall would have to be funded out of future government revenue, he said. The Henry Review has also found the current 9% super contribution to be inadequate. The IFSA figures do not take into account the impact of the financial crises in 2008 and 2009 had on super balances and only covers adults earning between \$30,000 and \$120,000 per year. The IFSA report, based on the principle that all will seek to become self funded retirees, claims a current shortfall of \$73,000 per person. The government is also obviously concerned that retirement income will not meet needs and that more and more people will become dependent on a pension.

Treasurer Wayne Swan this month forecast means testing of the Medicare rebate for private hospital insurance but has not nominated the cut-off point. Can we expect some nasties in this year’s budget? This would be the obvious time to dump some on us, given that the government would be fairly confident of being returned at this year’s election. In another four years the gap may have closed.

We could learn a lot from crayons... Some are sharp, some are pretty and some are dull. Some have weird names, and all are different colours, but they all have to live together in the one box.

Solar Power

The NSW Government will consider strengthening its solar tariff scheme to close a loophole that allows energy companies to withhold cash payments from people with rooftop panels who generate power in excess of their own use. The tariff, introduced on January 1, is designed to pay households and small businesses 60 cents per kilowatt for the renewable energy they produce. But some power companies have said they will credit bills rather than send a quarterly cheque. The office of Energy Minister John Robertson has answered complaints by stating energy retailers must be made to pay households for the power they generate as a condition of their operating licences.

The government would not hesitate to introduce regulations to ensure consumers were protected, the spokesperson said. Meanwhile the Property Council of Australia is campaigning for the tariff to be extended to medium and large businesses.

Dodgy. Have you noticed how some cereal packets and some washing powders have shrunk in size but not in price or how airline credit card surcharges have gone sky-high? They have not escaped the watchful eye of Choice Magazine which has come out with its latest “Shonky” awards. Gongs were handed out to the Tiffany FP 807 food processor that couldn’t even shred cheese and to a leading cosmetic company, L’Oreal, for its dodgy marketing claims for its Elvive shampoo, conditioner and serum. Qantas was given a Shonky for its \$7.70 credit card surcharge per passenger for domestic flights. Uncle Tobys was noted for reducing the size of its Oat Crisp Honey cereal packets by 14% but keeping its outer packet almost identical in size. Uncle Tobys claims to have reduced the recommended retail price by 6% to keep the product “affordable” but Choice

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claims the unit cost per 100 grams actually rose by 10%. Two liquid chicken stocks by Aldi and Massell got the Shonky award for being made of flavours instead of animal products and being reconstituted from stock powders just like the much cheaper stock cube alternative. Other 2009 Shonky award winners were: Reegan Micro Plug for claiming to reduce power bills by 30% ("it doesn't" says Choice); Tel Pacific prepaid phone cards for high hidden fees and charges; Credit protection insurance for, in many cases, not being worth the paper it's written on.

Chickens are the only animals you eat before they are born and after they are dead.

Submissions Wanted

The Federal government has called for submissions to its Financial Sector Legislation Amendment Bill 2010 recently released for public debate. The new legislation seeks to strengthen the Australian Prudential Regulation Authority's (APRA) ability to supervise the financial sector and is in line with similar moves overseas, including the UK and the US. The bill includes procedures to boost APRA's capacity to investigate risks faced by institutions in order to promote financial stability, force compliance and remedy any breaches that may occur. The aim is to protect deposits in banks, building societies, credit unions and eligible general insurer policyholders. The government is keen to receive suggestions that will both improve the regulatory framework and reduce the costs involved. Submissions may be lodged by facsimile, post or electronically up to the closing date of March 16.

Hope for Parkinson's Sufferers

Deep brain stimulation, introduced into Australia in 1994, is now being performed on about 150 people a year, most of whom have Parkinson's disease or epilepsy. It is also gaining acceptance for patients with major depression and Tourette's syndrome. A 10 centimetre probe (two in some cases) is inserted deep into the brain then connected to battery packs embedded under the skin in the chest. The packs, similar to pacemakers, send electrical signals to the brain 24 hours a day, reducing tremors and rigidity. It works well for patients who have responded well to medication in the past but is only suitable for 10 to 15 percent of the 50,000 Australians with Parkinson's. The surgery can only be performed once but doctors believe it can be effective for up to 10 years. Neurologist Dr Paul Silberstein from the Sydney Parkinson's Disease and Movement Disorder surgery unit said it was not a cure and not for everyone but could give people consistency of movement throughout the day.

"Do not worry about avoiding temptation. As you grow older it will avoid you." — Joey Adams, US comedian and author.

Inquiries Galore

The Federal Parliamentary Joint Committee on Corporations and Financial Services (Ripoll Inquiry) has delivered its 246 page report but has failed to reach a conclusion on the debate about eliminating commissions from the Australian financial planning industry. Minister for Financial Services, Chris Bowen, has noted the dissatisfaction expressed by some sections of the industry but went on to say the Ripoll findings would be considered in tandem with the outcome of the Cooper Review into superannuation, expected in March or April this year. The Ripoll Inquiry has recommended the removal of commissions on the basis "that the government consult with and support the industry in developing the most appropriate mechanism by which to cease payment from product manufacturers to financial advisers". Submissions to the Ripoll Inquiry made clear there was universal agreement about the need for good advice but also showed there was disagreement over what actually constituted advice. Will anything come of all these inquiries or will they be filed away in the too hard basket?

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F.A.S.T.

How do you know if someone is having a stroke? Think F.A.S.T. is the advice from the Stroke Foundation.

F. Check the face. Has their mouth dropped?

A. Can they raise both arms?

S. Is their speech slurred? Do they understand you?

T. Time is critical. If you see any of these signs call 000 now!

Visit www.strokefoundation.com.au for a short demonstration of how stroke signs may appear.

ATO Targets Wealthy

The ATO aims to gather more taxpayers into its new wealth category for the financial year 2009/2010 by identifying \$5 million in net assets as the level at which an individual is considered wealthy – a big drop from the previous \$30 million. Falling into the wealth category does not automatically mean you could face an ATO risk review or audit, but it does make it more likely, according to accountant Peter Bembrick. A lifestyle not supported by apparent after tax income or complex structures and transactions which could be used to minimise tax were likely triggers, he said. Bembrick said taxpayers still don't realise just how much data the ATO can access from other sources, such as financial institutions, which makes it easy to see if a taxpayer is withholding information. Computer matching makes the exercise automatic and easy to perform. Insufficient information, especially if it looks as if the taxpayer is purposely holding back, would inevitably lead to a full review or audit, he said. The ATO is also targeting a number of areas for all taxpayers, such as offshore earnings and employee share schemes.

Meanwhile the ATO is expected to provide additional statutory concessions to Self Managed Super Fund trustees in regard to compliance with in-house assets. For instance, it would overlook a situation where an asset of the fund earmarked for sale could not be sold by the due date, provided the trustees could prove they had taken every reasonable step to sell the asset and implement the divestment strategy. The in-house asset rules dictate assets identified as in-house must not exceed 5% of the total asset value of the SMSE.

*"I am ready to meet my Maker. Whether my Maker is prepared for the ordeal of meeting me is another matter."
— Winston Churchill.*

Digital TV

The Federal Government, in a media release from the Minister for Broadband Communications and the Digital Economy, Senator Stephen Conroy, has guaranteed to implement a satellite service to provide digital television to viewers in blackspot areas. The satellite service would provide regional viewers with access to local news currently broadcast in their TV licence area via a dedicated local news channel, he said. Under an agreement reached with all TV broadcasters across Australia, broadcasters will upgrade more than 100 existing regional analog self-help transmission facilities to operate in digital. The measures are part of the ongoing switchover to digital only TV and are guaranteed to be in place before analog services are switched off in each regional broadcast licence area. For more information go to: www.digitalready.gov.au.

Dr Daniel Mestric

B.A., M.Aud., M.AudSA (CCP) CCC.A

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Good Vision in a Downpour

Driving in a downpour can be a major problem, even with the wipers turned on high. Here's a tip: Next time you are driving in heavy rain – put on your sunglasses. I have been reliably informed your vision through the sunglasses is perfectly clear, as if there is no rain. Not sure why this is so but give it a try next time it rains.

Trains & Buses

Member for Port Macquarie Peter Besseling acted quickly when our branch pointed out the lack of conformity between passenger trains stopping at Wauchope station and buses between Wauchope and Port Macquarie (see December Newsletter). Mr Besseling has written to Transport Minister David Campbell seeking a review of Countrylink bus services between Port Macquarie and Wauchope. We await the result with interest.

The Eyes Have It

Eyes are known as the windows to the soul but researchers now say they could also be the peepholes to heart, brain and kidneys. Scientists at the Australian Centre for Eye Research believe blood vessels in the retina at the back of the eye may reflect changes in blood vessels in other parts of the body. If confirmed this could mean optometrists and ophthalmologists playing a major role in diagnosing the risk of potentially fatal health problems. A project funded by the MBF Foundation showed retinal vessels could be photographed then analysed by computer to accurately determine a patient's risk of a future heart attack or stroke. Coronary care director at Prince of Wales Hospital Dr Nigel Jepson said the research could have a significant impact on the way doctors assessed the risk of heart disease. Retinal arteries were the only arteries in the body that could be viewed directly without invasive surgery or expensive CT scans and ultrasounds, he said. Early build-up of plaque and cholesterol in the retina could be an early indication of the risk of heart disease, Dr Jepson said.



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A New Year Resolution: Keep learning – learn more about computers, crafts, gardening, whatever. Never let the brain idle.

Aussie Funds Rank Higher

Australian super funds are now fifth in global rankings, according to a Towers Watson study of pensions throughout the world. The funds' assets rose by around 9% or \$90 billion to \$1,115 billion in 2009 taking Australian pension assets from sixth to fifth spot in global rankings of the largest pension markets in the world. The US, Japan, the UK and Canada take the top four spots. The survey found that on average pension assets grew by 16% in 2009, compared with an 11% fall in 2008. In Australia the ratio of super pension assets to gross domestic product has risen from 67% 10 years ago to around 93% in 2009, the survey found. However Towers Watson warned that while the global financial crisis was a huge wake-up call, problems of poor systemic design in the industry points to increased likelihood of further periods of financial distress in the future. They said they feared Australia would have another tough decade in the pension and investment world unless major issues were addressed by both companies and government.

Time for a Laugh



An elderly white haired man walked into a jewellery store one Friday evening with a beautiful young blonde at his side. He told the jeweller he was looking for a special ring for his girlfriend. The jeweller looked through his stock and brought out a \$5000 ring. The old man said: “No, I’d like to see something more special.” So the jeweller went to his special stock and brought out another ring. “Here’s a stunning ring but it costs \$40,000,” he said. The young lady’s eyes sparkled and her whole body trembled with excitement. The old man, seeing her reaction, said, “We’ll take it.” The jeweller asked how payment would be made and the old man stated, “By cheque. I know you need to make sure my cheque clears so I’ll write it now. You can call the bank on Monday to verify the funds and I’ll pick the ring up on Monday afternoon.” On Monday morning the jeweller phoned the old man and said, “Sir, I’m sorry to tell you this but your bank said there’s no money in that account.”

“I know,” said the old man, “but let me tell you about my weekend,”

Not all Seniors are Senile!

Useless Information: The month of February 2010 has four Mondays, Tuesdays, Wednesdays, Thursdays, Fridays, Saturdays and four Sundays. This only happens every 11 years.

THE ASSOCIATION OF INDEPENDENT RETIREES – PORT MACQUARIE BRANCH
Minutes of General Meeting held on Friday 29th January 2010 at the Senior Citizens Centre

Meeting commenced 2.10pm with President Wendy in the chair.

Members present: 58 – **Visitors:** 2 – **Apologies:** 3.

Minutes: Previous minutes were taken as read. Moved – J Loerch. Seconded – J Mason. CARRIED.

Business arising: Nil.

CORRESPONDENCE

- Inwards:**
- News for Seniors
 - Independent Retiree journals
 - Group Link Gossip
 - Art and Craft Gallery Laurieton Mall – invitation
 - RTA: Plan for the Pacific Highway
 - Peter Besseling: message
 - Mike Pearce: now guest speaker July 2010
- Outwards:**
- Jane Flood: thank you for instruction on defibrillator machine
 - John Joyce: confirmation as guest speaker for May
 - Veronica Coope: confirmation as guest speaker for March
 - Nick Sandeman-Allen: guest speaker for February (to be confirmed)
 - Pat Frances: thank you for being guest speaker last October
 - Garry Payne: thank you for being guest speaker last November

Electronic Mail:

- AIR Secretariat: branch history required by 28.02.10 – Draft minutes of DMC meeting – Branch quarterly report required – Independent Retiree magazine costing – APN Publications: – comment on branch newsletters – AIR Active November – AIR Active December – AIR board meeting lack of understanding of centralised fee collection – COTA Rap
- Health & Aging Committee: feedback requested on change in bulk billing by Pathology providers
- NSW President: branches asked to conduct membership recruitment
- Cooper Super System Review draft submission: comments to Barry Ritchie by 10th February
- AIR Active January
- National Conference Launceston: information

Moved that the correspondence be accepted – S Trant-Fischer. Seconded – A Mason. CARRIED.

Business arising from Correspondence: Nil

REPORTS:

Treasurer's Report: Wendy moved that her report which shows a balance of \$6,389.75 be accepted. Seconded – J. Loerch. CARRIED.

Membership Officer: Ian reported a current membership of 195 which is 18 fewer than last year. Members are asked to advise any changes to personal details, ie change of address and/or phone numbers.

A discussion was held regarding a membership drive to be held during Seniors Week or other suitable occasion.

GENERAL BUSINESS:

- 1) Don Bulgin gave an update on the position with Donovan Oates Hannaford.
- 2) TAFE Dinner: a booking has been made for Wednesday, 28th April. Cost - \$26.00. Numbers limited to 40. A further booking has been made for 20th September.
- 3) A letter has been received from Garry Payne replying to questions asked at the November meeting. Full details are in January newsletter.
- 4) Independent Retiree magazine: In reply to the survey requested approximately half the membership present felt there was no value in receiving the magazine. No one was prepared to pay the proposed cost of \$10 per annum to have the magazine home-delivered. Information relevant to AIR is available through the website and our newsletter and members felt there was very little else of interest in the magazine.
- 5) Wendy advised that there are several interesting articles on the website relating to the ATO and SMSF. She gave details on how to access the 'Members Only' section of the website. The web address is: www.independentretirees.com.au. User name: **airbranch**. Password – **290405**.
- 6) Joan Loerch expressed her thanks to Don Bulgin for his help in meeting and looking after our guest speakers each month.

Meeting closed at 2.45pm.

Raffles were won by Lucinda Croft and Sue Clifford.

Following afternoon tea, the meeting was addressed by John Tingle, who spoke of his time as a media presenter and a member of parliament. He also stressed the importance for men to have annual test for prostate cancer.