



From The Chair:

Hello Everyone,

It's getting towards the end of another year; Christmas is almost upon us. Just a little reminder to get in early and put your names down for our Christmas party as numbers are limited.


A thank you to Christine for following up members to renew their membership, and thank you to those members who have renewed following Christine's call.


And now some 'Words of Wisdom from David Ogilvy –

"Develop your eccentricities while you're young; that way when you get old, people won't think you're going gaga."


Cheers, Wendy

Committee Meeting: Wednesday, November 11, 2pm, Port City Bowling Club. All members welcome.


 **Investment Meeting:** Saturday, November 21, 2pm, Port City Bowling Club. All members welcome.


 **Xmas Party:** Our Christmas party will be held Monday, December 7, at Port Macquarie Golf Club at 12 noon for 12.30pm. Cost to members \$20 head. Lunch will be traditional Christmas fare but special diets will be available on request. Final bookings will be taken at our October meeting so bring your money with you!

New Seniors Supplement

 A new increased seniors' supplement will be introduced on December 20 and will replace the telephone and seniors' concession allowance. The new supplement will be \$785.20 a year for singles and \$1,185.60 a year for couples. The first instalment of the new supplement will be made as soon as possible after December 20 and from then on will be paid in quarterly instalments. To qualify you need to have the Commonwealth Seniors Health Card.

Pension Increases

 From September 20 the age pension for a single person rose a total of \$65 a fortnight and for couples (combined) \$20.28. Retirees with a part pension will receive a partial increase, with the minimum increase for singles set at \$20.20. The age pension is now indexed according to living costs with a new higher benchmark to average wages, showing a higher inflation rate than the CPI. Also from September 20 the old concessions, including the GST allowance, phone, utilities and pharmaceutical allowances, will be grouped into one pension supplement and paid fortnightly with the pension. This new supplement will show an increase of \$5.33 to \$56.26 a fortnight for singles and for couples will increase by \$20.73 to \$84.60 per fortnight. The supplement will be indexed to the CPI.

 Centrelink will, however, be revaluing financial assets such as shares and managed funds, which is likely to trim the increases for some part-pensioners. Also from September 20 a higher income test rate kicked in with the pension dropping by 50 cents (from 40 cents) for every dollar earned outside the pension.

Most importantly the assets test limits have risen by \$64,000 for singles and \$36,500 for couples:

- Single homeowner \$626,000, up from \$562,000.
- Single non-homeowner \$755,000, up from \$691,000.
- Couple homeowner (combined) \$928,000, up from \$891,500.
- Couple non-homeowner (combined) \$1,057,000, up from \$1,020,500.

Guest Speaker this month

Patrick Frances
Chairman Hastings Macleay
Health Participation Forum

Friday October 30th at 2pm

Senior Citizens Centre
Munster Street, Port Macquarie

November

Guest speaker will be

Garry Payne
Council Administrator

Friday November 27th at 2pm

- One partner eligible home-owner, \$928,000, up from \$891,500.
- One partner eligible, non-homeowner \$1,057,000, up from \$1,020,500.

If you think you might be eligible for a part pension contact Centrelink – you will find them very helpful.

New Aged Care Projects

A \$20million aged care facility has been approved for Port Macquarie. The 110 bed project, planned by UnitingCare Ageing North Coast Region, will offer a combination of high care (nursing home) and low care (hostel) beds on land near the Uniting Church on Sherwood Road. There will also be a dementia respite day care facility to provide a break for carers. The facility is expected to open in the second quarter of 2011.

Meanwhile a dementia day care centre is expected to open mid 2010. The \$1.6 million development on land in Greenmeadows Drive will be funded by the federal and state governments and operated by the Hastings District Respite Centre. It will provide welcome relief for carers.

Dementia Time Bomb

These two important projects come at a time when the area's ageing population climbs higher than any other region in the state. The Port Macquarie electorate also has the highest number of dementia cases in NSW, a frightening statistic expected to grow by a massive 330% by 2050 to more than 6000.

But there is hope for the future with the recent discovery of three genes which increase the risk of developing Alzheimer's disease. The genes were found using new technologies that allow scientists to compare the complete DNA sequences of people with and without the disease. The discovery has been hailed as a major advance that will improve understanding of how the debilitating condition develops and could lead to new ways to diagnose and treat. Dr Corinne Lendon, a member of one of two international teams that identified the genes, said Alzheimer's was caused by an interaction of environmental factors with genes. People could reduce their risk of developing it by adopting a healthy lifestyle, including regular exercise and good diet, she said.

A babysitter is a teenager acting like an adult while the adults are out acting like teenagers.

Respite and Care Centres

Information about government funded aged care services is available on 1800 052 222 (free call). Find out what type of aged care services are available in your area, how to get care while at home, what help is available for carers and, importantly, the costs of living in an aged care home. A decision to move into aged care invites a multitude of questions, most of which will be answered by contacting the freecall number.



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Henry Review

The Financial Planning Association (FPA) has criticised a number of recommendations to come out of the Henry tax review due in December, claiming four proposals are of serious concern to its members and their clients. The association says it has concerns about the review panel's recommendation to leave the super guarantee at 9% and fears the modelling and projections used in the report may have underestimated what is truly adequate to finance a person's retirement. It also says the report appears to avoid making recommendations to improve voluntary savings. In its second submission to the Henry Review the association says the decision to lift pension age to 67 was a source of significant anxiety for

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members and their clients. The FPA has also raised concerns about the panel's preference for a sizable government role regarding insurance in retirement. Rather the panel should focus its efforts on assisting the robust private insurance industry to do its job by addressing the complicated legal regime applied to product development, the association said.

UK Pension Rule

Australians who once worked in Britain could see their pensions rise. Britain's Department of Work and Pensions remits more than the equivalent of \$823 million each year in payments to 248,000 Australia based pensioners whose pensions are "frozen" and not increased in line with inflation. Now Britain's long standing policy of penalising pensioners, who made mandatory contributions to the National Insurance Fund then retired to Australia and other countries, is being tested at a hearing at the European Court of Human Rights in Strasbourg. Previous legal action has failed. Australia is one of few countries offering assistance to expat Britons no longer able to survive on their frozen pensions. Proviso is you must have been resident in Australia for 10 years.

Super Funds Turn to Shares

Although Australia's \$326 billion self managed super funds have been holding onto cash in recent times there are signs they are starting to increase their exposure to the Australian sharemarket. About 410,000 Australians now use SMSFs for their retirement savings, making up 32% of the nation's \$1.1 trillion super kitty. Peter Burgess of Kingston Capital said while that was a good thing in general, shares being a growth product, SMSF owners should be aware there might be some tax implications in moving back to shares. While there was zero tax to pay while the fund was in pension mode there was nothing to say that at some point the fund might not slip back into accumulation mode and the 15% tax rate switched back on. He said any carried forward capital losses could be handy if the fund had to pay lump sum death benefit. At the moment the tax office holds the view that when you die, even if you are in the pension phase, the tax exempt status of the pension ceases on the date of death. Any capital losses accrued when the fund moved out of equities when the sharemarket took a hit could be used to reduce any capital gains the fund might incur in having to sell assets to pay a death benefit, Burgess said.

The SMSF industry is growing by around 2,000 funds each month, making it the fastest growing sector in financial planning and wealth management.

If you lend someone \$20 and never see that person again – it was probably worth it.

Go Solar

Federal and State government rebates of up to \$4000 are available for replacement of your old electric hot water system with solar or heat pump hot water (providing you haven't used up the \$1600 grant for ceiling insulation – you can't have both). Water heating is the largest single source of greenhouse gas emissions from the average Australian home, accounting for about 28% of home energy use. Installation of a climate friendly hot water system is estimated to save a family as much as \$700 a year on their energy bill. There are several reputable government approved solar and heat pump providers in our area who will install the new system and organise the paperwork. Some offer a payment plan over a couple of years. It's worth checking out.

PORT MACQUARIE BRANCH of the ASSOCIATION of INDEPENDENT RETIREES LTD
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Super Scams

The Australian Securities and Investments Commission has warned against super scam operators who prey on people in financial strife as a result of the economic downturn by offering illegal early release schemes at exorbitant fees. The promoters often claim people can establish a self managed super fund to pay down debt or make a purchase which is not true. ASIC has warned that unsuspecting people risk fines and even gaol by going into these schemes. The Association of Superannuation Funds of Australia said many superannuants do not realise they can arrange access to their funds free of charge under certain circumstances. These include people who have received welfare benefits continuously for at least 26 weeks and are unable to meet day-to-day living expenses; people who need to pay for medical treatment for a life threatening illness, acute or chronic pain, severe disability or palliative care, and people who need to meet mortgage repayments if their lender is threatening to sell.

SMSF Trustees Happy

A recent survey of self managed super fund trustees by Trends/AMP Capital has found two thirds are pleased they made the decision to set up their own fund in the wake of the global downturn. These findings coincide with the release of new Australian Prudential Regulation Authority statistics which show another strong net establishment rate for SMSFs over the last financial quarter of 5,815 funds. Forty per cent of the 1,623 trustees who took part in the survey reported positive returns for the 12 months to May 2009.

ADULT: A person who has stopped growing at both ends and is now growing in the middle.

Big Brother

A new income management system currently being looked at by the Federal Government would see welfare spending controlled by the issue of Eftpos style cards which would allow the purchase of only nominated products such as food, clothing and household goods. Welfare Rights Centre director Maree O'Halloran said although reform of the welfare system was needed, the changes proposed had "an underlying darker side". The plan, she said, could see a loss of personal autonomy for everyone on Centrelink payments. No decision has been made but the government is exploring how to use technology to streamline the system and have a greater say in how people spend their welfare money. Human Services Minister Chris Bowen has confirmed government interest in using barcode technology. Watch this one!

Message on a leaflet: If you cannot read, this leaflet will tell you how to get lessons.

Dr Daniel Mestic
B.A., M.Aud., M.AudSA (CCP) CCC.A
Clinical Audiologist

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Beware Shonky Traders

State Fair Trading Minister Virginia Judge has warned elderly people to beware of door-to-door tradesmen offering low quotes for jobs such as garden weeding and tree lopping. Once the work is finished they demand significantly higher amounts of money. The Department of Fair Trading received 146 complaints about dodgy door-to-door traders in the 2008-2009 financial year. While most of the incidents have occurred in Sydney's south-west there have been reports of similar scams in our area including offers of cheap driveway tar and gravel work. In this case the so-called tradesmen offer a cheap job saying they have material left over from another job in the same district. Accept and what you get is usually a cheap job which doesn't last. Ms Judge said anyone approached by door-to-door tradesmen should ask for references and compare prices before committing to any work. People should use local tradespeople who have a good reputation and compare prices before agreeing to a deal, she said. By

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law there is a five business day cooling off period for work costing more than \$100 and traders cannot demand any money for work carried out in that period.

Perks of getting old: Things you buy now won't wear out.

Investor Confidence Up

Investor confidence in the markets has moved into positive territory, according to a survey by the Investment and Financial Services Association (IFSA). Around a third of those surveyed were looking to top up existing investments while one in four were inclined to purchase or invest in a new product. Satisfaction levels with existing investments almost doubled from 7.8 points

to 13.6 points. Australian shares garnered most of investor optimism. Australians, it seems, have spent their way out of financial trouble, with Australia the only one of 30 OECD countries to avoid a technical recession. There is no doubt, however, that retirees, and especially self funded retirees, have been hardest hit by the economic downturn. While low interest rates are great if you have a mortgage they are painful when you need that interest to live on.

Stress Relief

Potentially fatal heart attacks caused by stress may be averted in future thanks to a discovery by research at the University of Newcastle, where scientists have found a way to stop the brain sending stress signals that raise the heart rate and cause cardiac arrhythmias. Dr Eugene Nalivaiko said researchers used serotonin-1A agonist drugs to suppress stress signals which travel from the brain to the spinal cord and from there to the heart. The signals can cause cardiac arrhythmias resulting in cardiac arrest and sudden death.

Christmas Gala Concert



Independent Member for Port Macquarie, Peter Besseling, has a limited number of tickets to the Premier's Christmas Gala Concerts for seniors to be held at 10.30am and 2.30pm December 9 at the Sydney Entertainment Centre. If you want to attend a concert, it is first served and only available to those seniors who can definitely be in Sydney on the day. Contact the electorate office on 6584-0977 for details and to apply for tickets.

Time for a laugh



An Irishwoman of advanced age visited her physician to ask his advice in reviving her husband's libido. "What about trying Viagra?" asked the doctor. "Not a chance," she said. "He won't even take an aspirin." "Not a problem," replied the doctor. "Give him an Irish Viagra. Just drop the Viagra tablet into his coffee, he won't even taste it. Give it a try and give me a call in a week to let me know how it goes."

A week later when she called the doctor he inquired about her progress. The poor dear exclaimed, "Oh, faith, bejaysus and begorrah! T'was horrid...just terrible, doctor." "Really? What happened?" he asked. "Well, I did as you advised and slipped it in his coffee and the effect was almost immediate. He jumped straight up, with a twinkle in his eye and with his pants a-bulging fiercely! With one swoop of his arm he sent me cups and tablecloth flying, ripped me clothes to tatters and took me then and there passionately on the tabletop! It was a nightmare, I tell you, an absolute nightmare!" "Why so terrible?" asked the doctor. "Do you mean the sex wasn't good?"

"Oh begorrah, t'was the best sex I've had in 25 years! But sure as I'm sitting here, I'll never be able to show me face in McDonalds again!"

Useless Information: A cow can give nearly 200,000 glasses of milk in her lifetime.

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