



SUPER NEWS

Canterbury / Westland Branch
November 2022

Government Superannuitants' Assn., Canterbury / Westland Branch
129 Marshland Road, Shirley, Christchurch 8061

CURRENT DIRECTORY

Branch Secretary-Treasurer
 Janine Lynn 03 942 7338 Email cantywest@gsa.org.nz Toll Free 0800 888 472

Chairperson Maurice Sinclair 03 322 8649

Vice Chairperson Gavin Stuart 0274391155

Committee

Bernie Rose 03 313 1569

Alister Ferguson 03 960 6209

Colin Keen 03 347 0655

Dick Kitto 0211627899

Ken Wheeler 03 313 9015

Ron Creighton 03 389 9710

Walker Trust Convenor Janine Lynn

Walker Trust Social Convenor Bernie Rose

District Liaison Members

Ashburton: Vacant

Greymouth: Vacant

Hokitika: Anne Kelly 03 755 6383

Westport: Norman Crawshaw 03 789 8866

Chairman's Report, October 2022.

Covid seems to be no longer a talking-point but the great majority of GSA members are older people to whom Covid-19 is still a threat, and many will be living where restrictions are necessarily still in place. My wife and I are lucky in not having had Covid-19 yet (or not aware we have had it) and we don't need it for the first time. Surveys show that the effects of 2nd, 3rd or multiple Covid-19 infections can be increasingly severe so I am very happy to not have had a first infection even though it is considered that vaccination plus a dose of Covid-19 provides the greatest immunity to further infections.

Your committee of Canterbury/Westland Branch of GSA met members in Rangiora in August. A cool, sunny afternoon suggested it was nearly Spring and the mood at the meeting was most-pleasant, light-hearted and chatty but with some important questions, one of which is discussed below.

This newsletter traditionally covers the annual GSA Council meeting in Wellington, and the nearly-traditional delegates, Gavin Stuart and Maurice Sinclair were to head north for the first weekend in September but at the last minute I had to pull-out because of a family matter, leaving Gavin to lead a delegation of one! I thank Gavin for taking that responsibility and filling the space so well. This year's Council covered some business from the 2021 Council which was cancelled after repeated attempts to find a date when enough delegates could attend or accommodation was available at short notice. I see from the Council papers that GSA membership dropped 6.25% over the last year to 31st March 2022. Prior to the last increase in subscriptions, the annual loss of GSA members was a factor in discussions, and this latest annual loss is right at the top end of what was expected, suggesting that GSA finances will not be in quite as good shape as anticipated over coming years.

It is with regret that I learned of the death of Frank Lucas, our volunteer contact person for Greymouth. Frank was in Greymouth and he had a strong desire to keep his finger on the pulse of our membership.

Cost of living calculation by Datacom.

At the Rangiora meeting, an interesting question arose about Datacom's calculation of how the previous year's cost-of-living will increase the coming year's annuity pay-out. In March, Datacom sends a sheet of paper out to each annuitant, giving the change in the Consumer Price Index (CPI) over the previous year and what difference that will make to payments. Datacom shows a calculation on the back of the paper and that calculation uses the same starting point each year: the Basic Allowance, which is the annuity paid in the first year of retirement. The questioner asked about how there can be a fair calculation when the *same* figure is used at the start of the calculation each year yet our annuities must rise to keep up with inflation.

I told the meeting that Datacom's calculation does work out OK but I knew I couldn't tell a convincing story without plenty of time and some numbers to play with so I promised to include it in the next newsletter. With the deadline fast approaching (tomorrow) I am thinking that was a rash promise! Anyway, I'll have a try. If your eyes glaze over at the thought of arithmetic, just go to the two sentences at the end!

There are two ways to do the calculation. You and I would do a simple inflation adjustment by adding this year's increase to last year's annuity. Datacom does the calculation differently, by using the same Basic Allowance each year but compounding the total of cost of living changes and applying that to the Basic Allowance, year after year since the first payment after retiring. Let's see how it works.

My question: *"Is Datacom's calculation fair for my 2022 annual retiring allowance?"*

I will use my own case as an example, (secondary teacher, contributing for 34 years, retiring in 2007), and I will use 2021 and 2022 Datacom sheets for my information.

On the back of the sheets is this information which I will refer to later:

13th March 2021

	\$
Basic allowance	25967.96
Cost of living increase (29.83%)	<u>7746.25</u>
2021 annual retiring allowance	<u>33714.21</u>

11th March 2022

Basic allowance	25967.96
Cost of living increase (37.56%)	<u>9753.57</u>
2022 annual retiring allowance	<u>35721.53</u>

The cost of living increase shown above for the 2021 calculation is 29.83%. This is the compounded total of all cost-of-living increases since I retired, up to the beginning of 2021. The CPI change for the year ended 31 December 2021 (and used as the cost-of-living change) for our 2022 calculation, was 5.95% (shown on the front of the 2022 Datacom sheet.) If we add 5.95% to the 2021 cost of living increase of 29.83%, we get 35.78 % but the figure above for 2022 says 37.56%. Why? Because the 2021 figure has now been compounded then the new figure added.

So, let's do that.

Cost of living total increase to 2021 = 29.83%. Because inflation has now dropped its value by 5.95% over the year, we have to restore its value by adding 5.95% of 29.83%, (= 1.77) making it 31.60%. Now we have restored its value, we have to add 5.95 % to bring the cost-of-living total up to what it should be for 2022, making the total now 37.55%. You will see 37.56% amongst the numbers from Datacom's sheet, above, for 2022. The difference between my 37.55 and Datacom's 37.56 will be due to me using only two decimal places. Datacom and I agree so far.

Datacom is saying that each year, the Basic Allowance should be brought up to that year's value, by compounding all the years of CPI increases up to that time. Datacom and I agree on the value of cost-of-

living increases, therefore I agree that \$9753.57 should be added to my Basic Allowance of \$25967.96 to adjust for inflation since I retired in 2007, making my 'annual retiring allowance' (= my annuity) for 2022 up to \$35721.53.

My question asked was "Is Datacom's calculation fair ?" We still have one further check. Let's do the calculation by the simple method we always use for such percentage increases: just increase last year's income by this year's percentage. From Datacom information above, my 2021 income figure was \$33714.21. Add 5.95% of that, (\$2005.99) = \$35720.20. Datacom, above says \$35721.53. Again, the tiny difference will be through me using only two decimal places.

**Is Datacom being fair by using the same Basic Allowance in each year's calculation? YES.
Is it a strange way of doing the calculation? YES!**

Maurice Sinclair,
2-10- 2022.

BRANCH MEETINGS are held on the 4th Tuesday of every month except December, at the Papanui RSA, 55 Bellvue Avenue, Papanui, commencing 1.30 pm. Members are welcome to attend, however we would ask you to please ph Janine (942-7338) and let her know that you would like to attend, so that we can cater for afternoon tea.



Liaison Personnel - Urgently required for:
Ashburton & Greymouth
Call Janine (03) 942-7339 for details

Some notes from the Council meeting, 3rd and 4th September.

Council 2022 began at the very civilised time of 11am. The real reason was to allow almost all delegates time to travel on Saturday morning, saving the cost of accommodation on the Friday night. Meeting opened with the Welcome, Credentials, Meeting Protocols.

Apologies were accepted which included Maurice Sinclair and Peter Gooding from our Branch.

Guest Speaker: Simon Tyler, CEO of the Government Superannuation Fund Authority, said he was very pleased to have assisted in growing the fund to \$5 Billion and to have achieved this in very difficult world conditions. He said that the current annual pay-out to Government Superannuitants is around \$920 million, He did not know how much the Government receives from the fund's profit and taxes to assist with paying our annuities.

Board Election

President: Tony Hamilton, Northland.
 Vice President: Alan Straker, Marlborough. (Both Tony and Alan were unopposed)
 Members: Alan Peck, Wellington.
 Sandra Gusscott, Auckland.
 Anne Gover, Southland.
 Michael Law, Waikato/King Country.
 John Beckham, Southland.

The Constitution and rules were all passed with no voting against any parts. This business was carried-over from 2021. Most of the constitutional changes were to allow Council delegates to attend electronically if they were unable to attend in person. Two Branches were badly compromised in 2020 when their delegates could not travel.

The second day started with a remit from Hawkes Bay Branch which suggested that instead of the Board having 5 members elected for a single-year term, 6 members be elected for a two-year term with three retired each year. This would ensure a continuation of experience.

The proposer explained the benefits but a speaker from the current Board convinced the majority of delegates that there had never been a situation where business could not be continued because of inexperience. The speaker added, "If it is not broken don't try and fix it." whereupon the motion was lost. (The Canterbury/Westland Committee discussed the motion prior to Council and saw merit in the Hawkes Bay proposal.)

Second Guest Speaker: Greg O'Connor - The new Deputy Speaker of The House - ex Police.

The cost-of-living issue continues. (Although we note that the select committee recommendation for the Government to fix the problem has been ignored in two budgets.)

There is no talk around Parliament to make any changes to the Government Super scheme.

He made the point that it was important that we, as an organization, exist to represent our members and "that we are here". He also said that generally Politicians are good people trying to run our country and keep Law and Order, provide Welfare, Medical Services, Education and opportunity for Industry to expand as well as assisting the Elderly and retired to live with some dignity.

Question time, Greg was asked about the statement on our Datacom letter, that our annual allowance was tax free when, in reality, it is tax paid.

- He did not know much about this and Tony Hamilton (President GSA) attempted to give him some background on the tax reduction issue.

In general discussion, the spouse's entitlement caused some concern when it was mentioned that a widow in the Canterbury/Westland Branch advised that she received less than half of her husband's annuity. (This might be because of an age difference and we are awaiting further information).

Conference arrangements were all made by Gabe Pang (GSA Executive Officer), his wife Ginny, and Hannah, (Office Manager). Tony congratulated them on their organization and assistance with the 2022 Council, thanked Delegates and Life Members for their attendance and wished all a safe return home.

Kind Regards,
Gavin Stuart.

Visits To Our Sub Branches

The Canterbury Westland GSA Branch committee members' travel to our Sub Branches in Ashburton, Rangiora and the West Coast on a rotating 3 year cycle, to meet with our members.

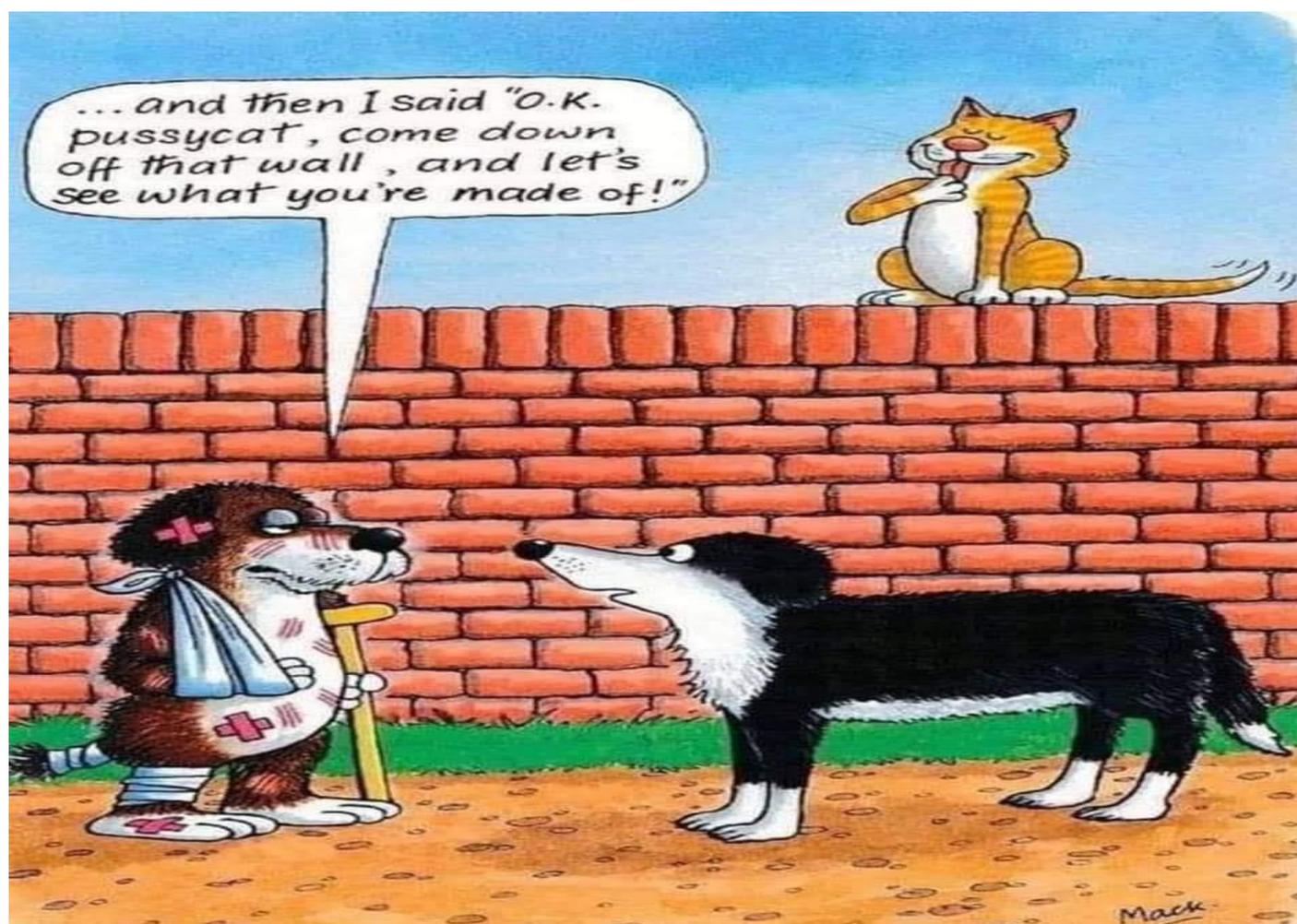
We travelled to Rangiora for a Meeting in August, 2022, which was very successful with 50+ members attending. We plan to travel to the West Coast in 2023 and hold a meeting in Greymouth.

We to travel to Ashburton in 2024.

A separate Newsletter will be sent to our members in the West Coast catchment area, advising them of the dates, venue and times approximately 3 weeks prior to the Meeting.

However, if anyone has any questions, issues etc that they wish to discuss, please feel free to call Janine on 0800 888 472, or email cantywest@gsa.org.nz

Janine Lynn
Secretary/Treasurer





When you move it is vitally important that you inform ---

Both your Local Branch **AND** The Government Superannuation Fund.
OR The National Provident Fund.

Canterbury / Westland Branch
Govt. Superannuitants Assoc.
129 Marshland Road
Christchurch 8061
Toll Free 0800 888 472

Government Superannuation Fund
PO Box 3614
WELLINGTON 6140
Toll Free 0800 654 731

National Provident Fund
PO Box 1036
WELLINGTON 6140
Toll Free 0800 628 776

When members change addresses, we sometimes lose track of them. Datacom has the addresses of all annuitants, but they are not allowed to give us any change of address information, as this would breach privacy rules. Currently, we have lost track of the members listed below.



LOST MEMBERS

Mrs Eileen Chisholm
Mr Richard Clough
Ms Valerie Congdon
Mrs Isobel Holden
Mrs Zylde Geal
Mrs Jean Gould
Mrs Helen Hogan
Mr William Ironside
Mrs Jessie Keown-Begg
Mr Victor Lloyd
Mrs Joan Lundy
Mr Brian Mabin
Ms E Leonie O'Rourke
Mr David Pringle
Mr Peter Reynolds
Mr Clifford Taylor
Ms Robyn Walker
Mrs Teresa West
Mr Murray Wildbore

Last known address

V13A/60 Browns Road, St Albans
1014 Two Chain Road, Rangiora
2/23 Westmont Street, Ilam
28 Erin Crescent, Mairehau
17 Rugby Street, St. Albans
20A Wentworth Street, Ilam
11 Wyn Street, Hoon Hay
520 South Eyre Road, Kaiapoi
463 Ilam Road, Bryndwr
14 Staveley Street, Avonhead
38A Torrens Road, Hillmorton
104 Hamilton Ave, Ilam
68A Somerfield Street, Somerfield
50 Quinns Road, Shirley
15 Severn Street, St Albans
278 West Belt, Rangiora
33 Raxworthy Street, Ilam
1/14 Mansfield Ave, St Albans
24 Te Rito Street, Marshland

CAN YOU HELP: Please phone Janine Lynn at 942-7338 or 0800

A Big "Thank You" to those members who are able to help me locate our 'missing members' every 6 months. Your calls are greatly appreciated.

THE JOYS OF SHARING, LIVING, AND GIVING, ARE FOUND IN FRIENDS.

HAPPY BIRTHDAY

Have you reached the age of 79? If you have, we will post you a Birthday Card, or we can visit you, on all your following birthdays. All that is required, is for you to telephone Janine (03 9427338 or 0800 888 472) with your date of birth and telephone number.



We are one of the few branches that carry out this small gesture to our older members, and have noted that we have a lot of birthdates missing from the database and we wish to have this updated. If you are 80 years plus and did not receive a card or a visit, please call Janine on 03 942-7338.

WALKER TRUST REPORT

Our “team of visitors” have been working hard again this year, visiting those on our list of over 80’s on, or close to their birthdays. These visits have been greatly appreciated, going from the thank you cards, notes and telephone calls we receive.

We are looking for members who can assist with visiting members on their birthday, in the following areas:

- Cass Bay / Governors Bay
- Ashburton Area
- Lincoln / Rolleston
- Sumner / Richmond Hill / Ferrymead
- Bromley / Woolston
- Greymouth

This is a very rewarding task that does not take up much of your time. We would love to hear from you – Call Janine on (03 942-7338) for further information.

ARE YOU LIVING IN A DE FACTO RELATIONSHIP? In New Zealand a de facto relationship, *if you have lived together for at least*

three years, has the same status as a married couple.

At the time of your annuitant partner’s death Datacom will require evidence of your relationship. Therefore, it is important that you have the following:

- 1 Joint bank account
- 2 Rates account in both names
- 3 Power/telephone account in both names
- 4 A legal document stating when your relationship commenced

Ensure you have the above now, don’t leave it until ‘tomorrow’

CHRISTMAS BUFFET LUNCH**CHRISTMAS BUFFET LUNCHEON MENU****Main:**

Roast Beef and Yorkshire Pudding
 Roast Chicken
 Gourmet Potatoes
 Minted Peas
 Carrots
 Salad

Dessert:

Fresh Fruit Salad
 Pavlova
 Mini Xmas Pudding
 Christmas Cake with Tea/Coffee

CHRISTMAS BUFFET LUNCHEON**Tuesday 6 December 2022****12 Noon – Bar Opens at 11 am****Papanui RSA – 55 Bellvue Avenue, Papanui**

You are welcome to bring a friend.

RAFFLE TICKETS WILL BE ON SALE 5 tickets = \$5

Cost after subsidy, per person \$28.00, and must be made to our account as below,

Our A/c is ANZ 11 7800 0989568 00. Please ensure you use your surname as the Reference.

Please make payment, then complete and return this section by **FRIDAY 25 NOVEMBER 2022**

I/We intend to be present at the Christmas Luncheon. Cost \$28 per person

Number attending _____ Paid Internet Banking \$ _____

Please Print:

Name: First _____ Surname: _____

Partner: First _____ Surname: _____

Friend: First _____ Surname: _____

Phone No: _____

Ex Department: _____

This tear-off must be sent by due date, as there will definitely be no door sales.

Parking has been a minor problem in the past, and we recommend that if possible, consider using the bus, or orbiter.