

Annuity News

October 2018 No. 98

G	government
S	superannuitants
A	association

Founded in 1920



Featuring

News about your Association and what we are up to, as well as many other useful snippets

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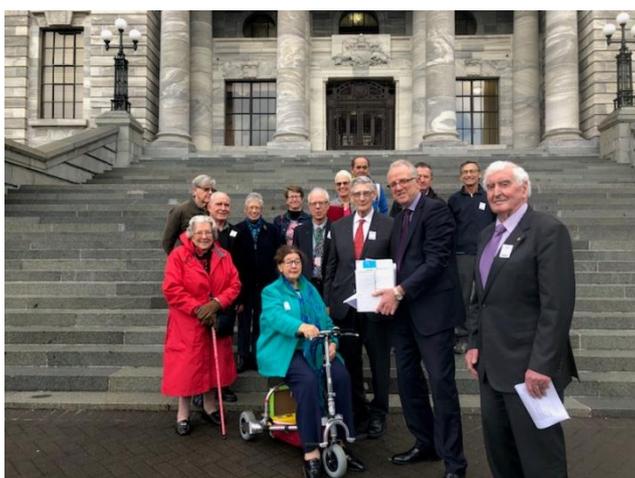


PETITION: COST OF LIVING ADJUSTMENT GOVERNMENT SUPERANNUATION SCHEME: PRE-1985 RETIREES

Janice Campbell, President, presented the GSA petition on behalf of 3783 signatories to Greg O'Connor on 3 July, requesting:

"That the House of Representatives pass legislation amending the Government Superannuation Fund Act 1956 to ensure all Government Superannuation Fund and National Provident Fund annuitants are treated consistently with regard to the annual cost of living adjustments being based on 100% indexation of the Consumers price Index, as was the objective of the Government Superannuation Fund Amendment Bill 2008."

The photo below records the official handing over of petition sheets to Greg O'Connor.



Unlike the previous Government the current Government has actively demonstrated a willingness to engage with GSA. Minister of Finance, Grant Robertson, met with the President, Vice President and Board representatives Bill Robertson and Dallas Elvy on 21 June to discuss a range of matters, in particular the 100% CoLA issue. This was followed by a meeting with the Chair of the Finance and Expenditure Committee prior to the petition in readiness for the petition to be presented to Parliament. The petition was read in Parliament on 3 July and has been referred to the Finance and Expenditure Select Committee.

Board representatives will have the opportunity to speak to the GSA submission accompanying the petition, when it is addressed by the Select Committee. A date for this has yet to be advised.



Council 2018

Your governing body meets

The first weekend in September was the Annual Council meeting. It was a busy and lively weekend involving delegates from all branches, a few observers, and some Life Members.

Council received the annual report from the Board with discussion focusing on the changing nature of the Association necessitated by expected continued reduction in membership numbers. Branch support to members and Branch activities are at the heart of the organisation. Since the 2017 Council meeting the Board had acted on the "Futures Paper" reported in last October's Annuity News. A discussion paper was circulated to Branches in early March for feedback on a number of key issues to address to ensure a strong and sustainable organisation into the future. The Board will continue to progress this work, giving particular attention to financial management strategies and recruitment, alongside ensuring strong advocacy on behalf of members as issues arise.

Following the substantial advocacy cases in 2017 (and Association wins on behalf of members) there have been no new cases in the past year. Improved communications with Government are very encouraging. The Association does not currently have a representative on the Government Superannuation Fund Appeals Board. However effective channels of communication have been established with the Chair. This will facilitate consultation, where appropriate, for any member who may be lodging an appeal.

Two guest speakers gave presentations to Council. On Saturday 1 September Greg O'Connor MP for Ohariu spoke to delegates about superannuation and the important issues of fairness to the aging population, and the need for the concerns of older members of the community to be better understood. He also spoke of the Association's petition to Parliament, which was presented to him on 3 July for introduction to Parliament. He undertook to follow up on progress. The second guest speaker was Cecilia Tarrant, Chair of the Government Superannuation Fund Authority Board. Cecilia's presentation provided information on the organisation and functions of the GSFA and who is involved, together with the performance of investment funds.

The Association is very grateful to both speakers for their time in the midst of busy lives and responsibilities.

Next year's Council meeting has been scheduled for 7-8 September 2019.



Life member Awards 2018

At its meeting in September, Council awarded Life Membership to two members. The award is given to members who have contributed meritorious service to the GSA. This service may include participation at the national level, such as membership of the Board, attendance at Council, or other centrally convened meetings, however, it can also recognise excellent service provided at the local branch level. Nominations are received from branches each year and are assessed by the Board Honours Committee before being presented to Council.



John Fitzgerald received his Life Membership for his considerable contribution to the Waikato King Country Branch since 2007 and his contribution nationally. He was Deputy Branch Chair, Chair and committee member for nine years. He has been recognised for his knowledge, wisdom, commitment and contribution.



Janice Campbell was recognised for her contribution firstly to the GSA Wellington Branch committee from 2008 and subsequently her time on the Board. Janice served as Vice President for four years and then as President for three years. She was recognised for her sustained personal commitment and contribution.

From the President



Dear members

During the last few weeks I have been considering what I would say in my first letter as the GSA President.

What had not occurred to me prior to putting my name forward for election to this position was that, as a result of becoming President, there would be substantially more opportunity to chat with members. This has been, already, something I have appreciated and enjoyed immensely (visiting Mangonui, Hamilton and Rotorua) and has led to considerable discussion on matters that interest / concern individual members. I undertake to find out as much as possible about such matters and report back. One example is the question of how the various branches of government treat our annuity when 'income' is assessed for some sort of 'entitlement' purpose. These decisions are out of our hands, but it would be useful to share with you the 'how' and 'why' such past decisions were made, if we are able to establish that.

So, there I am thinking about writing this piece and talking to others who, of course, are going through the exact same process as they develop their Branch Newsletter. I want to deeply and sincerely thank all those involved in that process, from the many volunteers throughout the country, to the paid staff / contractors in Branches, and to our wonderful employed staff in the Wellington National Office. This organisation has operated for nearly 100 years; most of that time thanks to the dedication of our volunteers, more recently with the addition of people paid to supplement that work.

I mention this at length because I ask all members to consider how a careless misplaced word or two can impact on our ability to recruit / retain volunteers and staff. I am sure no-one has any intention to deliberately upset staff or volunteers. Our staff and volunteers do a fantastic job, often under great pressure. Without all these wonderful people the organisation cannot function. If members / committees have a concern re operation of the organisation which may relate to any of these people please raise it through the proper channels i.e. Branch officials, the employer, Board member or myself.

I have deliberately not given any detail about the Council meeting as you will find that elsewhere in the Annuity News and in your Branch Newsletters, plus you may have attended branch report back meetings.

By the time you read this Board subcommittees will have workplans in place and the work will be well under way. There really is a fairly short window of time to fulfil requirements. Board sign off on plans is required by early July in preparation for the 2019 Council meeting (7-8 September).

I do want to thank the Council for electing me President. I sincerely thank Bryan Whisker for making himself available for the position by putting his name forward so an election was required. People will have heard me propound the principles of democracy. I will work hard to live up to the trust that has been placed with me.

There is so much more I could write about: lapsed members, recruiting / retaining members, supporting encouraging members at branch level, the CoLA petition (sincere thanks to all those who have been involved in the work on this. We are particularly fortunate to have the wisdom, knowledge and experience of Bill Robertson).

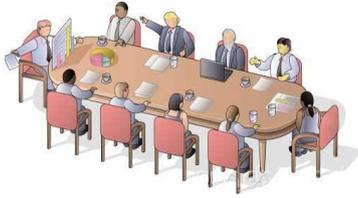
Lastly, I wish to acknowledge outgoing President Janice Campbell. It was a privilege to be able to present her with a Life Member Award during the Council meeting.

All the best with your end of year functions, enjoy the holiday period with your friends and family.

Regards



Tony Hamilton, President



The GSA Board Changing of the guard

Board elections are held at Annual Council. This year we saw both President, Janice Campbell, and our Vice President, Bryan Whisker, leaving the Board. The Board to see the Association through to Council 2019 looks like this:

President: Tony Hamilton (Northland)

Vice President: pending

Elected Board Members: Dallas Elvy (Wellington), Bill Robertson (Wellington), Mike Smith, (Wellington), Alan Straker (Marlborough), Marjorie Thomas (Hawkes Bay).

Appointed Member: Rob Brangwin (Hawkes Bay).

Board members are represented on the following Board sub-committees: Branch Support & Liaison (convened by Alan Straker), Employment (convened by Bill Robertson), Finance (convened by Dallas Elvy), Futures (convened by Tony Hamilton), Honours (convened by Tony Hamilton), Membership (convened by Rob Brangwin) and Risk and Audit (convened by Bill Robertson).

Current Board priorities

Since September's Council meeting the Board has met to agree priorities for the year ahead, guided by Council discussions and by the current cycle of Board work. Key priorities for the coming year are:

- preparation for appearance at the Finance and Expenditure Committee to speak to the 100% COLA petition (refer front page) and submission accompanying the petition. For your information the submission is available on the GSA website for member reference. A date for attendance at Select Committee has yet to be notified. Your Branch secretary will be advised as soon as we have more information;
- strategic planning in readiness to present an updated GSA Strategic Plan to the 2019 Council meeting;
- ensuring member issues and priorities are known and addressed;
- continuing the recruitment strategy to encourage remaining contributors to the Government Superannuation Fund to join the Association;
- continuation of futures planning to ensure an effective and viable organisation able to effectively represent member interests as member numbers continue to reduce;
- review of Association financial management nationally informed by GSA strategic direction and operational efficiency and effectiveness.

The Government Superannuation Fund Authority

Refer <http://www.gsfa.govt.nz/> if you are interested keep an eye on the GSFA website, as well as other information available on the site. The Authority's annual report will be available very soon. The "2017-18 Statement of Performance Expectations", which outlines GSFA Board's responsibility and accountability to Government can be found at www.gsfa.govt.nz/publications/performance-expectations, or email them for a paper copy. At June 2018 there were 3,518 continuing contributors to the scheme (pre-annuitants) and 44,884 annuitants.

Last month all Government Superannuation Fund contributors and annuitants received a letter from the Authority Chair providing a summary of Board priorities and Fund performance. Pre-annuitants also received information on the calculation of retirement allowances. We encourage anyone thinking about their retirement timing and financial options to contact Datacom for calculation of allowances and options to assist your planning.

The Association continues to maintain a constructive relationship with the GSFA. The President and Vice President met with the GSFA Board in July, which provided an opportunity to meet the new members of this Board and to reinforce issues of concern.



Are you prepared?

There is no time like now to do the personal planning we put off until another day. If you don't have them already, request the following documents from your Branch Secretary:

"Retirement and Your Annuity": a guide for members, your spouse/annuity partner, and relatives. This booklet provides comprehensive information to assist your financial and estate planning.

"Personal data" booklet: provides a template for you to record important information for your own reference and which may need to be known urgently by others during your absence from home if you are ill or die.



Do you remember? The best decision I ever/never made

In the last issue the President asked members to recall their own decisions about paying into the Government Superannuation Fund while they were working. Many were simply told to join by employer, parent or colleague often without any understanding of the implications. Some already knew the importance because they had parents or other family members contributing to the scheme. Here is a selection of quotes from the responses received:

"I joined the Post Office in 1953 as a telephone exchange operator and took early retirement with redundancy in 1988 after 35 years. I remember my uncle telling me to start contributing to the Government Superannuation Fund as soon as I was appointed to the permanent staff."

"I joined the Education Department as a 16 year old My father had spent his entire working life in the Post Office and he all but ordered me to take out superannuation A year later he had worn me down and I grudgingly joined the Government Superannuation Scheme I worked non-stop for 36 years [as a single woman].Because of my superannuation I managed to retire at 52.... I am now 74 and still love every single moment of retirement."

"I started work in the Superannuation Division of Treasury as an accounting cadet in Jan 1972. On my 17th birthday I was invited to meet the Superintendent. He congratulated me on an Irish pay rise. That sounded good, a pay rise. I asked him what it was. He said that I was now a compulsory contributor to GSF and my pay would reduce by 6%."

"In 1946 when I went to Auckland Teachers' College our lecturer began a lecture urging us to join the scheme, which meant you could retire on full superannuation after 40 years' service.... I had to retire for health reasons after 33 years. I was able to look after the family on that pay; otherwise things could have been exceedingly difficult."

"It was a tough decision [to "buy back contributions after a break in service]. I was thirty-one. Receiving a lump sum [from previous contributions] was tempting indeed. It was my mother who advised me otherwise. She had managed to raise a large family through very difficult times Today, having retired in 2000 with more than forty years of Super entitlement under my belt, I thank my late mother for her foresight."

"The choice to 'start' was almost arbitrary. When I resigned through health, with no income, GSF was a Lifesaver. The annuity I am now receiving is an important part of my financial security."

"My starting salary was two pounds five shillings, I told the Sergeant that I did not want to join the scheme. He looked at me and then snarled 'Boy the first thing you need to learn about the Police is to do as you are told.' Somewhat over awed I signed [the form]. When I retired as a Superintendent, age 55 years, some 33 years and 3 months later I blessed that tough old Sergeant."

"I had come to NZ from England and quickly got a teaching job. I asked the principal if NZ had a pension scheme for teachers and how I should go about joining. "What do you want a pension for. You are married, aren't you? You don't need a pension". I persevered and soon joined up. How glad I am that I did. One of the best decisions I ever made."

"As a young man I joined the New Zealand Railways.... married and bullet-proof, I found it a really weird concept that the GSF rep would ask me if I *wanted* to pay a % of my income into a fund for when I got old. Why should I decrease my 'spending-power-now' for some unimaginable future time? During the discussion I eventually asked him for his personal advice. His reply made sense – 'I Wouldn't Be Without It!' and so I said 'Put me in!'"

"In the long run, we shape our lives, and we shape ourselves. The process never ends until we die. And the choices we make are our own responsibility." Eleanor Roosevelt

Membership



As you are aware, schemes closed to new members in 1992. After this length of time it is no surprise that both employers and employees are less familiar with entitlements under this scheme, compared with the defined contribution schemes such as Kiwi Saver which have succeeded it. We are inviting remaining current contributors to join us, the only organisation dedicated to protecting their interests – now while they are still working, and in the future when they retire or are made redundant.

Board representatives (President, Vice President and Dallas Elvy) met with the State Services Commissioner and two Deputy Commissioners in February resulting in GSA communication via agency payroll sections to all GSF contributors who are currently employees in government agencies. Following this meeting and the agreed action by the Commissioner pre-annuitant and pre-annuitant spouse membership has increased markedly.

Since the last issue of Annuity News Branches have followed up lapsed members this year with good results.

As at 1 October GSA membership totaled 27,064, comprising 580 pre-annuitants, 462 pre-annuitant spouses, 14,522 annuitants, 7240 annuitant spouses, and 4260 surviving spouses.

Help protect your annuity

**** Sign up your spouse ** Sign up a mate ** Sign up other annuitants ****

Apply online at gsa.org.nz or ask your branch secretary on 0800 888 472 to send an application form to a prospective member. The GSA subscription is \$2.00 four-weekly per annuity - a couple sharing an annuity pays one subscription.



Government Superannuitants Association history project: update from historian Roger Openshaw

Much progress has been made since the last issue of Annuity News. Currently the proposed title of the manuscript is: *The Justice of Our Cause. A Centennial History of the Government Superannuitants' Association, 1920-2020*. This phrase, utilized by successive GSA Presidents and incorporated in many submissions presented to successive governments from the Association's foundation in 1920 until the present, aptly captures the stance of GSA and RSA as well as their original parent organization, the Superannuated Public Servants Association (SPSA).

It is my belief that all histories deserving of respect in the wider academic community require both a theme and a point. Thus, as well as providing a comprehensive analysis of the past, historians must also address a contemporary audience. The long and productive history of GSA deserves a comprehensive and balanced treatment. Two major and long-running historical threads that run continuously through the past records of the nearly one hundred years of GSA history are:

Firstly, the tension between a). GSA's case for justice, based on the notion of a legal contract between the government as employer, and public servants as employees, and b). the contrary position, based on what is best described as "rational self-interest," that has frequently been espoused by most governments and successive Government Actuaries;

Secondly, the challenges involved for a nationwide organization in striking an acceptable balance between Centre and Periphery – in GSA's case, between a Wellington-based Executive, and the various regional branches.

It is not too late for information to be included. I am continuing with interviews currently and head up to Auckland this month. If you have any records or memories that I may not have been able to access/unearth from the public record and GSA files email me at roger.openshaw@xtra.co.nz or mail to the Executive Officer for passing to me. While interested in the span of the Association's history I am particularly keen to receive pre-1944 information.

Roger Openshaw, Professor Emeritus, Massey University



Do not hesitate to contact National Office about any questions you have or things you are trying to work out. These questions and answers below are based on a selection from previous issues of "Annuity News". A fuller version is now available on the GSA website.

- Q** Is my Government Superannuation Fund considered a "personal superannuation" or "private pension" by Work and Income and Local Authorities and, if so, how will it impact on my eligibility for assistance (for example Disability Allowance, subsidies for St John's medical alarms, rates rebates)?
- A** Yes, your annuity is a "personal superannuation" or "private pension" and must be declared as income. Work and Income rules are that if you receive New Zealand Superannuation and a private pension, only half of your private pension counts as income. If you do not receive New Zealand Superannuation and you get a private pension, they must include the whole amount of your private pension as income.

The 50% rule comes into play only when a person is assessed as needing full time residential care. Medical alarms are funded by MSD through the Disability Allowance under a different interpretation of income in which the total income is taken into account.

The **only** circumstances where the GSF Annuity is not required to be taken into account is for tax purposes.

- Q** Will my entitlements for Work and Income support be affected by the death of my spouse?
- A** This is a question for Work and Income. It is possible when your income is re-assessed following the death of your spouse that there may be an impact on your entitlement to support from MSD.
- Q** *My partner and I are not married and nor are we in a civil union. How can I protect my partner's entitlement should I pass on before he does?*
- A.** You do not have to be married or in a civil union for him to be entitled to a surviving spouse annuity should you die first. Datacom, on behalf of the GSFA will need to satisfy themselves of the nature of any relationship at the time of death. It is worth noting that the Property (Relationships) Act 1976 provides a legal definition of de facto relationships. In determining whether two persons are "living together as a couple", the following circumstances can be considered:
- duration of the relationship
 - the nature and extent of the common residence of the relationship
 - whether or not a sexual relationship exists
 - the degree of financial dependence or interdependence between the parties
 - ownership, use, and acquisition of property
 - degree of mutual commitment to a shared life
 - care and support of children
 - performance of household duties
 - reputation and public aspects of the relationship.

Useful websites for finding out more:

Government Superannuation Fund: <http://www.gsfa.govt.nz/members/faq/>

Work and Income: <https://www.workandincome.govt.nz/eligibility/seniors/index.html>

Age Concern: https://www.ageconcern.org.nz/ACNZ_Public/Residential_Care_Common_Questions.aspx

GSA website: <http://www.gsa.org.nz/>

Board member Bill Robertson Honoured with Distinguished Alumni Award

Earlier this year Bill was recognised by the University of Auckland in its Distinguished Alumni Awards.

A former Director General of the Government Department of Survey and Land Information and an NZIS Fellow, Bill Robertson is a leading figure in surveying and mapping both here and overseas. He was instrumental in establishing many of New Zealand's coastal reserves and National Parks, and he's also used his expertise to help determine disputed international borders. Of Ngai Tahu descent Bill organised the production of 'A Maori Oral History Atlas'. In 2009 he was made an Officer of the New Zealand Order of Merit for services to surveying, plus he has a mountain named after him in Antarctica. Refer Radio New Zealand interview with Bill on

<https://www.radionz.co.nz/national/programmes/ninetonoon/audio/2018635372/bill-robertson-getting-the-lay-of-the-land>

GSA Branch activities

For more information about your meetings and social functions, see your branch newsletter, check out your branch web page, or **phone your branch secretary on 0800 888 472**.

We encourage you to get involved.

Do not think your single vote does not matter much. The rain that refreshes the parched ground is made up of single drops. Kate Shepherd
www.women.govt.nz/suffrage125

GSA website www.gsa.org.nz

The Association website provides an outline of the Government Superannuation Fund and National Provident Fund annuity schemes and the organisation

The website needs a facelift and we will be working on that before the end of the year. If you have suggestions about useful content, please email the Executive Officer.

Paydays

2018	2019	2020
25 Jan	24 Jan	23 Jan
22 Feb	21 Feb	20 Feb
22 Mar	21 Mar	19 Mar
19 Apr	18 Apr	16 Apr
17 May	16 May	14 May
14 Jun	13 Jun	11 Jun
12 Jul	11 Jul	9 Jul
9 Aug	8 Aug	6 Aug
6 Sep	5 Sep	3 Sep
4 Oct	3 Oct	1 Oct
1 Nov	31 Oct	29 Oct
29 Nov	28 Nov	26 Nov
27 Dec	26 Dec	24 Dec

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Useful Contacts

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Annuity administration:

Datacom (GSF): phone 0800 654731, or email gsf@datacom.co.nz

Datacom (NPF): phone 0800 628776 or email npfenquiries@datacom.co.nz

Do we have your correct details?

We do not know that your details have changed unless you tell us. Pick up the phone. Or drop us an email. Or go to the members' section of our web site at www.gsa.org.nz

Remember to tell Datacom!

The Association directory and national calendar are available on the website.

Annuity News is published by

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