

**Branch Newsletter**  
**Waikato-King Country**  
**Branch**  
**April 2020**

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**G** government

**S** superannuitants

**A** association

*Founded in 1920*

**This year the GSA celebrates 100 years of serving its members**

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**A warm greeting to all members in our Waikato-King Country Branch in these difficult times.**

**AN EMAIL VERSION ONLY**

This newsletter is being emailed to all our members for whom we have email addresses. We are unable to print and dispatch paper copies of the newsletter during the current emergency restrictions. If you know other GSA members, please don't assume that we have their email address. We ask you to phone them and check that they received this Newsletter and Annuity News. If they did not, please advise our Branch Secretary, John Evered, (email [waikatokc@gsa.org.nz](mailto:waikatokc@gsa.org.nz); Phone: 0800 888 472).

The Waikato-King Country Branch Committee strongly supports our National Board's decision to keep our members informed. Your Committee also appreciates the efforts of our Association's wonderful National Office staff to ensure we are kept up-to-date.

The GSA has also added a COVID 19 Impact Update section to its website: [gsa.org.nz](http://gsa.org.nz).

**AGM AND LUNCH POSTPONED**

The Board has decided to postpone indefinitely this year's Branch AGMs. Our Branch was scheduled to hold its AGM and mid-year lunch in June. We will notify you once we are able to set new date. In the meantime, your Branch committee is using electronic communications in order to keep in touch.

**POST-COUNCIL COFFEE MORNING: HAMILTON 16 SEPTEMBER**

**(This event is subject to any COVID 19 restrictions that may be in place in mid-September)**

**Monday 14 September – 10.00am to 12.00 noon**

**Hamilton Contract Bridge Club**

**20 Richmond St**

At this time, the GSA still intends to hold its Annual Council in Wellington in early September. A highlight of that event will be the official launching of the GSA's history by the Minister of Finance, Grant Robertson. Our planned coffee morning provides members with an opportunity to hear a report from our delegates who attended the Annual Council. We hope that it will also provide a welcome opportunity for members to mix socially over coffee/tea after what will have been a long winter. For catering purposes, we will need advice of your intention to attend. A reminder will be sent by email. If you intend to be at the coffee morning, please advise our Branch Secretary, John Evered (email [waikatokc@gsa.org.nz](mailto:waikatokc@gsa.org.nz); Phone: 0800 888 4720).

**Gold Coin Donation Appreciated**

**ADVANCE NOTICE: CHRISTMAS LUNCH**

**HAMILTON, FRIDAY, 27 NOVEMBER**

The Pavilion, Hamilton Workingmen's Club,  
46 Commerce Street Frankton.

Full details will be in our October newsletter.

# **FUTURE PROOFING THE GSA**

**(This paper was discussed at regional gatherings and was to be tabled for discussion at our Branch AGM)**

For about seven years, your Waikato-King Country Branch has been raising concerns about the future viability of the GSA.

The issues are quite straightforward:

- On the one hand, the Association's membership is, overall, getting older and dying. That is the inevitable result of the National Government's decision in the early 1990s to close the scheme to new members. There are now fewer than 3,000 state servant contributors who have yet to retire.
- But on the other hand, the GSA has a number of younger members and younger spouses who rightly expect the Association to be there to advise and represent them well into their last years. Research undertaken by your Waikato-King Country Branch estimates that the GSA will still have about 9,000 fee-paying members and about 3,000 spouse members in 2030. That research also shows that the GSA will still have over 2,500 fee-paying members and 1,000 or so spouse members in 2040.

The problem we face is twofold:

- First, as our fee-paying membership drops, so does the Association's income. Your Branch's research suggests that, very soon (2021), the GSA will only be able to keep functioning by eating into its reserves. It also shows that if we don't increase our fees by a modest amount as soon as possible, the GSA could go broke by as early as 2029.
- Second, in order to ensure that the GSA remains an effective, self-governing organisation well into the 2030s, it needs to recruit the younger members from those who will retire over the next few years. We also need to involve younger spouses, such as our own deputy chairperson, Joan Currie. These are the people who will provide leadership through the 2020s and into the 2030s. In the longer term, we will also have to rely more on employed staff to ensure members are properly advised and represented.

But, if we, the present generation, blow all the GSA's reserves in less than a decade, how will we recruit younger members to provide leadership in the years ahead?

For these reasons, the Waikato-King Country Branch has taken active steps to convince other branches and the National Board to address these financial and people challenges in order to future proof our Association:

- Your Branch has undertaken extensive modelling based on Government Superannuation Fund data and other Government life expectancy tables.
- That research shows that in order to future-proof the GSA, we need to raise the subscription fees by a modest amount (less than the price of a cup of coffee) each year while we still have a sufficiently large fee-paying membership.
- If we take that step, then we can delay eating into our reserves until later in the 2020s and thus keep the GSA financially viable until the late 2030s.

Our Branch holds the view that we all have a responsibility to the future. We don't know who among us (annuitants and spouses) will still be alive in the 2030s. But we can be confident that many will. Most importantly, a high proportion of those who remain will be surviving spouses: the very people who often need the GSA's advice.

We can't do much about rising costs, But, your Branch suggests, by raising subscriptions modestly each year we can match income to expenditure until the late 2020s. That will leave healthy reserves which will future proof our Association until at least the late 2030s.

## **REGIONAL ROUND-UP: A REPORT FROM OUR CHAIR, JEREMY MASEYK**

In March we had some wonderful regional lunches/coffee mornings with members. Lunches were held in Cambridge, Matamata, and Taumarunui. We also held a very well attended coffee morning with members in Te Kuiti en route to Taumarunui. The major topic we discussed was the Branch's paper on future proofing the GSA. A number of members also took the opportunity to raise questions about their Government Superannuation.

### **PRINCIPAL TOPIC: FUTURE PROOFING THE GSA**

The Branch's paper led to a wide-ranging discussion at each gathering. Members appreciated the opportunity to discuss a significant policy issue and made a variety of incisive comments and suggestions.

#### **Keeping the GSA strong and viable**

At every regional gathering, members were very firmly of the view that they want to see a strong, viable GSA continue well into the future in order to represent them when needed and to protect our annuities. Spouses also recognised that many were likely to survive their annuitant partner and that, over time, surviving spouses would form an increasing proportion of the GSA's membership.

#### **Structural change**

As the GSA's membership ages, branches will find it difficult to attract enough volunteers to fill committee positions. That has already happened in a couple of small branches. Members at regional gatherings were pleased to hear that your committee believes that the Waikato-King Country Branch can continue much as it does now until the mid-2020s.

Members also accepted that even within that period, we are likely to see mergers in our region. That will lead, over time, to a more regional branch structure and, in the longer term, to a national only structure. The discussions highlighted the need for this process to be orderly and well-managed. Members also emphasized the importance of maintaining good communications.

Our Branch's regional meetings were seen as a good model for the future. Members were assured that your committee remains committed to these and that more will be held in new locations if adjacent branches merge with ours.

#### **Realistic subscriptions**

Members accepted the Committee's view that in order to future proof the GSA it will be necessary to review regularly the annual subscription in order to avoid eating into reserves. With one exception (and he moved from 'oppose' to 'abstain'), every one present supported for the Waikato-King Country Branch's push for an increase in subscription from 1 April 2021 and for regular reviews thereafter.

### **GSA CENTENNIAL HISTORY**

Regional gatherings also discussed our Branch's plans to celebrate the GSA's 100th birthday.

First, the Branch intends to incorporate a celebration of the GSA's 100 years into our Christmas function.

Second, your Committee has decided to donate copies of Professor Openshaw's history of the Association to all the local body libraries in our region as well as to all the tertiary education libraries in the region. This will provide members throughout the region with an opportunity to read this highly anticipated history.

## **COVID-19: WHY WE NEED OUR GSA**

The GSA's Constitution's fourth objective reads: *To take such action in any emergency as may be necessary in members' interests.*

At the time of writing (6 April), your Waikato-King Country Branch Committee was preparing a discussion paper to submit to the GSA's National Board and to circulate to other branches.

In that paper, we suggest that the Board and the leadership of our branches need to be vigilant; and to be ready to speak out and to act quickly if, as a consequence of the Covid-19 virus, our interests, our incomes and, perhaps, even our health are placed at risk.

When the Government moved to Alert Level 3 and then quickly to Alert Level 4, Prime Minister, Jacinda Ardern, said that as a country we needed to "unite to fight Covid-19" and that the steps the Government was taking "were necessary to save lives."

That public health argument advanced by Ardern and Director General of Health, Dr Ashley Bloomfield, is about us, older New Zealanders, as well as about other vulnerable Kiwis: children with underlying illnesses, Maori, Pasifika, and poor people more generally.

Of the 25,000 members on the GSA's books as at the end of February, at least 9,000 are aged between 70 and 79, and at least a further 13,000 are 80 or older. So when the Prime Minister and the Director-General talk about saving Kiwis' lives, our age group is in the forefront of their attention.

Unfortunately not everyone agrees with the public health priority. As we entered the second week of the lockdown, we noticed the emergence in the New Zealand media of a powerful, well placed lobby that is beginning to mount the same arguments that have been popularised in the USA by Fox News and Donald Trump. These people claim that the 'cure is worse than the disease;' that is, that the 'damage' to the economy far outweighs the cost of vulnerable people dying.

Your Branch is suggesting to the our National Board that the GSA, in accordance with its fourth objective, must be ready to join with others in countering these arguments in the interests of our members. The details are still be finalised at the time of writing, but they are likely to include a call for the Board to:

- Monitor very closely the evolving public debate around Covid-19 policies; in particular, viewpoints that question in one form or another the 'cost' to the economy of saving older Kiwis lives;
- Make immediate contact with other representative organisations that are likely to share our concerns, such as Age Concern, Grey Power, Public Sector Unions, and the like;
- Express to all political parties and to individual MPs the Association's support for public health policies that value and protect New Zealand's older citizens; and
- Make appropriate public statements, as required, to rebut the views of those who seem willing to risk older New Zealanders' health in order to reactivate the economy as soon as possible.

## **COMMITTEE MEMBERS WANTED**

Although our Branch AGM has been postponed, we still are on the lookout for some new, younger members to join our very productive committee. The committee meets six times a year, in the even numbered months. And each of member takes on a job, none of which are onerous.

Membership is not limited to the GSF annuitant. On our committee, as well as others around the country, spouse members make a very valuable contribution. In our case our Deputy Chair, Joan Currie, is a spouse member.

For details about committee membership, contact our Branch Secretary, John Evered (email [waikatokc@gsa.org.nz](mailto:waikatokc@gsa.org.nz); Phone: 0800 888 472).