

G	government
S	superannuitants
A	association

SUPER NEWS

Canterbury / Westland Branch

November 2018

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

CURRENT DIRECTORY

Branch Secretary-Treasurer

Janine Lynn 03 942 7338 Email cantwest@gsa.org.nz Toll Free 0800 888 472

Chairperson Maurice Sinclair 03 322 8649

Vice Chairperson Gavin Stuart 03 339 2326

Committee Bernie Rose 03 313 1569

 Alister Ferguson 03 960 6209

 Colin Keen 03 432 8399

 Dick Kitto 03 322 4872

 Ken Wheeler 03 313 9015

 Neil Carter 03 332 2103

 Ron Creighton 03 389 9710

Walker Trust Convener Bernie Rose

District Liaison Members

Ashburton – Vacant

Greymouth: Frank Lucas 03 768 5168

Hokitika: Anne Kelly 03 755 6383

Westport: Norman Crawshaw 03 789 8866

Chairperson's Report

While this is indeed the Chairperson's report I feel a little distant from Branch matters because I have missed three of the monthly committee meetings since the Annual Meeting in May. One was for elective surgery and the other two were through an overseas trip which was, sadly, not two months long but the particular dates meant that my 5-week absence covered two of our monthly meeting times. Those meetings were ably chaired by Gavin Stuart and included a very successful one held in Rangiora. I must say that cavorting through the Baltic States in mid-summer did have its attractions and to arrive back in Christchurch in a warm, dry week in late July certainly made it seem that we really had escaped a winter. It was a double escape in fact because we left Europe as it began to suffer an unpleasantly hot late-summer.

The Canterbury/Westland Branch Committee continues to work very well and this was obvious to Gavin Stuart and me at Council in September when we were well prepared for all of the agenda because the Committee had thrashed out all the issues in advance and had delegated us with well-argued positions. A new volunteer, Ken Wheeler from Rangiora has offered his time to be on the Committee, and as with the other Committee members he is already showing his individual expertise in particular topics and willingness to contribute to all discussions. I want to thank the whole Committee, including secretary Janine, who have all made my job easy because whenever I make a representation to the Board or to other Branches, I know it is backed by discussion of a range of opinions, all aired strongly at monthly meetings.

Our Branch is deeply saddened by the death of Janice Rose. Bernie, her husband, is a member of our Committee but in her own right, Janice did a lot for our Branch including organising the raffle at the Christmas luncheon. Janice was a tireless worker and over many years worked alongside Bernie doing Walker Trust business and she personally visited a large number of our members who are over 80 years of age.

Council 2018.

Comments are made here on just a few of the Council topics. Annuity News will cover some of the other parts of that programme.

The first weekend of September started badly for us. Instead of spending the Friday night in accommodation, we thought we should contribute to the GSA drive for reduced expenditure by flying to Wellington on Saturday morning in time for the 9.30am start of the meeting. Unfortunately for us, the usually-reliable Air New Zealand flight was quite late so we missed the first half-hour! The Canterbury/Westland delegates, Maurice Sinclair and Gavin Stuart, were helped by an observer this year, Janine Lynn our Branch secretary. For more than thirteen years Janine has listened to tales about Council in her role of Secretary, has known the names of, and corresponded with many past delegates who have also become members of the Board so she was fascinated with the whole experience.

This was the final Council meeting when Janice Campbell would preside and her significant contributions were acknowledged. Janice has problems with mobility and it is to her great credit that she continued to help GSA at such a high level yet with increasing disability. One paragraph in her Presidential report must have been a pleasure to write as she ended her role of GSA advocate and after presenting the petition to Parliament, hoping to obtain recognition of the need to pay older annuitants the full amount of cost-of-living adjustments ('100 CoLA'):

“The Coalition Government has begun well for the GSA. We were actually invited to go and see the Minister of Finance Grant Robertson, after the previous Minister could not find 20 minutes for a meeting in 9 years. Mr Robertson was supportive and he knows what the GSA is and what it does.”

We wish Janice well, perhaps this time in genuine retirement and without sleepless nights over GSA problems!

Finance

Accounts took a lot of discussion time, much of which was about a version of accounts supplied to Branches in early August, about a month in advance of Council. Another version was provided at the start of Council and this is where the Canterbury/Westland late arrival had some effect because we had no time at all to digest differences between the two versions of the accounts. It is not unusual to be provided with small variations of accounts at the Council meeting itself but this year there were some significant changes. Our Branch Committee had queries about finances and we were delegated to ask a number of questions. In advance of Council, I contacted a Board member, Tony Hamilton (now the new President) with several financial questions and to his credit he did quite a lot of homework in attempting to answer most of them while being very busy with approaching Council matters plus work in his own Branch, Northland. It seems as though the problems we were having with understanding the accounts were largely due to an accountancy company which was cheap and not treating GSA like an important customer. Accounts were not done on time and had inaccuracies, which arriving late had little time to be adequately checked in time for printing in the August publication. There were also not enough explanatory notes accompanying the accounts, for example, when asking about a large item of unbudgeted expenditure, I was told that I would find justification for it in Board notes early in the year. Perhaps correct in protocol but not good enough when a simple explanation could be given along with the accounts. I do not expect to hold a year's copy of Board minutes in one hand while reading end-of-year accounts in the other hand and of course, a number of items had no such explanations at all. While the inadequacy of the accountant was true, the oversight by the Board is also brought into question. Why were significant changes published at the beginning of Council, nearly 5 months after the end of the financial year? Much learning will have happened.

Branch Funds.

A proposal agreed-to by Council last year was for all Branch capital funds to be now held at National Office. This year, the Board had a motion in front of Council seeking permission to put details in place to control the transfer of those funds. Through the last year a number of Branches had been having second-thoughts about the centralisation of funds and Auckland Branch took the opportunity of making a case to have last year's centralisation of funding idea overturned. Canterbury/Westland delegates were sent to Wellington with the clear message to support the Auckland motion so that funds would remain in Branches. Early in his

address, the Auckland Chairperson, Mark Leys, described this year's National Office finances as a “shambles” and I have no doubt that this situation had a significant effect on the result: the Auckland motion was supported 43:22. Funds held in Branches will now be kept in Branches.

Tax.

Most of us are being taxed on our annuities at 30%, even though many of us would like to think our annuity is tax-free. This was the result of a change the Government made many years ago and unfortunately, the costs of this change as it applied to Government Superannuation were borne by annuitants. The Government insisted that the change in method of taxation would be 'fiscally neutral' (meaning someone else will pay for it!) and the answer they came up with was that annuities would pay for it by being reduced by 30%, apart from a small number of exceptions. For a number of years GSA has had it on their priority list to fight for a reduction in that 30% to match the tax rate that most annuitants are on for most other incomes. Last year, GSA took the tax issue off their priority list. Our Branch Committee thought the tax issue should be back on to the priority list, especially considering the change of political climate. Despite Gavin's impassioned plea, we failed to impress Council! Perhaps not surprising considering it was only a year since delegates had declared the tax issue dead.

Networking.

South Canterbury proposed that GSA should be in regular contact with every possible organisation and Ministry who could be representing our age-group. The motion failed because speakers maintained that GSA was already doing a lot of that. We weren't so sure about that and supported the motion. During his presentation, Warren Iggo who is South Canterbury Secretary produced a graph showing that National super (the 'pension') has risen faster than Government super in recent years. The graph didn't seem to have much to do with their motion about networking but it brought up the interesting point about benchmarks. National super is tagged to a proportion of the average wage while Government super follows the Consumer Price Index (CPI). During a discussion at our last Committee meeting it was pointed out that during times of low inflation (when the CPI is small) wages tended to rise faster than the CPI and that explains the trend shown in the graph. A graph drawn during a period of higher inflation would likely show that Government super would be rising faster than National super so the South Canterbury graph probably did not show the long-term picture. We will ask Warren Iggo for their background data to help us follow this issue.

I will see some of you at the Christmas luncheon but wish all our members the very best for Spring, Summer and through the New Year.

Maurice Sinclair,
9th October, 2018.

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.

We do have a policy of regularly taking our Meetings to centres outside Christchurch. We are planning to have our September 2019 Meeting in Greymouth. A newsletter will be sent to members in this catchment area, late August/early September.

URGENT If you had an old email address which was @vodafone, paradise, clear, ihug or other address which no longer is in use, please advise me so that I can update the Database.

Janine – Ph 03 942-7338 or 0800 888 472 or
Email – cantywest@gsa.org.nz

LIAISON PERSONNEL REQUIRED – ASHBURTON - URGENT

The main requirement is a friendly person who can be a local contact for anybody wanting information. If you are even considering volunteering, please contact our secretary Janine and have a chat with her about the ways in which you could help. 03-9427338 or 0800 888 472

The Compounding of CoLA.

The meeting held at Rangiora was hugely successful, with attendance exceeding 100. There was some discussion on the Application of the CoLA (Cost of Living Allowance), and the apparent lack of compounding.

In March of each year you get a letter from Datacom. This records –

1. Your Basic Retiring Allowance - calculated once your retirement date is set. Apart from a couple of unusual circumstances, this stays the same for the rest of your life. It is a one-time calculation that takes into consideration aspects of your individual service, mainly, average salary over the last five years of service, age at retirement, and length of contributing career service.
2. The increase in the Consumer Price Index over the past calendar year.
3. The cumulative Cost of Living Allowance since retirement.
4. Your Annual Retiring Allowance for the new year.

Hypothetical Basic Retiring allowance \$15,000 p.a. (Actually close to the national median retiring allowance.) CoLA figures are fictitious for the purposes of this exercise. They will be different for every individual member.

For the first four years of this persons retirement -

	A	B	C	D	E
1st April 1 increase	\$15,000	+ 2.0%	(\$300.00)	= \$15,300.00	2.00%
2nd April 1 increase	\$15,300	+ 2.2%	(\$336.60)	= \$15,636.60	4.24%
3rd April 1 increase	\$15,636.60	+ 1.7%	(\$265.82)	= \$15,902.42	6.02%
4th April 1 increase	\$15,902.42	+ 3.1%	(\$492.98)	= \$16,395.40	9.30%

- A. The annuity for the last year. B. The CoLA calculated early in the new year.
 C. The dollar increase for the new year. D. The new Annual Retiring Allowance.
 E. The compounding percentage.

Note. In the model above, after four years of increases –

1. If you add the annual increases in column B you get 9%.
2. Each annual % increase operates on the previous year's Annual Retiring Allowance
3. Column E has built to 9.3% more than \$15,000 start point. (It is Compounding).

How important is the Cost Of Living Allowance to you personally?

The higher the rate of inflation as expressed through the Consumer Price Index, the more important CoLA becomes. A repeat of the exercise above, but this time changed to a higher CoLA present throughout the 1970's and 80's. Note: the average inflation rate during the two decades 1970's and 1980s was 11% p.a. (NZ Treasury)

		A	B	C	D	E
1st	April 1	\$15,000.00	+ 9.0%	(\$1,350.00)	= \$16,350.00	9.00 %
2nd	April 1	\$16,350.00	+ 10.5%	(\$1,716.75)	= \$18,066.75	20.44 %
3rd	April 1	\$18,066.75	+ 11.5%	(\$2,077.68)	= \$20,144.43	34.29 %
4th	April 1	\$20,144.43	+ 13.0%	(\$2,618.78)	= \$22,763.21	51.75 %

The sum of the CoLA (Column B) is 44% over the four years. The compounding percentage is 51.75%. This last (fictitious) set highlights the importance of the work being done by GSA to get the full 100% benefit of the CoLA for all members. Many members still receive just over 90% of the annual CoLA.

If you look at your March 2018 notification from Datacom, you were informed that -
--

Front Page

1. The increase to compensate for cost increases in 2017 amounted to 1.59%
 2. What your new (2018) annual and Four-weekly payments were to be.
- To get this they took your 2017 annual payment, multiplied this by 0.0159, and added the result to your 2017 payment, to get your 2018 payment.

Complete this exercise using your own figures, and you will find that it does not match exactly.

As this difference is a few cents per annum, this possibly results from Datacom using accurate figures that extend to more and more decimal places as the years roll by.

Back Page

On the back of your notification sheet you have been told –

Line 1 Your Basic Retiring Allowance. This is specific to you, and will not change.

Line 2 Two parts - example - 100% of 37.01%

100% means this person gets all of the increase.

37.01% is this persons total percentage increase in allowance since retirement.

This comes by comparing the new annuity to the original Basic Retiring Allowance.

Datacom was asked for comment on this article, but as it was for publication, they were not prepared to comment.



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	Government Superannuation Fund	National Provident Fund
Govt. Superannuitants Assoc.	PO Box 3614	PO Box 606
129 Marshland Road	WELLINGTON 6145	WELLINGTON 6140
Christchurch 8061	Toll Free 0800 654 731	Toll Free 0800 628 77

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

Mr D Alabaster	PO Box 6285, Upper Riccarton
Mr Leicester Brice	18 Hillview Road, Phillipstown
Mrs Yolanda Broughton	5/194 Waimairi Road, Ilam
Mrs Marjorie Browne	22 Meadowville Ave, 8024
Mrs Carolyn Byron	5 Bengal Drive, Cashmere
Mrs Alice Clark	Albarose RH, Harewood
Mr Ross Dunbar	44 Howard Street, Spreydon
Mrs Eileen Dwyer	1/7 Whitfield Street, Sumner
Mr Willam Fitzharding-Jones	75 Middlepark Rd, Sockburn
Mrs Nova Heffernan	4/2 Hamilton Ave, Fendalton
Mr Malcolm Horler	4A Kinley Street, Rangiora
Mrs Elizabeth Morris	c/- 26 Roberts Drive, Somerfield
Mrs Margaret O'Connell	22 Giles Place, Shirley, 8061
Mr Dominic O'Sullivan	7 Crampton Road, Reefton
Mrs Joan Port	346B Memorial Ave, Russley
Mr Errol Prendergast	68 McCormacks Bay Rd, Mt Pleasant
Mrs Ngaire Smith	Woodcote Rest Home, Wigram
Mr Charles Webster	25 Hercules Street, Shirley
Mrs Phyllis Williams	2 Ebert Place, Rangiora
Ms Virginia Wright	25 Banbury Street, Burnside

Last known address

CAN YOU HELP: Please phone Janine Lynn at 942-7338 or 0800 888 472

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.

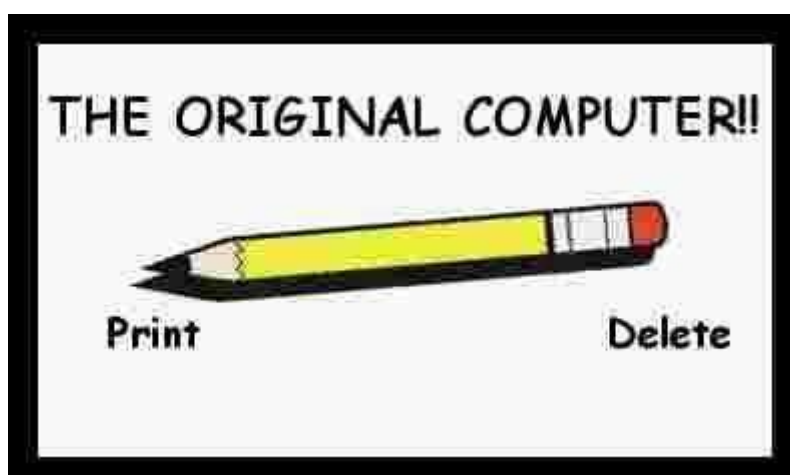
We are one of the few branches that carry out this small gesture to our older members, and have noted that we have a lot of birthdates missing from the database and we wish to have this updated. If you are 80 years plus and did not receive a card or a visit, please call Janine on 03 942-7338.

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 East, from Belfast through to Ferrymead. This is a very rewarding task that does not take up much of your time. We would love to hear from you -
Call Bernie on (03 3131569) for further information.

Bernie Rose
Phone (03) 313-1569





CHRISTMAS BUFFET LUNCHEON MENU

Main:

Roast Beef and Pork
 Roast Potatoes
 Roasted Vegetable Medley
 Minted Peas
 Cauli/Broccoli Bake

Dessert:

Fresh Fruit Salad
 Apple Crumble
 Christmas Cake with Tea/Coffee

CHRISTMAS BUFFET LUNCHEON

Tuesday 11 December 2018

12 Noon – Bar Opens at 11 am

Papanui RSA – 55 Bellvue Avenue, Papanui

\$25 per person

You are welcome to bring a friend.

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

If you are attending please complete the tear-off section below.

Please complete and return this section by **SATURDAY 24 NOVEMBER 2018**

I/We intend to be present at the Christmas Luncheon. Cost \$25 per person

Number attending _____ Cheque enclosed \$ _____

Please make Cheques payable to GSA Walker Welfare Trust and send to

Bernie Rose

Villa 25, 3 Reeves Road

Rangiora 7400

Please Print:

Name: First _____ Surname: _____

Partner: First _____ Surname: _____

Friend: First _____ Surname: _____

Phone No: _____

Ex Department: _____

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