

# WESTERN AUSTRALIA SELF FUNDED RETIREES INC.

State and Federal Advocates for Fully and Partly Self Funded Retirees



## WASFR NEWS

VOLUME 5 ISSUE 3 WINTER 2016

### PRESIDENT'S REPORT

Good morning all. Perhaps the event that is foremost in our minds is the forthcoming election on 2 July. We seem to be bombarded on a daily basis with the attributes of both sides of politics, together with the problems that we will surely face if 'the opposition' gets into government. It is getting to the point where we don't want to hear all this 'talk' - we would appreciate some factual details. I don't like the concept of projecting out to the next ten years. It is not for me to favour one side or the other; all I can say is that the whole matter seems to get more confusing as the weeks go by. We, your Committee, have been active in sending out emails and letters to almost every Federal politician in Western Australia.

We also sent letters to Bill Shorten and Chris Bowen (Shadow Treasurer). The only recipient that did actually give a written response was the Australian Labor Party Campaign Headquarters—and they indicated that they could not support the three issues we were putting forward. These three issues are:

- To allow retirees over the age of 75 to be able to contribute funds to superannuation. (This was recommendation #20 in the Ken Henry Report (2009))
- To include all people over the age of 65 in the NDIS, and
- To review the deeming rates to reflect current low interest rates.

The details behind the three issues above are quite lengthy and I hesitate to go into print and try to give a full outline of the reasons for each one. However, I can say this:

- Retirees over the age of 75 can contribute funds to superannuation providing they are still in the workforce. It can be said that this is discriminatory not to allow everyone to be able to do this if they want to. We are not asking for any departure from the current/proposed limits: the \$1.6 million, the retrospective \$500,000 cap and the reduction to the annual limit of \$25,000 will still apply.
- Last year there was an additional 0.5% Medicare levy imposed specifically to offset any additional costs for the NDIS. It was not a general revenue raising matter. Every taxpayer over the age of 65 will have to pay this additional Medicare levy, BUT they will not be covered by the NDIS unless they were already with the NDIS before they turned 65. We don't believe this is acceptable. We are asking that:

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**PRESIDENT'S REPORT** (Continued from Page 1)

- (a) all people should be covered by the NDIS, or  
 (b) alternatively, those over 65 should not be forced to pay the additional levy (about \$200 per annum on a taxable income of \$40,000).

- The third issue relates to deeming rates. The rates were last set in March 2015 and since then there have been two reductions in the Reserve Bank Cash Rate—and the finance industry is predicting another rate cut before the end of the year. The deeming rates have traditionally been set just a little lower than what the banks are offering to their customers—this should nullify any complaints. However, retirees are now having their assets and their income 'deemed' to be earning more than they can get from their 'friendly' bank. I do feel confident that the Government will, eventually, review the deeming rates but the problem is –WHEN? We are hoping that by pushing this matter now we may have some effect on hastening the process.

Perhaps I should say that there are other issues that we are trying to have changed: The taper rate for the age pension, the imposition of a retrospective limit of \$500,000, plus the reduction in the annual figure to \$25,000 are all matters that are of concern to many retirees. We are also concerned about the Pharmaceutical Benefits Scheme threshold limits, problems with Aged Care, indexation of Comsuper pensions, eligibility limits of the Commonwealth Seniors Health Card, plus several others. Unfortunately, some of these matters do require additional funding from the Federal government, and, to be quite blunt, those funds are not available. This is not to say that we are giving up; on the contrary, it should be noted that we are just 'keeping our powder dry' until a more appropriate time. We should all be aware that one of our issues—allowing seniors/retirees between the ages of 65 and 74 to be able to contribute funds to superannuation without having to meet the 'work test' has been approved, starting from 1 July 2017.

We have had a few replies from Ministerial offices saying that because of the 'caretaker provisions' they are precluded from answering specific questions. We did some research on this and discovered that this is not true. Section 2.3 says "*The conventions do not apply to promises on future policies that the party in government announced as part of its election campaign*". We have pointed this out to several Ministers and are still awaiting replies.

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**YOUR COMMITTEE****President:**

Ron de Gruchy: Ph. 9447.1313

**Vice-President**

Bob Dewar

**Secretary:**

Position vacant.

Z

**Treasurer and Editor:**

Margaret Harris: Ph. 9381.5303

**Committee:**

Colin Atkinson

Sharon Goodchild

Joe McPhail

Ian Moller

Vera Payne (Membership and Speaker  
Liaison)

Rosemary Stevenson

John Yeatman

**Meetings:**

Meetings start at 10.00 am and are held at Cambridge Bowling Club, Floreat Sporting Precinct, Floreat on the Second Friday of each month excluding December and January.

**WASFR NEWS**

Material for inclusion in the Newsletter should be sent to:

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**PRESIDENT'S REPORT** *(Continued from Page 2)*

On a State level we have endeavoured to continue to retain a good relationship with other similar retiree organizations. We will achieve more if we all pull together.

At the time of writing it is still just over two weeks to the election. It may be over by the time you get to read this. I will be attending a forum on 23 June so I might get to ask a few questions about some of the issues I have outlined above.

On an internal matter, the WA Department of Commerce has reviewed the Associations Incorporation Act and made a number of amendments which will require all Associations to make changes to their Constitutions. These changes are not immediate but our Committee is working on what changes we will have to make to conform with the new Act.

Finally, may I just say that, thanks to our special guest speaker organizer, we continue to have interesting speakers at our monthly meetings. We had 82 people on 13 May to listen to a lady from the Public Trustee's Office talk about Wills and Enduring Powers of Attorney. We are always interested to hear any suggestions that you may have on future topics that may be of interest to members. We have been fortunate to get Dr Peter Harries to speak at our November meeting. We are very lucky to get him—it should be great.

Our Annual General Meeting is scheduled for 12 August and, once again, we are on the lookout for more volunteers to serve on the Committee. Why don't you think about it?

Ron de Gruchy

June 2016

**EDITOR'S NOTE**

President Ron's report above was written before the Federal election on 2 July. I was not able to produce this newsletter before now as I have been on holidays and have just returned to 'work'.

Ron will be presenting his up-to-date Report to the Annual General Meeting on 12 August.

My apologies. *Margaret Harris: Editor*

**GUEST SPEAKERS**

**8 APRIL 2016**

**DR BILL EDGAR**

**AUSTRALIA'S INVOLVEMENT IN THE GREAT WAR**

Last year, 2015, saw a plethora of remembrances of Australia's involvement in what became known as the Gallipoli campaign. What was in fact just a hiccup in British, French and Turkish history became an event of major importance in Australia.

There will be many more 100 year commemorations of World War I battles which involved our Australian troops.

Why was Australia involved in the first place in a conflict on the other side of the world? John Forrest, later Lord Forrest, stated publicly that if England went to war then Australia would go as well. So, when war broke out we were involved.

The German armies went south from Germany into Belgium and were held up by the English and French armies along a line running from Belgium through France to Switzerland, which became known as the Western Front.

The introduction of machine guns and artillery into the fighting machine caused a stalemate. The attrition rate was enormous and no one was getting anywhere. The First Lord of the Admiralty, Winston Churchill had a 'grand plan', one of his many grand plans.

As we all know, the first Australian troops and their horses, left Albany in October 1914 headed for the Western Front. However, they were diverted to Egypt where they trained from December 1914 to March/April 1915. What was going on? No one knew. The campaign began with a failed naval attack by British and French ships on the Dardanelles Straits in February-March 1915 and continued with a major land invasion of the Gallipoli Peninsula on April 25, involving British and French troops as well as divisions of the Australian and New Zealand Army Corps (ANZAC). The British troops attacked at Cape Hellas; the French on the Asian side of the Dardanelles at Kum Kale, and the Australians at Anzac Cove. It was planned that the Australians would land at Gaba Tepe, but tide movements carried them north to Anzac Cove.

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It surprises Australians to learn that more French soldiers were killed at Gallipoli than Australians.

This first offensive failed, and the so-called second offensive occurred on 6 and 7 August (including Russell's Top and Lone Pine). They held on under great pressure. There were constant demands for reinforcements very early. From Western Australia went the 11th, 16th and 28th Battalions, together with the 10th Light Horse brought from Egypt—without their horses.

What cannot be reproduced here are the particularly graphic photos shown by Bill during his presentation. The harsh terrain made the mission almost impossible.

The allied troops were evacuated from Turkey in December 1915.

Once again, Bill pondered on the Australian obsession with the Gallipoli campaign. It was a military failure. In his mind, the battles on the Western Front were more important.

World War I, 1914—1918, was 'the war to end all wars'. In that conflict the most important battleground was the 'Western Front' in France and Belgium. Of the more than 295,000 Australians who served on the Western Front in the AIF, 46,000 lost their lives and 132,000 were wounded.

In March 1916, Prime Minister Billy Hughes was in England being wined and dined and being asked for more troops for the Western Front. Australia's troops were all volunteers. To amass more troops the Government hired entertainment entrepreneurs, J C Williamsons, to stage-manage Anzac Day parades in all capital cities. In Perth the Boy Scouts, Salvation Army, the 44th Battalion from Blackboy Hill, and returned soldiers all paraded down St Georges Terrace. It was a public relations triumph; enlistments went through the roof and quickly Australia was able to provide sufficient troops to embark for the 'killing fields' of Europe.

Bill's family had connections with three young men from Collie and he showed photos of Frank Aylett, Ben Sampson, and Jim Robb. They went off in April 1916 with the 16th Battalion from Western Australia to their first engagement at Armentieres, and from there south to Fromelles, where 5,000 men were lost in one night.

This was just a camouflage engagement to hide the fact that the British were mounting the Somme offensive where 50,000 men were lost in one night. What tragedies!! Australians were not involved in this first battle of the Somme but were later.

The Australians' next engagement was at Pozieres where their objective was to capture the Windmill, which was the highest point of land in the area, from where they could see the Germans. In this engagement the Australian 1st Division lost 7,000 men, the 2nd Division, 8,000, and the 4th Division 8,000. Pozieres was reduced to rubble.

I can't describe here all of Bill's wonderful photos of the battlefields he has visited. One that should be mentioned is the memorial at Thiepval near Pozieres where the names of nearly 80,000 British soldiers are commemorated. Their bodies were never found.

The Australians were then sent to Bullecourt, where their objective was to break through the Hindenburg Line. On the first night the Western Australian 16th Battalion went in with 900 men. Overnight they lost, either dead or wounded, 700 men.

Frank Aylett, mentioned earlier, had applied to join the infantry, but, being a farrier in his former life, was encouraged to join the artillery and look after the horses. On the night before he was due to join the artillery he went on a foray with the British and, along with about 40 others, was killed.

By now it was October 1917 and the Australians moved north to the city of Ypres and the battlefields in that area—Menin Road, Polygon Wood and Passchendaele.

Every night to this day, the Last Post is played at the Menin Gate where now thousands of tourists gather, but where in 1917/18 it was estimated over 1 million soldiers passed through the gate on their way to the Passchendaele Ridge.

The names over 50,000 men whose bodies were never found are commemorated at the Menin Gate. Many were Western Australians, among them men from Kalgoorlie. Our member, Vera Payne, asked Bill why the special mention of the Kalgoorlie soldiers in these battles? It is obvious when explained: they were miners, proficient in tunneling under the German lines. Twenty mines were planted, 18 were successfully detonated, one went off in the 1930s, and one has never been found!

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## DR BILL EDGAR: AUSTRALIA'S INVOLVEMENT IN THE GREAT WAR (Cont.)

Vera remembered her school days in Boulder where the school, and she believes many other schools, displayed prints of the painting by Will Longstaff titled *Menin Gate at Midnight*. The original is in the Australian National War Memorial.



Bill said he was fortunate a number of years ago to be taken down some of the old tunnels. He was told that the Australian tunnels were easily identified as the roofs were higher than the British ones.

The Australians and Canadians fought the mud and slush to scale the Passchendaele Ridge where they were confronted by German machine gun bunkers. There are 25,000 Australians and Canadians commemorated in the Tyne Cot cemetery.

Ben Sampson mentioned earlier, was killed in this area and is commemorated in the Tyne Cot cemetery. Jim Robb was injured here and later died of wounds.

Sergeant Ross McLarty, from another prominent Western Australian family, was in the 44th Battalion, wounded, taken out and given the Military Medal, and returned to action. He survived and became a Premier of Western Australia. He went on and served in the 44th Battalion in the Second World War.

Such was the extent and the casualties in the Western Front campaign there are 2,500 cemeteries along the Western Front, 240 of them around Ypres.

In April 1918 the Germans captured the town of Villers-Brenonneux. On 25 April 1918 the Allies received orders to retake the town and it was chiefly the Australian 4th, 5th, 13th and 15th Divisions, with a couple of British battalions who, under cover of darkness achieved their objective. Two Western Australians from the 51st Battalion awarded high honours for their part in this battle were Charlie Stokes, DCM and Clifford Sadlier, VC, both from Subiaco.

Killed in this battle was Lieutenant Francis Sinclair Burt, son of Septimus Burt and uncle of former Chief Justice Sir Francis Burt. Another prominent West Australian killed on the same day was Ernie Parker from the law firm of Parker & Parker.

The beginning of the end was evident by 4th July 1918 when the Western Australian 44th Battalion drove the Germans from their dugouts and trenches and took the village of Le Hamel.

In late August 1918 Australia's Second Division attacked and captured the German stronghold of Mont St Quentin. This was the last major battle for the Australians and in October 1918 they were pulled out and the war ended in November.

Not all our soldiers went on to the Western Front. After leaving Gallipoli many were reunited with their horses in Egypt and went on to repel the Turks from their objective of capturing the Suez Canal at the Battle of Romani in August 1916. Remember the film *Lawrence of Arabia*? The Australian Light Horse regiments and the Desert Mounted Corps mounted the last cavalry charge in history when they attacked the wells at Beersheba in October 1918. They finally broke through to Jerusalem and finally Damascus. This final charge of World War I was captured in the film *The Light Horsemen*. Another West Australian involved in the Light Horse was George Maitland. We all know about Simpson and his donkey. Western Australia can be proud of George Maitland who, with his horse, rescued a man under heavy fire and for that received the DCM. He survived the war, returned to Australia, studied medicine and became a General Practitioner in Subiaco. He returned to the Middle East in the Second World War and again rescued a man under heavy fire, but this time with a truck. He went on to serve in New Guinea and survived.

Bill went on to mention other Western Australians from well-known families who fought with honour in WWI, but who are not widely recognized Australia-wide.

Over 313,000 Australians joined up, about 32,300 of whom were Western Australians. This represented 9.9% of the State's population—the highest in the land.

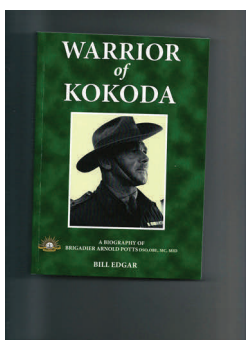
Was our involvement on behalf of Britain in this conflict worth the sacrifice of so many young men? As far as Bill is concerned, the jury is still 'out'.

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## DR BILL EDGAR: AUSTRALIA'S INVOLVEMENT IN THE GREAT WAR (Cont.)

One of Bill's heroes of the Great War was Brigadier Arnold Potts. He enlisted in 1915 and saw active service at Gallipoli in July 1915. After the allied withdrawal from Gallipoli he moved on to the Western Front, rising through the ranks to become a Captain at the age of 20. He won the Military Cross at the battle of Mouquet Farm. He was very seriously injured in the battle of Le Hamel and, after being repatriated to England, returned to Australia in 1919. Not deterred, he went on to fight in the Second World War.

Bill Edgar has written a book about his hero, titled *Warrior of Kokoda*, and if you are interested in obtaining a copy, call Tammar Publications on 93418308, or email [tammarwestnet.com.au](mailto:tammarwestnet.com.au)



Margaret Harris



13 MAY 2016

## ETTA PALUMBO, PUBLIC TRUST OFFICE WILLS AND ESTATE PLANNING

You could have heard the proverbial pin drop when over 80 members and visitors listened in rapt silence to our May guest speaker. And from the queue waiting to speak with her after the meeting was officially over, it was obvious that another hour would have been well used had it been available.

Etta Palumbo from the Public Trustee's office was instrumental in establishing the WA Will Bank, WA Will Week and Give2Good Foundation. Not only was her talk very informative but endearingly entertaining as well.

### **Make sure your Will is valid and discoverable.**

Why is it important to have one? Because:

1. You decide who gets what, and
2. You decide whom you can trust to execute it.

### **Modern day family structure complexities**

have changed the simple picture of the past: your superannuation arrangements need special attention; all the beneficiaries may have passed away by the time your will is to be executed; there may be minors or vulnerable people who depend on your specifically writing into your will what you bequeath them and who will be the Trustee to carry out your wishes.

### **"What if I die intestate?"**

There is legislation, The Administration Act of 1903, which will decide who gets what in what order and in what proportion. The end result may not be what you would have wanted. Etta gave the example of a married couple where the husband inherited a house when he was very young and it was always left in just his name. There are no children and the couple has almost nothing in the bank. Does the wife get the house? No, because there are two estranged brothers in the UK to whom hubby has not spoken for over 30 years but who nevertheless are entitled to half the estate. Wifey gets the personal belongings in the house plus \$75,000—which bought a mansion in North Perth once upon a time, but wouldn't buy a 1-bedroom unit anywhere in Perth today. Since the estranged brothers are entitled to half the estate, the house must be sold—wifey has to find elsewhere to live. The Family Provision Act exists, to respond to the "that's not fair" sentiment, but then wifey must engage the services of a lawyer to fight the case and even if she can afford to do that, it may not be worth it. A similar situation can arise where one half of a young couple (with 2 children) owns the family home. When he or she dies, half the estate has to be put into trust for the children. Again, the house has to be sold. To get around the Administration Act of 1903, MAKE A WILL.

### **The Family Provision Act:**

People do need to provide for their families, but this Act also allows people to challenge a Will or to put in their own claim. A spouse, a de-facto spouse, parents and children can *always* challenge a Will. It is not true, for example, that if a child (of any age) has been left \$20, that insignificant sum is enough to prevent a challenge. Viz. the case of mining magnate Peter Wright's biological daughter who was left \$3 million, but asked and received much more. Other possible challengers include, for example, a former spouse, grandchildren, de-facto partners. Step-children are a category recently added. Etta painted the fascinating scenario of "I, Jim, leave everything to the love of my life, Mary". Jim dies and Mary gets everything.

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ETTA PALUMBO, PUBLIC TRUST OFFICE

WILLS AND ESTATE PLANNING (cont.)

Six months later she has a new love of her life, Jerry, and in her new Will she leaves everything to him.

But Jerry has his own children, so when he dies.....

**“I want to leave a child out of my Will”.**

What a grenade to drop after you have died. But what will be the consequences if that child challenges? How much of your hard-earned estate will be left to divide after the court case? In fact, the court does not like to interfere with Wills. 75% of contested cases are successful, mainly because people see lawyers' fees racking up and decide that sharing the spoils with the contestor is the less expensive of the two options. Etta spoke highly of lawyers but simply warned of the 'ambulance chasers' who put in ads such as “Not happy with your inheritance? Ring us!” Write your reasons for excluding someone from your Will in a letter to the court but not in your actual Will, which becomes a public document. Something like “To be opened in the event that my Will is challenged” on the envelope will suffice. Do not attach it to the Will because if you do, it becomes a codicil, a part of it.

A valid Will in Western Australia is one that:

1. Is in writing;
2. Is in the form of a document;
3. Is headed “The Last Will and Testament of....”
4. Needs to revoke all previous Wills. If you have assets in other countries, however, you might need a separate Will in that country. (Get a lawyer to help);
5. Appoints a suitable Executor, i.e. someone over 18 with some knowledge of the duties which will need to be carried out (and they are not inconsiderable), or, the Public Trustee—yes, Etta did put in a plug once or twice for her organisation;
6. Gives away your assets and clearly spells out to whom;
7. Is properly signed and witnessed by two people. Both must be in the same room at the same time—use the same pen to prevent questions regarding time and place;

8. Is made by someone with “testamentary capacity” - at the end of the day the Probate Office decides whether or not you have it, for example Lang Hancock's last Will was made on his death bed, under the influence of pain drugs; everything was left to Rose, whereas in previous Wills everything had always been left to Gina. Of course, Gina challenged. The Public Trustee no longer does death bed Wills—**MAKE YOUR WILL—NOW!**

**Who can write your Will for you?**

1. **You, yourself.**

**Keep it simple and very clear.** Beware fancy wordage. Etta made the observation that the more educated people are, the more they stuff up their Wills!! **Date it! Include all your assets.** You may have acquired assets recently which were not included when you made your Will. Beware **Residual Clauses**, such as “If there is anything left, I give it to ....(e.g. a charity)” But when Mum went into a nursing home, the house and the farm had to be sold and ‘everything else’ went to the charity! When children challenge charities in such situations, they usually win and charity loses. But it would be good to prevent this problem in the first instance. **Allow for other people to die before you.** Suppose the entire estate is to go to a little boy, and the testator's sister is to be the Trustee. What if the little boy dies before the Testator? What if he has a child before he is 18—who gets the bequest then? **Total failure** refers to everybody dying, e.g. in a plane crash or a cruise catastrophe or an earthquake, etc. Who gets what then? Beware **contradictory clauses** such as “I leave the whole of my estate to my son and my farm to my nephew”. If you bequeath percentages and the whole adds up to 110% that is a ‘difficult one to navigate”.

2. **A solicitor.**

Get quotes, making sure that you get a **specialist Wills lawyer.**

3. **The Public Trustee.**

for which organisation there is a 4-month waiting list! Etta mentioned costs, which ranged from about \$300 for a very simple Will, with \$5,000—\$7,000 being the average and if complex, as high as \$10,000—\$20,000. Cost does not depend on the size of the bequest but on the complexity, i.e. on how much work has to be done.

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ETTA PALUMBO, PUBLIC TRUST OFFICE  
WILLS AND ESTATE PLANNING (cont.)

### ***Marriage and Divorce***

Make a new Will when **contemplating** once you are sure you don't want your ex-to-be to inherit anything from you. Otherwise, if you go over the rainbow before you are officially divorced, he/she will benefit. (There was a little titter when Etta said that upon hearing one Will read the kids exclaimed of a beneficiary, "But she was just the cleaner!" Always **write simply but in detail**—If.....then this, if..... then this.

### ***Pull out your Will annually and look at it.***

Anything changed? No? Then should be OK for another year.

*The Probate Office* must give authority before anything can be given to anybody. If there is a valid Will, with an Executor named, probate will be granted; if not, a claim must be made through Letters of Administration. This can be a complex area of the law and the assistance of a lawyer will doubtless be required. MAKE A WILL.

### ***Power of Attorney ends on Death***

The Executor of the estate then takes over. This will be whoever is named as such in the **last** Will. This burden may be too much to put on to the shoulders of an inconsolable relative, so Etta suggests appointing a professional executor, especially if it is a complex Will or if fighting/litigation is a possibility. Costs are not miniscule: about \$6,000 for a simple Will to be administered by the Public Trustee.

### ***Two main reasons why people ring the Public Trustee***

1. The Executor is doing the wrong thing. Get a lawyer. If it's the Public Trustee you are not happy with, write to the Attorney General.
2. The Will can't be found. It's often in esoteric places, like taped to the bottom of the cutlery drawer! Put the **original** Will where it is safe and will not get lost, e.g. the Public Trustee's WA Will Bank, which is free of charge if you deposit your Will personally. (You can download a deposit form and see details there.) Don't leave your Will with a solicitor, because the business may change hands and/or its name and the original forgotten.

Don't put it in a safety deposit box—you may neglect to tell a relevant person that you have one. There is a Catch 22 situation where a Will cannot be executed until probate is passed, but probate cannot be granted unless the original Will is produced! **IF YOU CANNOT FIND YOUR WILL, WRITE ANOTHER ONE.**

Financial administration is the biggest part of the Public Trustee's work. People given Enduring Power of Attorney often defraud. Terrible but true. The order of abusers of the elderly when it comes to money are: (1) a son, (2) a daughter, (3) a carer, (4) grandchildren!! The attitude can be, "He/She doesn't need it," or "I'm going to inherit it anyway". (Yes, but wait till your benefactor is dead). There is no watchdog looking over EPAs, but if there is a problem, report it to the State Administrative Tribunal.

**Funeral Insurance** can be a scam. If you have one, remember that the policy must be up to date. Etta believes that you are better off keeping your money in a bank account. **Money from your Will can be released for funeral expenses—and for nothing else.**

There were so many questions and sadly, we ran out of time. A queue formed for the generous Etta's responses to personal queries—which queries and responses would have been of interest to us all. However, she did manage to answer a few publicly.

### ***How do I get my Will out of the Will Bank?***

Write, with copies of the same two ID documents you submitted when you deposited your Will. After a death, simply ring up, "Mum has died; I believe you have her Will". The Public Trustee people look up death notices and the death register. They have 100,000 Wills in their vault.

**To make a small change to my Will** can I just cross out and sign? Yes, but Etta's recommendation is to make a completely new Will, thus avoiding any problems.

### ***Is it a good idea to have family members as Executors?***

Etta personally thinks not. Why? Because both must agree on everything. The Public Trustee will never act jointly with anyone.

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ETTA PALUMBO, PUBLIC TRUST OFFICE

WILLS AND ESTATE PLANNING (cont.)

**Can someone appointed to be an Executor revoke the position?**

Yes; no one can be forced to do it. But let the appointee (testator) if he or she is still alive, know. If not, a new Executor needs to be appointed.

**Is it a good idea to discuss your Will with your children?**

Of course it is! A brilliant idea. Surprises are shocks.

**Why can only two children have Power of Attorney?**

Because it is practical. There must be agreement on any action; the more people involved, the less likely this would be, so the Law states, two only.

WA Will Week is in March of each year, and some talks are given during Seniors Week in November. More information can be Googled by simply typing in WA Public Trustee—Wills.

The resounding acclamation at the end of Etta's talk attested to the appreciation of our 80+ members and visitors, for her outstanding presentation.

Vera Payne



**19 JUNE 216**

**MARIA DAVISON: AMANA LIVING AGED CARE**

What a labyrinth, not to say a minefield, is Aged Care today. There are sundry 'packages' and ARCS (Asset Replacement Contributions), HAGS (Healthy Ageing Grants), RADS (Refundable Accommodation Deposits), DAPS (Daily Accommodation payments) and combinations galore. The Aged Care landscape is changing fast, the drivers being an ageing population and a demand for more choice; as of July 2015 we have the Government embedded CDC (Consumer Directed Care) and CHSP (Commonwealth Home Support Programme) ..... and further acronyms aplenty.

Maria Davison, Registered Psychologist and General Manager of Amana Living's Homes Care and Housing, gave us an honest and comprehensive outline of the salient points. Amana Living was founded 60 years ago as a not-for-profit organisation called *Anglican Homes*, providing housing for seniors. The Anglican Diocese has the ethos of a strong belief in "living the second half of life" as well as in taking care of everyone regardless of belief.

While neither the profit (Stock Exchange listed) nor the not-for-profit sections are doing very well, the latter has no shareholders to answer to and so can put its money wherever most needed, e.g. to Government-unfunded services in Assessment, Clinical care and a rapidly growing need, Dementia.

The once labeled "Nursing Homes and Hostels" are now "Residential Care" and only those who have the highest needs go into *Residential Aged Care*. 78 is the average age of WA people opting for Retirement Villages and 82 of those entering Residential Care. Amana Living is also one of the four *Transition Care* providers in Perth, where the client is looked after for 12 weeks between leaving hospital and (hopefully) going home.

While there is both State and Commonwealth funding for Home Care, more and more of it comes in the form of "packages", from very low level 1 to very high level 4. In Perth, Amana Living offers 549 packages of Home Care, 752 packages of Residential Care, has 723 clients in 636 housing units, and 65 people in Transition Care.

We have heard the statistics before, but they are worth repeating, formidable though they might be: Currently there are 4.5 people aged 15-64 for every 1 person over 65; by 2055 the 15-64s will have dropped to 2.7 and, for the first time ever, the 65+ group will outnumber children under 5. There will be 4 times as many people aged 85+, 70% of whom will receive some form of care.

The Government's response to Aged Care needs is based on *Choice and Control*. The vast majority of people now want to stay at home so the funding ratio is changing to accommodate that. In the tendering process 2 years ago, Amana Living was given an amount of funding per day for a specific number of levels of packages.

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**MARIA DAVISON: AMANA LIVING****AGED CARE (cont.)**

From July last year the situation is that every person is given his/her own 'bank balance', knows the cost of care and what has been received (through a monthly statement) and whatever hasn't been spent rolls over and is allowed to accumulate for as long as the person receives that particular package.

Until 2 years ago mainly basic services were offered, but now that it is a Consumer Directed Care world, not just needs but also wants are catered for, with restrictions of course. Maria gave the example of a client visiting a brother in Canberra, who for health reasons could not come to Perth. She also outlined package-costs, but they are too complicated for this overview. A *Schedule of Fees and Charges for Residential and Home Care from March 2015* has been provided by the Australian Government Department of Social Services and you can Google this or we can send you an emailed copy, as also a *Home Care Fee Estimator*. Be aware, however, that the figures change every year.

**What to look for in a 'package'?**

1. A full range of levels, but beyond Level 2 there is a waiting list, with levels 3 and 4 being in high demand.
2. Fees: There is a great range and they are not consistent in the market. For example, the Administration fee can be between 10% and 60% of your allowance, but the hourly rate penalties for after-hour services might be huge and the end result could be that the 60% is a better choice.
3. The additional costs: Ask about these at the outset, e.g. assessment services, reviews, hourly rate of normal services and of after-hours services. A cost of \$130 p/h for a Registered Nurse was mentioned.
4. Consistency of well-trained staff: You don't want to have to explain your situation again and again, every time someone new comes on.
5. Use of other contractors (e.g. shower-modifiers) and equipment (e.g. wheelchairs) and supplies purchase. Unspent funds (and they can be up to \$30,000!!) are limited as to where they can be used; be aware of this and spell out your specific needs beyond the basic services.

6. Expertise in core areas such as clinical needs (e.g. physiotherapy).

**Improving the system going forward:** Amana Living believes that removing the "Supply Caps" will be good because at the moment these preclude you from taking the balance of your unspent funds with you to another provider should you wish to move; from February 2017 you will be able to do so. Currently also, Amana Living cannot choose the ratio of packages for which it subsidy-tenders. It therefore advocates a lump sum of money to be used where it sees fit. There is a huge demand in some package areas, very low in others, but Amana Living is stuck in the levels it receives and cannot move those packages around. It advocates a simpler system of assessments, with a bucket of money given to be spent where it deems most appropriate. Additionally, in the May 2016 Budget the Government clawed back \$1.2 billion over the next 4 years in its subsidies for Aged and Community Services; *Forward Estimates* had under-estimated the cost of aged care and now there is a big blow-out. Maria also believes that quality should not be sacrificed for compliance; "safeguards" must result in good service and not in, e.g. time wastage by staff. Consumers need to look into the wider picture, not just financial issues. Currently, people are told what services are on offer but there is no one-stop shop of information. The tendency so far by Government is for less planning and more response when and to whatever goes wrong! (An article in *The West Australian* 23 June 2016 by Trevor Lovelle, Executive Officer at Aged and Community Services WA, an industry body for not-for-profit Age and Community Care providers, was headed "Aged-care savings will cost more in long run".

**Carer-training?** Although there is no requirement for a certificate, the vast majority of providers do put carers through a training programme.

**How to choose your package?** Level 1 is a very low level of care with just occasional support such as going shopping or to the doctor's because perhaps you no longer drive. Level 2 includes some home cleaning and gardening, where there might be safety issues for the client. At level 3, where mobility is reduced, help is given to shower. Level 4 gives all the preceding plus extras such as help taking daily medication, insulin injections for the diabetic, clinical care and/or continence management. A level 3 or 4 assessment automatically also enables the client to go into Residential Care.

*Continued Page 11*

**MARIA DAVISON: AMANA LIVING****AGED CARE (cont.)**

A client co-payment of \$21 (currently for any level, suggests that it is better to choose a higher level of care.

**Who makes the assessment?** HACC (Home and Community Care), a joint initiative of the Commonwealth and State Governments, can be contacted directly, but there is a 6-week waiting list unless there is high priority. A member of RAS (Regional Assessment Service) may refer you to ACAT (Aged Care Assessment Team) which requires a GP referral unless you are in hospital where there is no waiting time because the hospital needs your bed!

**What will it cost me?** Generally, if you have a \$1 million house, live alone and need Residential Aged Care, you will either need to sell your house or come up with a lump sum of money for your bond; you can rent out your home and pay rent as you go, but if you don't have the full amount up front you will be charged interest (currently 6+%). In most cases a \$200,000—\$600,000 bond (RAD or DAP) is paid from which the provider gets the interest; the lump sum (minus the interest) is returned on the client's leaving (or death). Should you choose a high-end facility such as Berrington, the bond will of course be considerably higher. Additionally, there is a 'Basic Daily Care Fee' currently \$35 per day. You can go online to *My Aged Care*, tap in your assets, and you will see your approximate payments, depending on your choice.

**Reliability of carers** especially on weekends? What if a carer doesn't turn up? What back-up is there? This is a big challenge, but Amana Living have the whole roster on hand-held, GPS tracked, phones, which notify if no-one has turned up. Ideally, there are a couple of people on stand-by....ideally. Amana Living will help you employ your own staff should you wish that, but a premium cost is involved because of the overheads.

**Big turnover of staff?** Certainly attracting good staff is a big challenge. The majority of Amana Living workers are 55+ years so very reliable. But a number of younger people are coming in (because as workers age they don't necessarily want to work the same hours as before) and the turnover is greater here. Something like the *Uber* situation has arisen in the industry. Amana Living cannot now compete with cheaper agencies such as "*Better Caring*", an on-line platform by a Sydney innovator, where good carers can register and

clients can go online to choose. Thought to be a wacky idea initially, it is now flourishing, basically because people want control and choice, i.e. it is a market driven service. Maria believes that going forward there will be DIY models.

**Extra services:** As well as the Basic Daily Care Fee and the RAD or DAP, there is a fee for Extra Services, which do attract a Government subsidy to providers, based on needs:

1. No funding;
2. Middle funding
3. High funding.

\$210 per day has been the top but now Government will reduce it by about \$15 per person. Providers come up with a suite of offers, such as Foxtel, WiFi, a glass of wine with dinner, a celebration dinner. People are often forced into taking a package which includes extras they do not want, because that package caters to most of their needs and they are desperate to get these needed services.

**What happens to the packages in the event of a change of Government?** No change for the public because Governments are politically savvy, but providers get less money .....

Maria was thanked in the usual way for her "very clear and comprehensive overview of a very complicated subject".

Vera Payne

**HAVE A GO DAY****Wednesday 9 November 2016**

Burswood Park, Great Eastern Highway, 9 a.m. to 3.30 p.m.,

Free activities and information day for Over 45s. Featuring activities, clubs/groups, seniors and commercial agencies.

For more information contact:

Seniors Recreation Council of WA Inc

Phone 9492 9772

[www.srcwa.asn.au](http://www.srcwa.asn.au)

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**GUEST SPEAKERS**

- 8 July: Clare Taylor SRN, Continence  
Advisory Service
- 12 August: Annual General Meeting; and  
Gordon Hudson, Wheelchairs for Kids
- 9 Sept. Dr Rachel Young—Young Chiropractic
- 14 Octpber: Peter Kennedy—Premiers I have  
known
- 11 Nov. Pre-Xmas Party with entertainment  
by Dr Peter Harries.

It is our aim to present guest speakers whose topics are pertinent to our members, i.e. people who are ageing gracefully, keen on preserving or enhancing their income and of quick wit and high intellect.

So, please let us know whom you would like to hear or the topics which interest you most. And as many of our members belong to more than one organisation it will be helpful if you can nominate a speaker whom you have heard and whose presentation was impressive and interesting, to a group such as ours.

Our Guest Speaker coordinator is Vera Payne and Vera can be found at most meetings, but if she is not present on the day that you plan nominating a speaker, any committee member will be happy to receive your suggestion.

DISCLAIMER

Please note that nothing written or spoken in the course of WASFR meetings, talks given, or in any publication is to be construed as advice to members or visitors.

THANKS

To the Cambridge Bowling Club for extending the use of their facilities to us for our Committee meetings, at no extra cost.

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As a Community Service