



WASFR NEWS

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July 2019

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PRESIDENT'S REPORT



Morning Everyone. Hope you are all as well as can be expected (??) - considering this awful outbreak of influenza. It's not much fun! The sooner we get some Summer sunshine the better it will be for the de Gruchy household.

There have been some interesting happenings since the last edition of WASFR News. Probably, the main one was the result of the Federal election. Everyone was predicting that Labor, led by Bill Shorten, was going to "romp in" - but that didn't happen. Scott Morrison won the "unwinable election" - just like John Hewson lost the "unlosable election" in 1993. That is all now past history and the World has moved on to other things. Already we are seeing some of the benefits of having a LNP government - the soon-to-be legislated Tax cuts will be a welcome event for many households. However, it must be said that legislating for Tax cuts in 5 - 6 years time, at a tremendous cost, may seem to be a dubious decision. No-one can really say how the World will be in 5 - 6 years time, and whether Australia will be in a position to be able to fund this very costly loss of revenue. We, also, have another Federal election in 3 years time, and who knows how that will pan out? Several politicians have spoken about other matters that could/should be considered as alternatives to spending so much money on such a populist (? political), decision, and I must say that some of them do make sense. Oh well, it probably matters little what a few of us think. Once the politicians start their bargaining episodes amongst the minor parties, anything can happen. I heard this morning that one Independent Senator from Tasmania was asking for a \$157 million dollar debt, owed by the Tasmanian government to the Federal government, be "wiped out", and if that happened, she would then give support to the full package of Tax cuts. So much for solid, sound, logical reasoning regarding the pros and cons of deciding on future legislation.

I did mention in the last edition of WASFR News that many of us are asking "*How are we going to pay for all these promises ?*" We still do not have an answer. I guess we/Australia, could continue to borrow money from overseas, however, that will only add to the growing amount of debt that we already have. The last information I have seen is that Australia pays **\$17 billion** dollars each year in interest alone! That is frightening. Is this the sort of Legacy we will be leaving to our children, and grandchildren?

As you may be aware, the **Alliance for a Fairer Retirement System (AFRS)**, was heavily involved in the recent Federal election. Members of this Alliance were involved in "Summit" meetings, TV and Radio talkback, letters to the media, meetings within their own members as well as meetings with Federal politicians (where possible). The level of valued, and sensible information provided by the AFRS is to be commended. They were able to demonstrate that Labor's belief that franking credits only affected "the wealthy" was fundamentally flawed. It is heartening to see that the Australian public were able to understand the problems that could have eventuated if this had become Law.

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The last meeting of the **AFRS** was only last week (3rd July). The main topic was the text of a letter that is to be sent to the Federal Treasurer in relation to the recent Productivity Commission report dated 21 December 2018. The Productivity Commission is the Australian Government's principal review and advisory body on microeconomic policy, regulation and a range of other social and environmental issues. It has 165 employees and an annual budget of \$32 million dollars. Recommendation # 30 said

"The Australian Government should commission an independent public enquiry into the role of compulsory superannuation in the broader retirement incomes system, including the net impact of compulsory super on private and public savings, distributional impacts across the population and over time, interactions between superannuation and other sources of retirement income, the impact of superannuation on public finances, and the economic and distributional impacts of the non-indexed \$450 a month contributions threshold. This inquiry should be completed in advance of any increase in the Superannuation Guarantee rate."

A draft letter had been circulated and, after a few amendments, the final version was sent to the Federal Treasurer on 2 July 2019. The letter comprises 6 pages (? a bit too long ?), but it does set out a few issues that we would like the government to address. A few examples are

- support for non-home owners
- review the Age pension assets means test taper rate (ie. lower the taper rate)
- review Age pension means test deeming rates (more in line with reality)
- incentives for work force participation
- an Age Pension Tribunal (need for an on-going review of the parameters around this system)
- aligning indexation of government employees pensions (CSS and PSS schemes/Age pension).
- allow a fractional insurance premium for part-time workers
- consider placing an upper limit on the size of member accounts eligible for tax concessions
- review the minimum drawdown rates on benefits held in the pension phase
- should the superannuation guarantee levy be increased to 12% ?
- a limit on lump sum withdrawals
- allowing higher contribution caps for from the age of 50 (allow "catch up" contributions)
- allow a spousal "roll over"
- drawing on equity on the family home (an expansion of the Pension Loans Scheme)
- review access to Seniors and Pensioners Tax Offset (SAPTO).

There are more issues involved in this review, and we do not have any knowledge of a time-frame within which the government will commence this review - and the time allowed for completion. The **AFRS** does intend to keep on top of this matter and is prepared to provide further detailed information, if and when required. All I can say, is "watch this space".

The Royal Commission into Aged Care Quality and Safety is well and truly under way - recently they were in Broome WA. We continue to get information regarding the public meetings, but I have to say that there is so much involved that we seem more inclined to wait till their final report is released (due 30 April 2020).

One of the major problems is the waiting list for Home care packages - around 126,000 we understand. This will not be an easy matter to resolve - it requires a massive amount of federal funding.

Shortly we expect to commence work on the 2020/21 Federal Pre-Budget submission. Some of you may think that this is too soon, however, we need to make a start and hope that it can be finished by November for distribution before Christmas. So, if anyone has a particular issue that might warrant inclusion in the submission, then feel free to contact one of the Committee members listed on page 12. It is worth mentioning that, after more than 12 months of applying, we now have a tentative date to meet with Senator Mathias Cormann on 19th July.

As we said last time "*the WA Seniors Alliance continues to struggle along*". There is a new CEO for COTA WA and this lady has indicated that she wants to "sort out" what it is that is expected of her, and also, to prioritise the activities that COTA WA is involved with. Accordingly, she has asked that COTA WA be left out of any deliberations/meetings for the next 6 – 7 months at which time she hopes to be in a better position regarding COTA's continued membership of the WA Seniors Alliance. National Seniors have also indicated that, due to one isolated matter re Land Tax, they wish to remove themselves from the WASA (maybe remain as an "observer" ?). Needless to say, this has caused a situation that we would rather not have. We have indicated to National Seniors that, if they feel so strongly about this matter, then we/WASA will have to seriously consider deleting it from future submissions. We are waiting for their response. We expect to commence work on the 2020 submission in the next few months.

With our AGM coming up next month we are, once again, looking for new Committee members. It is not difficult, and you would be helping out your elderly friends. Please give it some thought.

Ron de Gruchy

July 2019

Born in Fire - the Discovery and Development of Western Australia's North West Shelf Natural Gas Resources

The discovery and development of the North West Shelf gas resources 130km offshore from the mineral rich Pilbara district in the 1970s was one of the most economically and socially transformative events in Western Australia's short history – comparable to the discovery of our vast iron ore resources in the 1960s or the gold rushes of the 1890s.

The excitement began in 1971 when an oil exploration joint venture initiated by Australian junior explorer Woodside Oil discovered a huge reservoir of natural gas deep beneath the Indian Ocean offshore from the Dampier iron ore port.

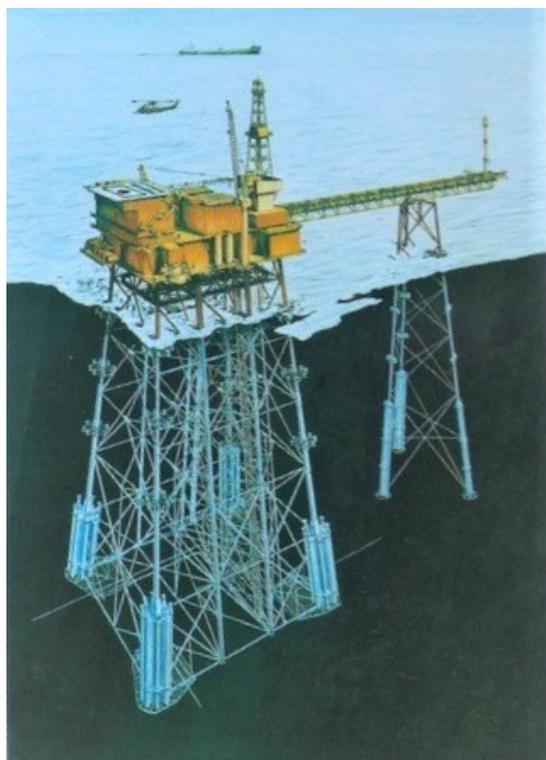


The 700 metre thick North Rankin gas reservoir was trapped 2,400 metres under the floor of the cyclone prone sea which was 125 metres deep above the well head on the sea floor.

Drilled on the extreme frontier of offshore petroleum exploration and production technology, the discovery was 1,300km from Perth, the nearest possible market, 4000km from possible east coast Australian markets and 7,000km from possibly viable markets in Japan.

As North Rankin under test belched flames and smoke the company's share price soared, and the outlook looked good for Woodside and the four foreign-owned oil companies which owned half the project between them.

But it would take 18 years and cost \$7 billion to bring the critical Domestic Gas (supplying Western Australia) and Liquefied Natural Gas (supplying Japan) phases of the North West Shelf Natural Gas Project into production.



Guest Speaker Peter Ellery told the audience at WASFR's April meeting that the development of the North Rankin gas field was the biggest resource development project ever undertaken in Australia at the time - bigger than the Snowy Hydro Electric Scheme of the 1950s or the first stage of the development of the Pilbara iron ore fields in the 1960s.

Peter, a former journalist who joined Woodside as manager of Government and Public Affairs in 1972, worked with the project until the late 1980s.

Along the way Burmah Oil which was the inaugural Project Operator would take a 51% share of Woodside which owned the other 49% of the project.

Later, Shell and BHP acting jointly, would acquire Burmah's share of Woodside and Woodside's share of the North West Shelf project would shrink from 50% to 16 2/3%.

As it moved towards development, Woodside would also play unsought roles in Australia's biggest political crisis and one of our most sensational industrial disputes, while also being caught up in London's biggest financial collapse, and a revolution and invasion in Portuguese Timor.

Key figures in the saga included Geoff Donaldson, chairman of Woodside until the late 1980s, and Sir Charles Court, Premier of Western Australia who recognised that North West Shelf gas would reduce the States dependence on oil Imports and stimulate the development of new industry, especially in the Pilbara.

In 1980, nine years after discovery, Western Australia's then energy authority contracted to buy North Rankin gas to supply Perth, and the south west of Western Australia, for 25 years starting in 1984.

- * This enabled construction to begin on the main components of the project:

The North Rankin platform standing in 125m of water, 130km for the nearest land, with capacity for multiple production wells tapping the gas reservoirs 2.5 km beneath the sea floor. North Rankin was the biggest offshore natural gas production platform ever built.

- * A 130km by one metre diameter submarine pipeline to carry gas and associated liquids to an onshore plant. This was biggest two-phase flow (gas and liquids) ever built at the time. Peter Ellery's paper tells of the exploration and development of the North West Shelf as Australia's biggest national development project at the time, and the emergence of Woodside as one of Australia's leading public companies, now totally free of overseas control.



- * A treatment plant to ready the raw gas for use in Western Australian homes and industry, together with a 1,500km pipeline to transport the gas for local use to Perth and on to Bunbury. The Dampier-Perth-Bunbury pipeline was owned, funded and operated separately for the gas producing joint venture, but is fully integrated with production to ensure continuity of supply to customers.

The first North West Shelf gas flowed to Perth in 1984 and soon after eight of Japan's biggest power utility companies contracted to buy six million tonnes a year of Liquefied Natural Gas (LNG) from the North West Shelf.

LNG is a natural gas that has been chilled to minus 161 degrees Celsius at which temperature it condenses to liquid occupying 1/600th of its gaseous volume – making it suitable for transport in insulated tankers over land or sea to locations where gas supply is otherwise impractical.

Servicing the LNG contract required construction of onshore plant at Burrup Peninsular where the gas comes ashore of:

- * A liquefaction plant, in effect an enormous refrigeration plant using compressed Pilbara air at an ambient temperature of 30 degrees Celsius to chill natural gas to minus 161 degrees at which temperature it freezes.



- * Giant insulated tanks in which to store the super cold liquid gas before it is pumped, (through insulated pipes), to LNG tankers which are effectively giant floating thermos flasks to their overseas customers – initially in Japan.

Within a few years of beginning production the North Rankin project was supplying about 50% of Western Australia's non transport energy requirements and 16 % of Japan's total non -transport fuel.

Today, nearly 50 years after the North Rankin discovery, the North West Shelf Joint Venture continues to supply domestic gas to Western Australia and LNG to Japan, plus South Korea and China, and is investing billions more dollars to expand and diversify production.

1990 view of the North West Shelf Project's onshore LNG and domestic gas plants and LNG storages and shipping facilities.

GUEST SPEAKER - Andrew McKay

On 14 June, Andrew McKay from Shadforth Financial Group presented 'An Inside look at Planning Issues for Retirees'. Andy has a Bachelor of Commerce with a major in financial planning and is a Certified Financial Planner. His presentation was intended to cover:



- Legislation – House downsizer scheme,
- Investments – Low Interest rate environment & options available,
- Centrelink – Maximising your age pension, and
- Estate planning – Key Documents & Considerations.

Unfortunately, due to great interest in the first two topics, time did not permit him to cover the Centrelink and Estate planning topics.

House Downsizer Contribution

If you are over 65, you can make a non-concessional (after tax) contribution to super of up to \$300,000 from the sale of your home. There is no work test and no requirement to buy a 'smaller' house. The contribution can be made even if your total super balance is above \$1,600,000 and the contribution does not count towards your contribution cap (\$100,000 in 2018/19). However, the house must have been your residence for 10 years or more prior to sale, and exempt from CGT under the main residence exemption. You can only make one downsizer contribution and it must be made within 90 days of receiving the proceeds of the sale of the house.

Investments –Low Interest rate environment & options available

Term deposit rates peaked in 1990 at 14.9% and have been in a downward trend ever since. Current rates for 12 months range from 2% with NAB to 1.9% with the Commonwealth Bank with indications of further reductions in the near future. The impact of low rates was highlighted in a graph showing an example with a starting capital of \$800,000 drawn down by \$40,000 for living expenses each year, and earning an annual rate of return of between 1% and 6%. After 20 years, it requires an interest rate of 5.5% to maintain the starting capital throughout. With lower returns the capital is eroded over the period to approximately \$270,000 at 2% interest and \$100,000 for 1% annual return. The danger of using up one's entire capital is very real at current interest rates, especially as we may live longer and have to sustain an income over a longer retirement period !

Andy presented some investment options available to provide a higher rate of return — growth assets (shares and property), and higher-yield defensive assets (bonds and other forms of high-yield debt). He warned that with the higher return comes a proportionately increased risk of losing part or all of the invested capital or failing in some years to achieve the desired dividend income.

He gave examples of the benefits that could be achieved with these sorts of assets - A Listed Property Trust (4.5% average dividend and no tax benefit), and Australian Shares (4.5% average dividend 1.9% franking credit), compare favourably to a lower risk 2% term deposit.

The main ways to reduce risks are:



- To diversify one's investments both across assets classes and across individual investments within each class, and,
- Diversify one's investments over multiple regions (especially since Australia's share market is heavily dominated by a few business sectors (notably mining, banking and food retail)
- When investing in volatile assets ensure one can hold for at least 5 years to avoid having to sell in a market downturn.



The rewards of holding short-term fixed interest and Australian shares since 1980 were compared to CPI inflation. Stock markets, despite their volatility and susceptibility to sharp (and sometimes deep) falls, clearly outperform all the rest (Australian shares have produced average dividends of 4.5% with franking credits of 1.5%) and, over the long term, have grown in value more than sufficiently to offset inflation.

Typical Bond Funds (3% average interest, but with no tax benefit) and Listed Hybrid Securities (3.5% average dividend with 1.5% franking credit) both compare favourably to a lower risk 2% term deposit.

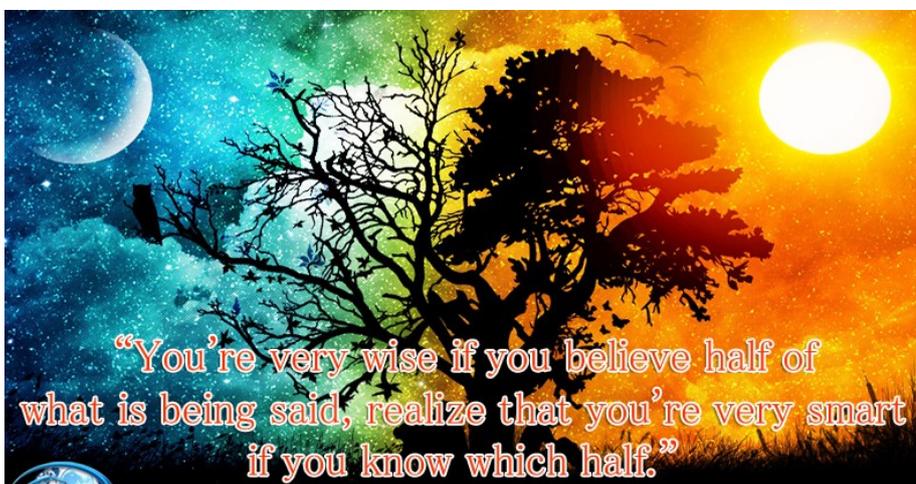
Despite all these benefits, Andy insisted that a cash element was an essential part of one's investment portfolio allowing normal living expenses and short term expenditure to be covered without having to sell other investments (he felt that around two years' normal cash requirements being a good starting point). He pointed out that bank accounts or term deposits are still the safest investments around (being guaranteed by the Australian Government up to a maximum of \$250,000 per financial institution). Examples were given.

Summing up:

- Cash is still important
- Understand what type of return you need to sustain your lifestyle and what expenses you have over the short-medium term
- Risk & return are related
- Focus on total returns – not just yield (income)
- Understand what you are invested in
- Diversify
- Diversify
- Diversify!



A final word on Investing...



“To invest successfully over a lifetime does not require a stratospheric IQ, unusual business insight, or inside information. What is needed is a sound intellectual framework for making decisions and the ability to keep emotions from corroding that framework.”

Preface by Warren Buffett in the “Intelligent Investor” (by Benjamin Graham)

Repayment of Loans Made to Ex-Servicemen/women

Bob Arnold

There is an issue surrounding benefits/pensions paid to past members of Australia's Armed Forces that does seem extremely unfair. These ex-servicemen, and women, have put their lives on the line for this country and yet we continue to overlook any problems that come up during the years after their return from active duty.



The beginning of compulsory superannuation for Commonwealth employees was in 1922, and similar superannuation for the Armed Forces followed sometime after. The Defence Forces Retirement Benefit Act (DFRB) came into force in 1948 and was replaced by the Defence Forces Retirement and Death Benefit Act (DFRDB) in 1973. This was replaced in 1991 by the Military Superannuation and Benefits Scheme (MSBS).

During those early years there was the right of ex-servicemen/women to take a lump sum as a part of their pension (referred to as commutation), but this was only a loan and had to be paid back. Apparently the finer details of this loan have been lost and all that remains is that there is a belief that payments were based on an "actuarial age" of the borrower. Many of us accept that an actuarial age is somewhat academic, nevertheless, it may serve as some sort of guideline. In those early years there was a belief that the age of 72 represented a reasonable life span for ex-servicemen/women.



The problem that is now being discussed is that those people who chose to borrow part of their pension entitlement 40 – 50 years ago are still making repayments, and their part pension remains as a part pension - it has not been returned to its' full value. Some of these people are well over 80, some are over 90. Sadly, Widows also suffer, because following the death of a partner they receive 5/8th of the existing reduced pension over their lifetime.



As a consequence, the Commonwealth coffers continue to receive regular payments from military pensioners for loans which have actually been fully repaid, and for which there is no justified, nor moral entitlement for any further payments to continue.

This matter has been referred to the Minister for Veterans Affairs, and to the Prime Minister, and is now in the hands of the Ombudsman for further investigation.

Both the Defence Force Welfare Association (DFWA), and the RSL, are active in attempting to get some closure to this extremely unfair situation.

If any member feels that they could be affected by this matter they should contact one of the above.

MAY 2019 SPEAKER

Vera Payne

FAREWELLS NEEDN'T BE FUNERAL

Bernardine Brierty from Bowra & O'Dea has been a Funeral Director for 24 years, with world-wide experience and holding the position of National Council President of the Australian Funeral Directors Association. She gave an excellent presentation on what to do when life has ceased; this is usually the responsibility of the Next of Kin.

Funerals don't need to be gloomy, sad and sterile as perhaps they once were. Their purpose is to reflect on, and to celebrate a life; to share memories of the deceased and of events remembered by those left behind to grieve. They are to say goodbye with family and friends.



They don't need to be expensive extravaganzas – but can be if you like! They can be daunting if you have had no previous experience, but there are many to help you - your Doctor, hospital staff, Silver Chain, and of course funeral director, who can alleviate the burden considerably. Take your time; there is no need to rush. Wait till all involved are together for discussion – family, friends, and perhaps neighbours.

Bernardine gave out very helpful printed matter, including a “*Things to consider when making funeral arrangements*” sheet which includes headings like Identification, Burial or Cremation, Private or Public, Service - where, when and by whom, Coffin, Clothing and preparation, Viewing, Pallbearers, Limousine, Flowers, Music. How to let people know? Telephone those closest to you, and then it is customary to put a Death Notice in *The West Australian*, though younger people might simply go online.

Death Registration is mandatory and we were also given a copy of “Personal Profile Record”, which lists the registration requirements, including date and place of birth, family details of marriage/s and of children and parents. Correct spelling is vital. At death, the Executor of the Will has the final say if there is any dispute, e.g. who of sundry offspring is entitled to keep the ashes? The sensible thing, of course, is to have such wishes specified in the Will. It's very helpful to have a written plan and wish-list in place and again the Personal Profile Record has a section on Funeral Preferences, while another booklet, “*Your Goodbye*”, helps you write down little snippets of the story you'd like your loved one to know. If you have recorded your information digitally, make sure your Executor knows your password! Or record it with your Will.

What is the cost of a funeral? “How long is a piece of string?” It can be higher than \$65,000, or as little as \$3,000, the average being \$10,000 - \$15,000. These costs are for the funeral director's services, the coffin, cemetery burial or cremation costs, the celebrant's services, the visual presentation, booklets, thank-you cards or gift and other third party disbursements. You might like to pre-pay your own funeral - the money is held independently in a trust fund. But beware of Funeral Bonds, which are similar to insurance, and may not take into consideration cost increases.

Consider organ donation if you have not already done so. Or perhaps full body donation to UWA for research – but make sure this request is in your Will. Finally, it is always a good idea for the family to know your wishes, so that there will be no distressing disputes after you have gone to heaven.

Bernardine responded to several questions and was thanked in the usual way for her vibrant presentation.



Forbidden Subject ~ but what the heck

Sid Breeden



It may not have been Confucius, but someone said to never discuss Politics and Religion so when it was suggested I write an article on "Politics" I thought ah-oh but then reality kicked in.

These days our newspapers, TV, online opinion, friends and sometime strangers don't hesitate to discuss either of these previously taboo subjects. Letters to editors and talkback radio seem full of this stuff. Maybe it's freedom of speech or bigotry ~ I don't know. One thing I do know is those who accuse others of being bigots don't themselves realise they are bigots. So ~ here goes, albeit moderated.

The recent Federal election outcome was supposedly a surprise. Myself, I admit to saying some weeks prior that I wouldn't be surprised if ScoMo won ~ and he did just that. That caused a bigger smile on my dial than ScoMo had when delivering his Victory Speech ~ winners sure are grinners. Problem is I didn't let my gut feeling put a few dollars on the long odds available, meaning I was not prepared to put money where my mouth was. Anyway, I breathed a sigh of relief when I realised Australia's "silent majority" saved me and my friends' Imputation Credits ~ small as mine may be but I still like them.

Many must have revelled watching the face of vanquished, over-confident Bill Shorten, when he had to deliver his supposed unlosable election Concession Speech. His look and those of the Labor Parliamentarian's and commentators on Election Night TV coverage were sights to behold. Here were people cock-a-hoop thinking they were a shoe-in to the Government benches having to back pedal with lame excuses. Then next morning's "our ABC" TV's usual suspects with drawn faces still in shock unable to admit "they'd lost".

By comparison ScoMo's Victory Speech was an opposite sight to behold. His "miracle" win was a grinner and genuinely gracious acceptance. The thing that impressed us all was his genuine public inclusion of his wife and daughters. Goodness, at that late hour the youngsters must have been tired but they were impeccably groomed and looked magnificent.

Soon after the elections I thought ScoMo did pretty well when meeting the Queen during his D-Day 75th year remembrance visit. I had dreaded the thought of whiney Bill Who doing that. Though ScoMo's audience was scheduled for 20 minutes it lasted more than half an hour, so that must be favourable.

Western Australia retained all government seats and let's hope this time it bodes well for our State. Hopefully with Christopher Pyne gone, and our Linda Reynolds in place, we'll now get our fair share of what smiling Christopher somehow wangled in excess for his South Australia.

We know there are not enough bickies in the tin to subsidise more Aged Care facilities (did I hear someone say "look at NDIS costs" ?) but there is more for in-home care packages. Unfortunately once one gets into the system it takes at least one year before your name reaches the actual funding start. The trend is to allow us oldies to stay in our familiar home environment for as long as practicable but the funding flow is something ScoMo and his mob have to get on top of.

Now to Albo. Let's hope he accepts that the Coalition won and allows the will of the people to rule over Opposition politics. He seems a nice enough bloke with a working class background ~ one of "you and me" so to speak. But like Bill Who he has a whiney voice. Apart from trashing some of Bill Who's unpopular policies his "Listening Tour" of Australia doesn't seem to have come up with much. Perhaps Albo was trying to forget Chris Bowen, during the election campaign, telling seniors to vote for someone else if they don't like Labor's policies - or was it just a taxpayer funded holiday while Albo gathered his thoughts? One thing he didn't do during his Western Australia visit was to get out of Perth. You'd think our South West, Great Southern, Goldfields, Gascoyne, Pilbara and Kimberley didn't exist, but these were the people who helped deliver Labor's defeat so why didn't he listen to them? We've yet to see how he is allowed to deal with the Greens who seem to have gone mysteriously quiet.

I haven't touched on Religion, or Freedom of Speech, but readers will have many thoughts and wishes. So let's go onwards and upwards with fingers crossed hoping the circus in Canberra settles down and continues to improve the lot for us Self-Funded Retirees ~ I wish.



WESTERN AUSTRALIA SELF FUNDED RETIREES Inc.

wasfrinc@gmail.com

MINUTES

Minutes of the General Meeting of WASFR Inc. held at the Cambridge Bowling Club, Howtree Place, Floreat, on Friday **14 JUNE 2019**.

The President opened the meeting at 10.05am with an attendance of 44 members and 20 visitors. A warm welcome was extended to the visitors. The President advised that Centrelink no longer provided speakers for occasions such as ours - similar to other financial cutbacks being experienced by many Government Departments. However, Centrelink do continue to provide information seminars within their offices.

APOLOGIES:

C. Atkinson, P. Farr, D. Brooke, R. Stevenson, H. Ellis

CONFIRMATION OF MINUTES:

Moved P. Ellis, seconded B. Arnold, that the Minutes of the meeting held on 10 May 2019 be accepted as a true record. Carried

BUSINESS ARISING:

WA Seniors Alliance: The President explained that this group of organisations continues to support common areas of interest to seniors/retirees. The next meeting is next Wednesday (19th June), where the positions of Chair and Secretary will be up for consideration. Members were reminded that WASA does not have a formal background (no Constitution, no Bank accounts etc.) - there is an "Agreement", but it does not have any signatures involved. Compilation of a Joint submission for 2020/21 is expected to commence in the next few months - suggestions for items will be welcomed.

Alliance for a Fairer Retirement System (AFRS): A brief comment was made that efforts made by the AFRS did contribute substantially to the recognition by the general public that Labor's policy on franking credits was fundamentally flawed. The main players within the AFRS held several public meetings, and together with newspaper articles and TV interviews, were able to convince the public to ensure this policy never became fact. As previously advised, the members of AFRS are now considering what (if any), future topics might be. Comments were invited at the last phone hook-up and we/WASFR, have agreed that a complete review of all superannuation and taxation issues pertaining to seniors be undertaken, including

- a review of the Centrelink Age pension Taper Rate used in the Assets Test - currently \$3 per \$1,000 of assets - recommend it be revised down to \$2 per \$1,000
- a review of the Deeming Rates used by the Federal Government to calculate a person's Income (suggestion it be no more than 1% greater than the Reserve Bank Cash Rates) - the Deeming Rates have not changed since March 2015 and the Reserve Bank has lowered the Cash Rate 4 times since this date
- a review of the indexation of the CSS and PSS Comsuper pensions so as to bring them into line with the indexation method used for the Age pension
- abolish the Work Test for retirees between the age of 66 and 74
- allow retirees over the age of 75 to contribute funds to superannuation (within the current limits).
- a review of the current entitlement to the National Disability Insurance Scheme (not available to retirees who contract a disability over the age of 65)
- Grandfathering of all rule changes which adversely affects retirees' income.

Note that not all suggestions may be taken up - future agendas are yet to be decided. The comment was made that increasing the SGL from 9.5% to 12% could have short term adverse affects on someone's take-home pay - although the long term benefits are quite clear. Next AFRS hook-up is 3rd July 2019.

CORRESPONDENCE:

- Emails (many) from the Royal Commission into Aged Care
- Email re franking credits (Wilson Asset Management)
- Emails re AFRS telephone meetings (also media releases)
- Email re Retirement & Planning workshops 4 – 6 June 2019
- Email from COTA - election summary
- Email re proposed review of superannuation, taxation & retirement incomes
- Email from Age Well campaign
- Email from NAB (withholding tax)
- Invitation to Care & Ageing Expo 3 - 4 August 2019
- Invitation from Ken Wyatt - public meeting 14 May 2019 (the President attended)
- Email re renewal to *SuperGuide* newsletters (cancelled)
- Town of Cambridge - June Calendar
- Gold Coast Retirees - June newsletter
 - also their summary of the 23 slides
- *SuperGuide* May 2019
- COTA Connections May 2019
- ACOSS media releases
- CPSA "*The Voice*" June 2019

FINANCE: M. Harris referred to the Finance statement on the reverse of today's Agenda which showed the total funds available as at 7 June 2019 totalled \$7889.10. There were no questions from members. M. Harris reminded members that annual subscriptions will be due from 1 July 2019 and asked that they collect their addressed envelope before travelling home.

GENERAL BUSINESS:

Other: Several members commented on issues they had encountered in moving across to the NBN. One member said that they had chosen not to connect at all but to rely on their mobile phone capacity. The President pointed out that our guest speaker for next month is from the NBN and no doubt there will be a number of questions being raised. The Town of Cambridge are running several workshops on connecting to the NBN next week.

There being no other General Business the meeting closed at 10.45am. After the morning tea break, the President introduced Andrew McKay from Shadforth Financial Group. Andrew proceeded to deliver an interesting power-point presentation "*Investing in Retirement*" - copies of this presentation will be available on the WASFR web-site (www.wasfr.org.au). There were many questions raised which resulted in the segments on Centrelink, and Estate Planning, not being discussed (ran out of time). Andrew was able to stay back after the meeting closed for further discussions with members.

Speakers for the following months are as follows

12 July	Brent Fleeton	The NBN
9 August	Samantha Spiro	Mercy Care - Stay at Home as Long as Possible
13 September	Anne Williams	How to Travel Light

Confirmed

Date

NEXT GENERAL MEETING: FRIDAY 12 JULY 2019

***WASFR Inc. does not give advice on any personal, or financial, matters.
Nothing written or spoken in the course of WASFR meetings, talks or publications,
is to be construed as advice given to members.***

State & Federal Advocates for Fully and Partly Self Funded Retirees

APPLICATION FOR MEMBERSHIP

Name/s:

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Annual Subscription: Couple \$30.00
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Margaret Harris

WA Self Funded Retirees Inc.

201 Bagot Road

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YOUR COMMITTEE

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Ken Beer 0404 037 712

Joe McPhail 9446 7376

Ian Moller 9386 6010

Vera Payne 9387 1520

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.

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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