

2015 ANNUAL GENERAL MEETING

Wednesday 25 November 2015 at 10.00 am
International Uniting Church
43 Franklin Street Adelaide SA

1) Welcome

Federal Councillor (SA), Alan Raftery opened the meeting at 10.00am. He acknowledged that we were meeting on this traditional land owned by the Kurna people.

A quorum was established with 52 members in attendance. There were 19 apologies.

Alan Raftery introduced SCOA Australia President, Annette Barbetti, Committee Secretary Anne Willenborg and Treasurer Tom Dent.

The agenda was agreed to.

Moved Sue Harding
Seconded James Vandenberg
Carried unanimously.

2) Minutes of previous meeting

The minutes of the Annual General Meeting held in Brisbane on 22 October 2014 were adopted as a true and accurate record of the meeting.

Moved Annette Barbetti
Seconded Anne Willenborg
Carried unanimously.

3) President's report

Annette Barbetti said that the organisation was performing well. The membership is holding up very well. Apart from the ACT branch, SCOA Australia is the largest entity in terms of membership. Indeed, SCOA Australia increased its membership by over 100 new members since early 2015. She explained how we use the ad in the *Pensioner News* for the Bereavement Book as a recruitment tool.

She said the update of the Bereavement Book is now complete. She informed members that the updated pages were now available on the website, or by calling Federal Office.

Annette said that during the year there had been quite a lot of discussion about the future of SCOA. For the Federal Council meeting held in March 2015, branches were asked to come up with ideas for the future. Several suggestions had been put forward, however, Federal Council had not agreed to pursue any of them.

Annette said that the Victorian branch is currently looking to joining SCOA Australia, the committee having been plagued by illness in recent months. They have difficulty attracting people to become committee members. A members' meeting will be held in early December to decide whether to join SCOA Australia or another like organisation, e.g. COTA.

SCOA Australia and the Victorian branch have been in negotiations regarding a Memorandum of Understanding (MOU) as a prerequisite to the branch joining SCOA Australia. She said she was hopeful that we could agree on the MOU soon and that the Victorian branch would join SCOA Australia in 2016. She foreshadowed an amendment to the Rules that would require nominations (for election to the Committee) to be forwarded to the Secretary no later than 28 days before the Annual General Meeting.

Likewise, the NSW branch is also considering winding up and joining SCOA Australia. They have similar challenges as the Victorian branch, i.e. finding volunteers to do the work, especially serving on the committee. They are planning a members' meeting in February next year to make a decision in this regard.

Annette Barbetti said that ACSPRO has elected a new President, Richard Griffiths, following the resignation of the long serving Ron Dean (known as the architect of the superannuation guarantee). Unfortunately, Ron Dean died the following week. A number of SCOA members had attended his funeral.

Finally, Annette said that during the year, SCOA had considered quite a few policy issues, some of which she would address in her keynote speech a little later.

The President's report was accepted.

Moved Frederick Beard
Seconded Geoffrey Stephens
Carried unanimously.

4) Treasurer's report

Tom Dent reported a small surplus of around \$2,100 which he described as a pretty good result and welcomed the very high proportion of renewals.

The Treasurer mentioned the non-synchronisation of the calendar year (membership year) and the financial year. He said, changing it would involve a lot of extra work, however, he would keep the issue under continuous review depending on where the organisation is going in the next few years.

Apart from membership fees, other revenue was derived from the sale of the Bereavement Book. Tom explained that the reason SCOA Australia is handling the sale of the Bereavement Book is that SCOA Australia offers a credit card facility for making payments, whereas SCOA Federal Council does not.

He said there had been a modest amount of interest earnings, however, not enough to put into a fixed deposit. Reserves at the moment stood at some \$35,000.

Tom Dent reported expenditure of around \$91,000, most of which is capitation fees paid to Federal Council of around \$43,000. Other major expenses are postage (which he described as the cost of doing business). To save in this regard, we send renewals together with SuperTime.

Some expenditure we cannot avoid, for example issuing renewal receipts by mail (to those members who do not have email), as we are obliged by law to issue receipts.

Tom Dent reminded the meeting that SCOA Australia reimburses Federal Council for the services offered by the paid (part time) Federal Office staff. Other expenses included the cost of the extraordinary members' meeting held in Darwin in June which had been a great success, as well as a new (commercial) database which is working extremely well. It is

ready to take new members whenever the Victorian and/or NSW branches join. He said that the 2016 renewals are going well with around 25% of members having already renewed in the last two weeks.

A member lauded the effectiveness of using the credit card facility and receiving receipts by email. Tom Dent thanked both Peter Hocking and Anne Willenborg for their efforts in Federal Office. Anne Willenborg described the procedure (for using credit card payments) and assured members that once the transaction is complete, we do not retain any of their credit card information on file.

Tom Dent said he has prepared a timeline for branches who wish to join SCOA Australia. The preference is for any branch to join SCOA Australia on 1 July. This is a clean break and cuts down on some extra work, for example extra audits.

Tom Dent recommended that we again appoint Hardwickes Accounting firm to perform the audit for financial year 2015/16 and concluded that the year had been pretty good. We are now three years old and seem to be travelling very well. And we have proven some misbelievers wrong.

The Treasurer's report was accepted.

Moved Anthony French
Seconded Murray McClelland
Carried unanimously.

5) Recent changes to the Age Pension means tests, Annette Barbetti

Annette Barbetti addressed the members on the topic of changes to the Age Pension means tests.

She described the background to the legislation which had recently passed which will put a cap on the part of a CSS or PSS pension that can be excluded from the income test for the Age Pension.

The measure had originally been part of an "omnibus" bill. After it became clear that the omnibus bill would not be passed by the Senate, the measure was put into a separate bill, which went through Parliament in the last week of the Winter Sittings and was not the focus of major debate. Annette said SCOA did not make a submission to the Senate Committee on Community Affairs that reviewed the omnibus bill, because we had been led to believe (by the Liberal Senator who chaired the Committee, no less) that the measure would not apply to CSS and PSS pensioners. It was only after the bill had been passed and we were able to read the full text that the implications became clear.

When the implications became clear, Annette Barbetti immediately wrote to the relevant Minister asking for CSS and PSS pensioners to be exempted from the measure. This was declined. Next, SCOA asked for the measure to be "grandfathered". This is probably not going to happen either, the government's argument being that the new measure is simply correcting an oversight from the 2007 tax reform. She referred to the "ten per cent examples" handout which shows that people on incomes as little as \$10,000 could be affected by the new rules.

She also suggested that there had been some miscommunication between the Departments of Social Security and Treasury in preparing the legislation and assessing how many pensioners would potentially be affected. The government's assessment differs vastly from the number of people SCOA believes will be affected.

She also referred to the useless message sent from Centrelink which had not contained any specific information at all.

Annette Barbetti is still pursuing the issue. Together with ACPSRO, she is meeting with Jenny Macklin (ALP spokesperson for Social Security) to find out why Labor let this go through Parliament. According to SCOA and ACPSRO's own calculations and assessments, there are going to be many more thousands of people affected than the 47,000 estimated by the government.

Annette went through some of the examples (handed out at the meeting).

Annette invited questions. Only two of those present said they might be affected by the new measure. There were no questions.

The President then mentioned the assets test limits and suggested that there was going to be a disincentive for people to hang on to their assets. Anecdotal evidence suggests that many people are spending them to get them below the new limit.

She mentioned the new rules for the assets test taper rate and said that would also affect thousands of people who will lose out on the Age Pension. The good news is that the rules for the Commonwealth Seniors Health Card are not being changed. People who lose the Age Pension, would still be able to get the CSHC.

Annette said she and ACPSRO National President Richard Griffiths had also met last week with Russell Broadbent (Liberal, Member for McMillan in Victoria) who had been very sympathetic to our cause.

6) Special Resolution and election of new committee

a) Appointment of Returning Officer

Annette Barbetti moved that James Vandenberg be appointed as the Returning Officer.

Moved Annette Barbetti
Seconded Susan Harding
Carried unanimously.

b) Tabling of proxies

James Vandenberg said SCOA Australia had received 43 proxies who had all been assessed as valid, financial members. He tabled the proxies.

c) Special Resolution

Annette Barbetti summarised the reason for the proposed amendments to the SCOA Australia Rules, explaining the concepts of the sub groups and sub-committees. The section dealing with sub-groups had been inserted into the Rules when the organisation was established but was now considered superfluous because sub-committees already exist in the model rules upon which the SCOA Australia rules are based, and perform the same functions as the sub-groups.

The Rules would be amended to ensure that the sub-committees would have an agreed budget to be able to arrange members' events and to function "on the ground".

Annette Barbetti recommended the changes.

Moved John Charles
Seconded Anthony French
Carried unanimously.

d) Election of committee members

James Vandenberg read out the nominations for election to the committee.

There being only one nomination for each of the vacancies on the Committee, he declared all the candidates duly elected.

The committee therefore is as follows:

President	Annette Barbetti
Vice President	Ewan Hazell
Treasurer	Tom Dent
Secretary	Anne Willenborg
Member	Alan Raftery
Member	Peter Hocking

7) Other business

A member asked about the cost of purchasing the Bereavement Book. Annette Barbetti said the publication is free to members of SCOA but costs \$15 to buy for non-members. She explained the reason for the increase to \$15 to non-members including the anticipated cost of the re-print (expected in the next six months) and increased postage.

A member said he had recently had some difficulty claiming a spouse benefit and asked if there was anything SCOA could do to make the process easier.

Anne Willenborg said there is a section in the Bereavement Book about how to claim a spouse benefit, and said that if any members were having any problems, they were welcome to contact her and she was happy to try and push it along a bit. Anne said that SCOA has very good contacts with CSC and she was happy to assist if possible.

Annette Barbetti said SCOA has recently considered other recent policy proposals regarding superannuation and measures to save money in the federal Budget, in particular in relation to the cost of medicines and medical services.

Annette Barbetti raised the proposed changes to the GST. She said that the tax may not be rolled out across the board but speculated that it is likely that it will be applied to financial services. The rate will most likely be increased to 15%. SCOA has so far kept out of the debate awaiting more specific proposals but we have asked that low income people be compensated for any changes to the GST.

A member wanted to know what is happening about the indexation campaign and the promise to index pensions to maintain the standard of living

Annette Barbetti said that one of the problems is that we don't have a measure of the standard of living in Australia, adding that the CPI was actually increasing more than MTAWA at the moment.

She also said that the military defined benefit scheme will be replaced from next July (2016) by a new accumulation scheme similar to the PSSap that replaced the PSS defined benefit scheme. She talked about the cost of defined benefit schemes and different methods of calculating life expectancy, some of which seem to be completely unrealistic (recalling

former Treasurer Joe Hockey saying that in some years' time, many people would live to 100!!!).

She mentioned the Future Fund which has performed very well. Recent mutterings from the government seem to suggest that it might be prepared to use the earnings of the Future Fund towards other expenses apart from funding the Commonwealth superannuation pensions.

A member suggested that for future meetings, we arrange a roving microphone. Some members complained they couldn't hear what was being said at the other end of the room.

Anne Willenborg mentioned the handouts and also mentioned the CSC's Third Act program, saying it was not only for people who were already retired but also for retirees who might like to review their financial arrangements.

Annette Barbetti declared the meeting closed at 11.30 am and invited members to stay and mingle and enjoy some light refreshments.

President
29 November 2016

Secretary
29 November 2016