

BULLETIN 38 - JULY 2009

Page 1.

PRESIDENT'S REPORT

This has been a relatively busy period with the AGM in Marton and a Board Meeting following in Auckland. The new Board Members have been welcomed and a new Treasurer is in office and portfolio committees allocated.

I have attended by teleconference meetings organized by the Ministry of Health that will make a huge difference to the day to day running of Rest Homes. The Ministry will publish on the internet a list of Rest Homes and how they front up after accreditation so that people if they are considering residence can see for themselves what is on offer and what will suit their needs.

"Spot Audits" completely un-announced will take place at any time after a facility has been accredited and the results will also be published on the website. A pilot scheme of 20 Rest Homes will be spot audited in the next few months and I asked the question what would happen if the Un-announced audits were not successful. The answer given was the MoH would take what works and dump what didn't and make the new system work so un-announced audits will take place, something we have been working towards for some time.

President Les Howard.

ZONE REPORTS

ZONE ONE

Much was discussed at the last Zone Meeting and the Director was given several matters to take to the next Board Meeting.

Membership is a main topic. All four Associations are working hard on this and are waiting on the anticipated 'National Membership Drive' project to be put forward by the Board Committee. One Assn. is going to do a 'phone around'. Dual Membership renewals are now only being renewed as a single, a sign of the times.

I attended the 'Far North Assoc'. where they are proceeding with several projects.

Zone One cont:-

A recent move by the District Council was to change the rating system from Land V. to Capital V. This was taken up by the then Chairman Mr Gordon Bint and it was suggested that he organise submissions from G.P. members and others who oppose this move. This he did and from memory there were some 920 odd submissions opposing and 57 for. The proposed Rating change was defeated soundly and it was a real feather in the cap for the Far North G.P. members.

I was invited along to Keri Keri AGM, and they have re-elected Liz Renner as their President. Though they struggled to get committee members, they are busy planning a Christmas Luncheon. They also will welcome a membership drive.

Likewise Whangarei held their AGM and also struggled to get people onto the committee. They have only six in all, but should pick up a few more if they change the meeting day. Their President attended the Marton AGM and was surprised at the amount of business dealt with. They also are planning a Christmas function in November..

I found the Kaipara 'Mid-Winter' function; which I was invited to; a most momentous occasion. One of their members, a Mrs Marjorie Foden celebrated her 100th birthday. What an amazing lady she is, and she appears to look no older than 80 odd, and just as bright. I presented her with a congratulatory letter from Pres. Les Howard and a specially drawn up certificate done by Sharon from head office. Mrs Foden was so thrilled she said she will place it in her room next to the card from the Queen.

Jack Kerr. – Zone Director

ZONE TWO

The main pre-occupation of the Zone has been the Auckland Governance issue.

We all realise that Local Government in the region - and probably elsewhere - is a financial, community and human disaster and this situation has been created by 30 years of appalling legislative changes, each one making the situation worse.

The growth and power of the bureaucracies has been exponential and this is reflected in our rates bills. *'Expenditure without benefiting the citizenry.'*

Page – 2

Zone Two Cont:-

The first Bill of 3 on Auckland governance was passed in to law without public consultation. This forward created the Super City and Super Mayor. The second Bill deals with details such as the powers, numbers etc of local committees, the powers of the super mayor, the way members are to be elected etc.

I made both a written and a verbal submission on behalf of the zone and several Associations and many individual members also submitted. I note that Kapiti also made a submission undoubtedly because they realise that the Auckland disease is going to rapidly spread.

The thrust of our submission is to the effect that demonstrably big Local Government is always worse, more expensive, more bureaucratic, more destructive and less democratic than smaller units. That communities are perfectly capable of running their own affairs and that Parliament needs to go through the statute books removing just about every piece of legislation passed since 1988 effecting local government, starting with the Resource Management Act.

People will then be able to get on with their lives without the costs and interference of out of control bureaucrats.

Alan McCulloch – Zone 2 Director

ZONE THREE

The Association feedback I have received about the AGM/Conference so far has all been positive. The Lobby Report was well received and Associations look forward to continued successful outcomes from future political visits.

Concerns within the Zone continue to focus on - The erosion of the value of NZ Super; The continued rise of electricity costs; Issues concerning health and Law & Order.

I have attended seven Association AGM's and Meetings and I am very pleased to be able to report that the meetings were well attended and strong committees are leading active and satisfied Associations. A number of Associations are invited to have regular Reports published in their local newspapers and some even have their Newsletters published in newspapers. We now have only one problem Association out of 21.

Zone Three Cont:-

Many Associations in Zone 3 have expressed dismay that some issues of the Grey Power Magazine have to be cancelled. Some even offered to hand deliver the magazine to their own members. Others have asked that the material that would have been published be passed on to Associations so that it could be included in their own Newsletters.

Zone 3 has appointed two Assistant Zone Directors who will be assisting our Associations to build their membership numbers.

Zone 3 is generally in very good shape and looking forward to experiencing positive outcomes from all Grey Power activities.

Ian S Anderson - Zone 3 Director,

ZONE FOUR

Rangitikei in our zone hosted a very successful AGM during the April school holidays at the Nga Tawa School for Girls, in Marton. The hospitality was generally regarded as exceptional, and the isolation of the site kept AGM attendees in house and on track.

In the Board elections at Marton, Graeme Adams of Wanganui was elected Treasurer, and consequently resigned as Zone 4 Director. The Writer – [Roger Booth of Kapiti] was elected in his place. Duncan McDonald from Wellington Central came in as Deputy Director and John Betts from South Taranaki replaced Ann Reading of Horowhenua who retired as Secretary.

The zone is a very active one, with most of the 21 associations represented at meetings held in Palmerston North. Our members are kept well informed on National Issues by our four Board Members, and they test the waters for matters that are intended to be tabled at Board meetings. One such paper was my revamping of the annual conference, which was well received both locally and at the next Board meeting. Members agreed that some changes are needed in the rather dated AGM and conference proceedings, and it appears that some of the proposed modifications will happen.

The Central Zone is pleased with the current level of membership, a total of more than 22,000 members.

Over – Page 3

Page – 3

Zone Four Cont:-

There are many more seniors out there who could well join.

With discussion on why people should join Grey Power; the three key reasons are:- *'The role of national advocate for the elderly; The things that can be achieved by associations in local environments, and The usefulness of discount books'*. Members agreed that with greater attention, the benefits of joining our organisation would be more obvious. The associations that have discount books are definitely at an advantage.

At Zone 4 meetings associations share their successes, and as a result good speakers are more widely enjoyed. Good local body initiatives are tried in a different environment and good ideas repeated.

One recent initiative was Wanganui's decision to take out a half-page in the local paper to name and recognise all businesses featuring currently in their discount book. This free advertising gesture generated good will, with several more offers to go in the book, and other benefits for the Wanganui association.

Roger Booth – Zone 4 Director.

ZONE FIVE

We were all saddened to learn of the death of Jo Howard who, for quite a number of years had been Secretary of the Motueka Association and an Association Delegate to both Zone and Federation AGM'S. Jo made a big contribution to our organization and was greatly respected by all who knew her. Her services to Grey Power will be greatly missed.

A Zone meeting was held in Takaka and was attended by Delegates and observers from all the Associations. Associations reported a good response to Membership renewal with many new Members and some past unfinancial members rejoining.

Concerns expressed were:-

Over any future amalgamation of Local Bodies that may occur. A survey taken putting Councils into one unitary authority would increase costs by 17.8%.

In one area, the increase of Targeted Rates will lift the rate increase to 7% for the next year, well above the rate of inflation. There is a lot of concern with Councils

Zone Five Cont:-

having Targeted Rates which conveniently are not included In Rate increase figures.

There is concern about the money paid to D.O.C by 'Power Generators' as this money came out of electricity consumer's pocket.

Golden Bay are unhappy with the delay to the proposed integration of their Health services. The future of a local rest home run by a community trust and is in financial difficulty highlights the need for the Federation to monitor these small homes, , especially in rural areas.

PHO Doctor enrolments have been taking upto 3 months before the subsidised rate of \$16.50 became operative. During which time the charge increased to \$60 per visit.

One Assn is having trouble with a local Doctor who is reluctant to sign papers enabling Members access to Mobility vouchers.

Marlborough has very good connections with their Council and Hospital Board and has been part of the planning for the Blenheim CBD and the Hospital which is being rebuilt.

Motueka hospital is being taken over by the "Friends of Motueka Trust". This Trust which will run the Hospital have just announced that Nurses will be paid at a lower rate than they are currently being paid by the DHB. This is of concern.

It was thought that enough time was not given at the AGM for General Business; discussion on future strategy and policy. They would like less speakers and more time to discuss G.P issues.

Remits for the AGM could be sent to the Board in November and the Remits committee to accept or decline them prior to the middle of December so that any alterations can be changed and be represented prior to the closing date.

R Reid -Zone Director.

ZONE SIX

I attended the AGM and Conference, held at Nga Tawa Girls College, Marton, 19 - 22 April, 2009.

I now on the committees of two portfolios which are the '50+ 'and 'Retirement Villages'.

A Zone meeting was held at Ashburton on the 22 June;

Over – Page 4

Page 4

Zone Six Cont:-

The National President Les Howard attended and spoke on what the Board is doing. All Presidents were in attendance, with a good attendance of members and observers. The main issues of concern are: From Temuka meeting; which I attended; they would like 'A National membership drive for the Over 50 year age group' this to be put forward by myself to the Board. Other main issues are - Local Bodies Rates; Energy and Health.

All six Associations are working very hard on their membership, With Newsletters and discount books, subscriptions are coming in quite steadily. At the same time they are all busy with various projects, covering computer activities for the elderly; Attending council hearings and committees, council submissions, dangerous Road Crossings all of which are most important to both the elderly and their communities; at the same time will give Grey Power's Profile a good lift. Congratulations to all.

The Federation President, Mr. Les Howard was an invited guest at the Zone meeting and he spoke on Board activities.

Of concern to Zone members, was a letter addressed to the "Editor" to the quarterly from the New Plymouth Grey Power, Secretary, Don Reeve, regarding Conference format. Zone 6 members passed a motion that this letter be suppressed from publication and this was endorsed unanimously.

In closing, I wish to extend my congratulations, to the President elect, Mr Les Howard, re-elected Vice President and Secretary, re-elected Board Members; Newly elected Treasurer, Mr. Graham Adams; and new board member, Mr. Errol Miller. Congratulations also to the three newly elected Zone Directors and those re-elected.

David Holmes – Zone 6 Director.

ZONE SEVEN.

A Zone 7 Meeting was held in Alexandra on June 17th 2009 with a good attendance of Delegates.

Subjects discussed were: -

Home Heating and Insulation relating to better Health;

Rodney Hide Privatisation;

Zone Seven Cont:-

Damage caused by excessive Government Legislation

Remits for AGM i.e. Earlier presentation prior to the AGM.

Membership –

Life Style Quarterly – It was thought that due to present economics 2 issues per year would be acceptable.

Boy Racers --- supporting govt proposals and legislation re car crushing. In addition to this – Thee Drink Drive strikes ---- and the same should apply.

Cell Phones --

Board Members Responsibilities --- It was put forward that some are not presenting enough research.

It was a cold day but a warm meeting.

Dick Stark Zone 7 Director

PORTFOLIO REPORTS

GREY POWER MAGAZINE REPORT : -

At the June Board Meeting, members were advised the production loss for the March publication was \$9,835.00.

After discussing the implication of this loss the following motion was moved and supported unanimously " That having regard to the rapidly increasing level of quarterly losses for the Greypower Magazine, the Board authorizes suspension of the March 2010 publication, unless there is a material improvement in the current financial situation.

The impact of the current economic downturn is affecting many sectors of the economy. At a Meeting in Auckland with the publishers of the Greypower Magazine, the Treasurer, Zone One Director and myself were advised details of a Printer whose turnover was 40% down on the same period last year. The Magazine Committee is considering all options including methods of attracting new advertisers.

Suspension of the March 2010 publication is not set in concrete ,because another option for the year 2010, is to follow this years format as approved by the April AGM, which in effect would result in publication dates of March, June and November.

Magazine Report Cont:-

After some discussion the Magazine Committee currently favours the second option, and will recommend this to the September Federation Board Meeting.

Two factors have influenced the Committees thinking. Traditionally, the March publication has been the vehicle for reminding the membership that subscriptions are coming due and advises details of the April AGM/Conference. Secondly the last Board Meeting approved a major membership drive, and in hindsight the Magazine Committee now recognizes that a March 2010 publication would be a major assistance.

Please be assured that the committee is monitoring the situation closely.

**Terry King – Chairman
Grey Power Magazine.**

MEMBERSHIP

The Committee is advancing the detail for a Membership drive and some detail should be available for the November Magazine issue with rollout in the March issue. This should be of benefit to those that participate so watch this space.

Errol Miller is looking to introduce a New Member promotion to coincide with 2010 subscription renewals due 1.4.10 The concept being that; when an existing member renews and at the same time introduces a new member, both would qualify to enter a draw for a "Holiday to the destination of your choice to the value of \$2500" (paid by travel vouchers. Currently he is checking the nuts and bolts of this idea and will bring you an update in the November 09 Magazine.

The Federation Office stats on Membership for June 09 showed a difference of 12 from June 08 figures for Financial Members' but a drop of 3,813 for 'unfinancial' which means Associations need to concentrate on signing up those unfinancial Members.

I read an interesting item in an 'Association Newsletter' recently that could be beneficial to some Associations. The heading came under "Subscriptions"

Membership Report Cont:-

"In these tough times it is a fact that some dual-membership couples of longstanding will have to re-assess their priorities. Please don't be embarrassed should you elect to switch to the single category. The full range of benefits from belonging to Grey Power is still yours to enjoy".

I felt this was a very diplomatic way to word such a delicate subject to our generation.

**Bob Buchanan = Chairman.
Membership Committee.**

LAW, ORDER & JUSTICE.

The cost of upto \$1000 to have a legal firm to prepare papers to appoint an Enduring Power of Attorney is causing concern to our Membership. This cost, many cannot afford, and should be investigated.

It was pleasing to see that Hon. Simon Power Minister of Justice announce the Governments intention to overhaul the Court system. On a lobby meeting with him prior to the last Election we expressed concern about the long delays in having charges heard by the Courts, and the abuse of Legal Aid by lawyers appealing Court decisions with little hope of winning an appeal. He at that time defended the current policy and fully supported the Legal profession in regard to both the delays in Court and the use of Legal aid.

The three changes proposed are to reduce the number of Jury trials by lifting the right to a Jury trial with charges having a sentence of 3 months to a charges with 3 year sentences. He stated there are 1700 people currently on remand awaiting a Jury trail with a 12 month delay in the District Courts. The proposed changes are long overdue and the Minister deserves to be congratulated on showing a willingness to make these changes.

Another interesting change is that Judges can enter a conviction without the defendant being in Court, resulting in less delays in the Court system. Lawyers will also be held to account if they are seen to be delaying the Court process.

Dame Margaret Beasley is at the present time looking into the use of 'Legal Aid' and we look forward to seeing her report.

Page – 6

Law Order and Justice Cont:-

The law relating to firearms is overdue for review. A few years ago the need to register all firearms was changed to just having a firearms license, now the number of firearms in the country is not known. There also is an urgent need to stop the sale of firearms on the internet.

It is unfortunate that there are a few people in our society who will use a firearm whilst committing crime.

Vandalism continues to be a cause of concern. The amount of damage done by vandals on the streets, shows that those involved have no respect for either Public or Private Property.

Much of the vandalism is the result of too much alcohol. Last week I spoke to a Police Constable who confirmed that there is a large consumption of alcohol by persons under the legal age but the Police have a lot of difficulty in proving who supplied the minors, and suggested that the penalty for supplying alcohol to the underage needs to be substantially increased as a better deterrent. The number of calls that the Police receive between the hours of 10pm and 6am are mostly alcohol related many due to the binge drinking that now happens as a regular occurrence in our society.

The Law Commission is currently reviewing the alcohol laws and has been asked to report to the Justice Minister in July of this year.

R Reid - Chairman

Law Order and Justice Committee

HUMAN RIGHTS AND CIR.

At the June Federation Board Meeting it was suggested that the Local Body Committee discuss with the Hon Rodney Hide, Grey Powers interest in Local Government using BCIR (Binding Citizens Initiated Referenda) on any decisions to raise rates outside 'Core' business. The Minister was not in disagreement with our suggestion and asked us to have input as to what "Core" business was. Our Board wishes this Committee to take the "Core" decision back to the Board, so this Committee will keep you informed ASAP after the 22 to 24 September Board Meeting.

Bob Buchanan - Chairman

Human Rights and CIR.

LOCAL BODIES REPORT

A very successful Lobbying trip by the Local Bodies Portfolio Team to Wellington was arranged on 25/6/2009. As part of the Local Bodies Committee, Errol Miller, Allan McCulloch and myself met with Local Govt NZ, Auditor-Generals Officers, LG Minister Rodney Hide and LG Select Committee Chair Chris Auchinvole. All meetings were very fruitful and a day well spent. A comprehensive report has been sent to all Associations in the week ending 3 July. If you wish a further copy ask Federation Office or Bob Buchanan.

The Auckland "Super" City is another issue and the rest of the country will be keen to see how this evolves. This may be the blueprint for the rest of the country!

This Committee is watching with interest the Auckland Governance issue and have put in a Submission to the Select Committee as Alan McCulloch has done also on behalf of the 9 Auckland Associations. Bob Buchanan will attend the hearing in Wellington in late July and will take along Errol Millar if he is available otherwise a member from a Wellington Association maybe called upon.

A report will be issued through the Federation Office on these developments ASAP after the meeting

Bob Buchanan - Chairman
Local Bodies Committee.

RETIREMENT VILLAGES REPORT

On 26 March, a meeting was attended by the writer with Suzanne Rutherford, Retirement Commission, to discuss a number of points, but specifically the considered bias of the 2003 Retirement Villages (RV) Act on disputes, in favour of the operator/owners. Little progress was made on this, other than that it should be strongly raised if/when the Act is reviewed possibly during 2010.

Following that, a meeting to form a Wellington Area Assn. of RV Residents Committees was attended in the office of the Dept. of building & Housing, the Department responsible for implementing the Act. It was agreed that this such an Association should go ahead once further interest was shown by Villages in the area.

Page - 7

Retirement Villages report Cont: -

There has been one more meeting held in that area since and good progress is being made.

A similar group was formed in the Bay of Plenty/Hamilton areas and the writer have been involved in the establishment of another group in the Greater Auckland Area. The aim is to encourage the formation of other groups throughout New Zealand, with the intention of eventually forming a national organisation which, it is hoped, will have the same – or greater – influence as has the 'operator/owners' organisation, the Retirement Villages Association? So members who are RV residents and members of the Village Residents Committees may like to bring this to the attention of their Residents Committee so that an area Association could be formed in your area.

The other main activity has been to make a joint submission, together with Age Concern, on the "Best Practice Guide – Determining Refurbishment and Fair Wear And Tear in Retirement Villages. Whilst we have not been fully successful, it has been indicated that a reasonable amount of our proposals have been taken into consideration. We had some disappointment however that not all were.

Bill Atkinson - Chairman
Retirement villages Portfolio.

SOCIAL SERVICES & ADMINISTRATION:

If any Associations receive complaints from members who have been decline when endeavouring to have their photo id put onto their 'Super gold Card', please let me know. I have been advised that a gentleman fronting upto an AA Assn. Office, was declined because he furnished his original 'Small' old style New Zealand birth Certificate rather than producing an approved copy, even though he also had his driving licence as further id. He was told that he must obtain the 'new version Birth Cert., which would cost \$26.00.

Once I receive your responses, I will then take my concerns to the MSD.

Social Services and Admin. Cont:-

At the last AGM, it was suggested that Assns. Be canvassed on appropriate venues in their areas suitable for our 2011 AGM and accordingly, I would like a response from any Association that has any information in this regard.

Vi McCowatt – Chair - Social Services and Administration

KIWIBANK DEPOSIT SCHEME :

The funds in the scheme continue to grow steadily and as 31st May stood at 42.4million.

Commission grows in tandem with the increase in deposits and is currently running at an annual rate of over \$38,000. The actual number of members' accounts which have been identified for inclusion in the scheme remains disappointing low and associations are therefore reminded again to make mention of the matter in their newsletters.

Graham Adams - pp.
Bob Buchanan- Chairman

ENERGY REPORT:

In March we forwarded a letter to various power companies seeking an explanation for proposed electricity price increases. Replies were received from: Genesis Energy, Mercury Energy, Trust Power, Vector and Contact. Meridian and Empower failed to reply. Copies are available from Federation Office.

_A different letter was sent to Hon Simon Power Minister for State Owned Enterprises, expressing concern that higher returns were being sought from state-owned power generators, and this inevitably would lead to an increase in electricity prices. A copy of the Minister's April 2009 reply is also available from Federation Office.

Transparency of charge components on electricity invoices has been an issue which the Committee has raised over the past eight year's with Government.

n June Peter Rutledge and I met with officials from the Electricity Commission to discuss a draft proposal on this issue

Over Page - 8

Page – 8

Energy Report Cont:-

which was being forwarded to the Commission's Board for consideration. We were very pleased to have Robin Klitcher, National President of the RSA, join us at the meeting.

Terry King - Chairman
Energy Committee

SUPERANNUATION AND TAXATION.

Taxation Update

Following the March 2009 Lobbying Visit to Wellington and subsequent follow-ups we can now bring you the new official version of Taxation and Superannuation issues that have been contentious in the recent past.

Superannuation and Taxation.

During the term of the last government we were encouraged by Treasury to state that superannuation was not taxed and the logic was that all adjustments were made to the net figure. For example the annual CPI adjustment is always applied to the net figure of the previous superannuation payment amount. That made sense and was within the dictates of the Act.

With a new government and new Treasury officials we are now encouraged to state that superannuation, as with all income for all New Zealanders, is taxed. There is a logic to that too, and it also conforms to the statements in the Act, simply a matter of interpretation. We are comfortable with that as it gives us the opportunity to respond to statements from people like John Roughan (NZ Herald, March 28th 2009) who implied that Superannuitants are bludging from current taxpayers.

Nothing changes as far as payment and adjustment to superannuation is concerned, but it does clear up the conflicting opinion arising from, for example, the letters from Work & Income received by members who receive disability payments.

Resident Withholding Tax (RWT)

I recently received the following information from the Office of the Minister of Finance in response to my question: -
"The Resident Withholding Tax rate (RWT) did not change when the tax rates were reduced and the thresholds increased from 1 October 2008. This was because the banks needed time to implement any changes to the withholding tax rates, and in particular a new rate of 12.5%.

Superannuation and Taxation Cont:-

The top RWT rate of 39% was reduced to 38% from 1 April 2009 as part of the 1 April 2009 tax cuts. Officials are still to report to Ministers on changing the RWT rates to align them with the new personal tax rates. Any change to the rate is likely to apply from 1 April 2010.

This will mean that the lowest RWT rate in the interim will be 19.5%. As the gross amount of NZS for most Superannuitants is over \$14,000 a year, the tax rate applying to any income earned in addition to NZS, such as interest, will be 21%.

For the 2009/10 tax year, a Superannuitant will not be required to file a tax return or be issued with a personal tax summary if the superannuitant's total income (being NZS and interest) is \$48,000 or less and the interest was subject to RWT at 19.5%. This is on the basis that there is no other reason for a return or personal tax summary to be issued. (See section 33A of the Tax Administration Act 1994.)"

In a July paper from the Minister of Revenue we have been advised that the 19.5 % RWT rate will be abolished and raised to 21% from 1 April 2010. If we do not confirm the 21% rate on interest the RWT will rise to 38% from 1 April 2011. Members be warned!

Ian S Anderson - Chairman
Superannuation & Taxation Committee

