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ASSOCIATION OF INDEPENDENT RETIREES
(A.I.R.) LIMITED
ACN 102 164 385



MELBOURNE BAYSIDE BRANCH

INQUIRY INTO OLDER PEOPLE AND THE LAW
SUBMISSION

November 2007

INTRODUCTION

The Association of Independent Retirees (A.I.R.) Limited is:-

- the peak body which represents the views of fully and partly self-funded retirees
- a not-for-profit, community service based organization depending financially on its membership fees and other activities of benefit to members.

The policies of the Company endeavour to achieve dignity, independence and freedom of choice for retirees, recognising a diverse range of individual circumstances. A.I.R. Ltd was established in 1990 and has since grown to an organisation with 82 branches and around 15,300 members. AIR has a National Secretariat in Canberra, a National Board, State and Territory Divisions, and State Branches. Melbourne Bayside Branch is one of the 13 Branches in Victoria and covers an area from Port Melbourne to Portsea, and all suburbs south of the Princes Highway. Members have a wide range of views. However, they all expect Government policies affecting their retirement incomes and quality of life to be fair and non-discriminatory, and to provide incentives for independence: but most importantly, they need to feel safe and supported in their older years.

The Melbourne Bayside Branch of the Association of Independent Retirees welcomes the Standing Committee on Legal and Constitutional Affairs Inquiry into Older People and the Law and appreciates government policies which enable older people to remain independent and supported within their local communities. We believe strengthening of already existing community support services would create early detection points for uncovering problems for older people in the areas of fraud, financial abuse, general and enduring power of attorney provisions, family agreements, discrimination, and barriers to older Australians accessing legal services. We also believe, education and advocacy for older persons is the key for maintaining jurisdiction over their total wellbeing. We submit the following recommendations as a simple, but effective way forward in helping protect and strengthen the decision making of older people.

Sue Jackson (Ms), Secretary, A.I.R., Melbourne Bayside Branch.

SUMMARY OF RECOMMENDATIONS

RECOMMENDATION 1: PROMOTION OF THE SUPPORTIVE NETWORK OF THE ASSOCIATION OF INDEPENDENT RETIREES

- 1.1 That the Association of Independent Retirees be recognised by all levels of government as the peak body representing the views and needs of fully and partly self-funded retirees.
- 1.2 That recognition and promotion of the Association of Independent Retirees to older people would boost the advantage of a self-help network Australia wide.

RECOMMENDATION 2: EXPANSION OF THE SUPPORTIVE NETWORK OF COMMUNITY INFORMATION AND SUPPORT CENTRES (CISC)

2.1 That the services of Community Information and Support Services nationwide, be expanded and promoted widely as an invaluable source of free, confidential, impartial and independent advice for informed decision making by older Australians.

2.1.1. That considerably more funding be provided to CISC's for expansion of their Financial Advice, Legal Advice, Counselling, and Tax-Help auxiliary services.

2.1.2. That all persons over 75 years of age be encouraged to attend their local CISC, at least yearly, to discuss any changes in their circumstances, or perceived imminent changes.

2.1.3. That all persons over 75 years of age be invited for an overview of their financial situation by the Financial Planner at their local CISC.

2.1.4. That Tax-Help be available to any person over 75 years of age whose financial affairs have been deemed suitable by the overview of the Financial Planner at their local CSIC.

RECOMMENDATION 1: PROMOTION OF THE SUPPORTIVE NETWORK OF THE ASSOCIATION OF INDEPENDENT RETIREES

1.1. That the Association of Independent Retirees be recognised by all levels of government as the peak body representing the views and needs of fully and partly self-funded retirees.

1.2. That recognition and promotion of the Association of Independent Retirees to older people would boost the advantage of a self-help network Australia wide.

Rationale:- With the estimated incredible increase in the percentage of Australians over 65 years in the coming years; and the kick-in of Government superannuation policy, more and more older Australians will be fully or partly self-funded retirees. Many will have worked hard all their life but, on retirement, be completely unaware of the pitfalls they may encounter with legal and financial matters. Education and support to help them in understanding consequences of decisions they may make at this stage would reduce the potential problems.

The Association of Independent Retirees is a well-established National body with a growing network of branches whose aims are:

- To be recognised as the body speaking for wholly or partially self-funded retirees
- To work for the welfare of retired people funding their own retirement income
- To seek equivalent benefits and concessions for members as those granted to age pensioners
- To seek fair and just recognition in economic and taxation matters for the special problems of retirees
- To inform and educate its members on all matters pertaining to retirees.
- To monitor Government legislation and communicate the views of the Association to Federal, State and Local Government.

Informing and educating members is taken very seriously, with an excellent user-friendly website www.independentretirees.com.au ; a very informative national magazine, The Independent Retiree, sent to all members quarterly; monthly Division newsletters; monthly Branch newsletters; and monthly Branch meetings where professional speakers inform and update members on areas of particular relevance to retirees.

But it is the mutual support and networking that members of A.I.R. most appreciate. Discussion of mutual hurdles and concerns unlocks knowledge and confidence to tackle foreseen possible problems before they arise: and helps give members strength to make wise decisions.

A.I.R. membership fees are \$25 per annum for a single member and \$40 for a couple.

What the Melbourne Bayside Branch asks is recognition and promotion of A.I.R. as a significant self-help network for the education, advocacy, and support of fully or partly self-funded retirees.

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2.1.3. That all fully self-funded retirees over 75 years of age be invited for an overview of their financial situation by the Financial Planner at their local CISC.

2.1.4. That Tax-Help be available to any person over 75 years of age whose financial affairs have been deemed suitable by the overview of the Financial Planner at their local CSIC.

Rationale:- Community Information and Support Centres provide an invaluable resource to communities. They offer a service that is free, confidential, impartial and independent: and are able to draw on a wealth of knowledge on law, regulations, and government and private services. Their aim is to ensure that individuals and groups have

equal access to information about their rights, responsibilities and the services available in order that they can be independent and effective members of their communities. They are typically placed in easily accessed localities. The Melbourne Bayside Branch of A.I.R. supports further promotion of the services of Community Information and Support Centres to older people as a source of knowledge on their options when confronted with change to their normal circumstances.

2.1.1. That considerably more funding be provided to CISC's for expansion of their Financial Advice, Legal Advice, Counselling, and Tax-Help auxiliary services.

Prevention would cost much less than cure. If funding was increased to enable CISC's to offer greater service of their auxiliary Financial Advice, Legal Advice, Counselling and Tax-Help programs to older people, stress levels would be reduced resulting in decreased health problems and better decision making; plus areas of abuse would be documented and picked up earlier.

2.1.2. That all persons over 75 years of age be encouraged to attend their local CISC, at least yearly, to discuss any changes in their circumstances, or perceived imminent changes.

The physical, mental and emotional wellbeing of people over 75 years can change quite rapidly. Encouragement to visit and discuss their circumstances with an independent, impartial trained interviewer regularly, could make all the difference in their knowledge base and confidence in attaining pertinent help when needed.

2.1.3. That all fully self-funded retirees over 75 years of age be invited for an overview of their financial situation by the Financial Planner at their local CISC.

Australians who qualify for a full or part Age Pension or a CSHC, as a consequence, have their financial affairs reviewed by Centrelink regularly, and any anomalies would be pointed out. This acts as a safety net for them. Fully self-funded retirees have no such independent overview. Many have accountants who, themselves are quite elderly. Others 'hand over' control to family members but are in doubt as to whether their best interests are really being looked after. A self-funded retiree is someone who has saved for retirement, who has put aside part of their income whilst in the workforce to provide for their retirement and who has chosen to forego certain expenditures in the hope of maintaining self-reliance in later years. Surely, a self-funded retiree deserves the right and facility to obtain an independent experts opinion and guidance on the financial management of their affairs after the age of 75 years.

2.1.4. That Tax-Help be available to any person over 75 years of age whose financial affairs have been deemed suitable by the overview of the Financial Planner at their local CSIC.

A recent nationwide survey by the Association of Independent Retirees picked up that 21.5% of members who responded, prepare and lodge their own Tax Return and there was no indication that the percentage of members preparing their own accounts falls with age. This is to be commended in those of astute mind at 75 years or more but, if circumstances change, either temporarily or permanently, the comfort of receiving help and guidance from a registered Tax Help agent at a CSIC would be invaluable, and save inaccurate reporting to the ATO. Referral from the Financial Planner would eliminate too complex financial situations being passed on to the Tax Help agent.

End of submission