



GSA
Eye-opening insurance.

July 2010

Eyes Open



GROWTH FALTERING

A comment from GSA Chairman Dr John Hewson

In the midst of the raging "debate" about the Government's proposed mining tax, the release of the economic growth numbers for the March quarter went largely unnoticed, and their significance was essentially ignored.

The numbers revealed that our overall growth, despite the claimed resources boom, slowed in the March quarter to just 0.5%, down from 1.1% in the December quarter.

However, the key feature of these numbers was that, without government spending, growth would have been negative. Although the Government stimulus package is phasing down, it was still fundamental to sustaining some growth.

Consumer spending continues to flatten out, housing is weak, business investment is still negative, and despite the boom in our terms of trade, the external accounts have not contributed as much to growth as had been hoped.

Although not yet widely recognized or conceded, this should come as no surprise. With the Government stimulus being cut back, with the RBA raising interest rates much faster than necessary (and for the first time

in our history before unemployment had peaked), and with the banks gouging consumers and small business, our economy is likely to remain flat, at best.

When you add to this, the collapsing consumer and business confidence, the sovereign debt and other financial problems of the US and Europe, and the almost inevitability of a double-dip recession in those countries, the correction in the stock market, and a spate of elections both here and overseas, it is most difficult to be optimistic.

As the Government has been saying, and the Opposition missing or ignoring, our economy is "far from being out of the woods yet".

Too many people have been prematurely patting themselves on the back, and believing their own media, about how well we have done. Such complacency could soon prove to be quite counterproductive.

Given that the June quarter growth numbers, due for release in early September, are not likely to be too flash either, and maybe worse, you'd have to start to wonder whether the new PM, Julia Gillard, might not be tempted to call an election before then.



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GSA WORKERS COMPENSATION
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GSA GENERAL INSURANCE
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GSA PROFESSIONAL RISKS
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GSA WINS HAMILTON ISLAND!



GSA has been appointed to manage all aspects of insurance for Hamilton Island.

Qualia, and, most recently, the building of the iconic Yacht Club and Championship Golf Club.

Located on the edge of the Great Barrier Reef, Hamilton Island is owned and operated by the Oatley Family. Since its purchase in 2003, the family has invested over \$300 million as part of an ongoing commitment to develop and maintain the Island as a truly world-class holiday destination. This has included the development of premier luxury resort,

The appointment presents a unique opportunity for GSA and we look forward to strengthening our relationship with Hamilton Island. We encourage you to visit Hamilton Island and their website at www.hamiltonisland.com.au.

ADPIA CONFERENCE 2010!

Article by: *Nicole Mellick, GSA Business Development Manager*

In March our Professional Risks Team attended and sponsored the Annual Australian Direct Property and Investment Association (ADPIA) conference at the Sebel Heritage Resort in the heart of one of Victoria's wine growing regions, the Yarra Valley.

The conference was themed "Ready, Set, Go" following a tumultuous year in 2009, and with keynote speakers including Owen Lennie, David De Garis, Senior Economist at NAB and Pamela Hanrahan from ASIC, the content proved both educational and thought provoking.

There was an array of networking and social functions for all those that attended included golf, wine tasting at Domain Chandon, a sports themed evening at Helen's Hill Winery and a Casino themed gangster night that gaming tables and roulette which helped raise money of charity.



Above: *Matthew Burrows (Denison Group); Nicole Mellick (GSA); Paul Hines (CEO of GSA); Lisa Kearney (Macquarie Relationship Banking) & Gerry Gannon MC of the ADPIA conference*

Our team at GSA are actively involved in ADPIA's activities with our CEO Paul Hines on the Board of ADPIA, Nicole Mellick part of the Conference and Events Committee and Ryan Neary on the Membership Committee.



Above: *Scott Curley (GSA's Professional Risks Manager)*

Scott Curley, Manager of our Professional Risks Division who also ran a "Round Table" Discussion on "Dispelling the myths by understanding the Risks", which was a topic chosen by GSA to show ADPIA members the benefits of having GSA involved when presenting Professional Service Occupations to Underwriters and gaining the best prices.





MICHELLE LA ROSA RELOCATES!

A personal comment from our CEO, Paul Hines

Michelle, or Shelley as she is known to most of us, is GSA's longest serving staff member, having been employed at GSA for an impressive 15 years this July.



She has played a pivotal role in the establishment, development and success of the company. More importantly, Shell has been the most wonderfully loyal and committed person I have encountered in my business career. Her very own mix of raw talent and matter of fact style has seen her achieve amazing things at GSA whilst at the same time, gain the popularity and respect of workmates, clients and suppliers. I've not worked with a more competent and reliable person.

Shelley and her husband Bruce are relocating up to beautiful Nambucca Heads in Northern NSW, where they have built a magnificent home on acreage. Shelley will also be close to her immediate family. Having harboured a desire to live on the North Coast for some years, we are all very pleased to see her living out her dream.

Shelley's presence in the Sydney Office will be greatly missed, but her skills will not be lost to the group as she will retain full responsibility for IT and Online Systems.

Shelley, on behalf of all your friends at GSA and the wider business world, I thank you for everything and wish you and Bruce all the best for the start of this very exciting adventure.

ROOSTERS SIGN GSA!!!



Article by: Nicole Mellick, GSA Business Development Manager

GSA is proud to announce that they have been appointed as Insurance Brokers to the Eastern Suburbs Leagues Club which also includes the Sydney Roosters Football Club.

With CEO Paul Hines along with other GSA Staff such as James Telford and Ashley Tanner already avid fans of the Roosters, this is an account that was approached with great enthusiasm and pride.

Following an introduction to Easts CEO, Rob Riddle; Football Club Manager, Steve Noyce and Coach, Brian Smith via GSA's banking partner St George Bank at the end of 2009, GSA were appointed in early 2010 and have delivered a number of improvements and savings to their entire insurance program.

GSA looks forward to supporting the Roosters in the 2010 season and seeing them climb the ladder heading into the Semi Finals!



WHO'S NEW TO GSA?

GSA warmly welcomes its new team members;



Katy Bradshaw
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EA to CEO
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Taxation of Insurance Products

A review of Australia's future tax system, now known as The Henry Tax Review, used wide community consultation and responded to specific terms of reference.

Article by Peter Hogan, GSA Chief Financial Officer



The Henry tax panel consisted of 5 prominent persons being Dr Ken Henry, Dr Jeff Harmer, Professor John Piggott, Mrs Heather Ridout and Mr Grey Smith. Of special interest to the Insurance Industry was recommendation #79 which stated:

Recommendation 79

All specific taxes on insurance products, including the fire services levy, should be abolished and insurance products should be treated like most other services consumed within Australia and be subject to only one broad-based tax on consumption.

This recommendation was soundly endorsed by those in the insurance industry, including GSA, The Insurance Council of Australia (ICA), and The National Insurance Brokers of Australia (NIBA).

It has been widely argued that taxes on insurance products are inefficient and contribute to under insurance and non-insurance of Australian risk. Unfortunately there was no response from the Government on this recommendation.

We now wait for further debate on this matter.

BABY NEWS!

Congratulations !!!

At 7:54 pm on Monday 29th March 2010, James (Manager, General Division) & Louise Telford welcomed into the world William James Telford, weighing 4.1kg and 55cm's long.



Congratulations !!!

At 1:40 pm on Monday 10th May 2010, Paul (CEO,GSA) & Jodie Hines welcomed into the world Lucy Rose Hines, weighing 3.2 kg and 51 cm's long.

JUSTICE CREW VISIT GSA!

This month GSA had a visit from "Australia's Got Talent" Grand Final Winners Justice Crew. We have been following the success of Justice Crew since they performed at a company function in July 2009 in preparation for their tour of Las Vegas.



GSA were behind all the boys throughout their rise to fame during their time on the reality talent show. We were able to congratulate a number of the boys on their outstanding effort earlier this month at our office. We wish Justice success as Australia's best dance crew!

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