

WHY IS REFORM OF PSPL NEEDED?

To answer this question we first need to understand a little history. Probus clubs first started in the UK in 1965 and the first one was formed to provide mental stimulation and companionship to recently retired business and professional men who had lost those elements when they left work. The idea proved very popular and rapidly spread with clubs forming all over the UK, then Europe, New Zealand in 1975, Australia in 1976, then to South Africa and eventually to the Americas, other parts of Africa, Asia, Cyprus and Japan. So you are a member of a world-wide affiliation of clubs with similar objectives. As it was a Rotarian who started the first UK club and the spread of clubs was promoted and supported by the world wide Rotary movement it became expected that Probus clubs were formed by Rotary, given a standard constitution approved by Rotary and left to operate autonomously thereafter.

In 1981 a group of five Rotarian District Governors from the Sydney region met and agreed that, to improve the efficiency of Rotary clubs in facilitating the formation of Probus clubs in their area, it would be beneficial to create a central information service. To this end the Probus Information Centre was established under the authority of the Rotary District Governors of the Sydney region. This operation morphed into Probus Centre South Pacific Inc. when they decided they should extend their information supply to New Zealand, and other points around the South Pacific. In the late 2000s this body morphed again into a company secured by guarantee titled Probus South Pacific Ltd. Probus clubs were given no warning of this change nor did they have any say in it's constitution. If you are interested PSPL's very strange constitution can be found at www.probusclubofbendigo.com.au/psplcon.pdf. Interesting to note that this is via an individual club's website.

From 1981 through to about the late 1990s this central support service operated as just that. Then it started to **assume to itself** rights to dictate to Probus clubs. Originally Probus clubs were set up as autonomous entities. A local Rotary club paid for a meeting hall, refreshments and advertising, but that was all. Once started the new club was left to succeed or fail without any further financial, or management, support from Rotary. This is still how the clubs in the UK & Canada operate where there is no authoritarian central body, just a volunteer group who co-ordinate the supply of badges, regalia and stationery. This also applies in South Africa where each club is autonomous but can, if they wish, send a delegate to a regional support group in each state. Overall guidance is provided by one of those regional support groups in rotation.

When we formed we were told that, in order to be an accredited Probus Club, we would need to obtain and use a standard constitution provided by Probus Centre South Pacific Inc.. As we were planning to become an incorporated club, our constitution also had to comply with Qld Incorporation law so the document provided by PCSP Inc was virtually a standard Qld one with a couple of additions. Under **subscriptions** PCSP had added the following: "The subscriptions shall include such capitation and insurance fees as may be required by the PCSP Inc.". Then under an additional heading "**Information**" they added " a. Each year the club shall provide the information required by PCSP Inc concerning membership, meeting arrangements and officers for the ensuing year" and "b. The club shall provide the information on other matters as and when required by PCSP Inc." Looking at these clauses now we are concerned that we are required to provide any amount of money they may require each year and provide lots of personal information which breaches privacy law, but at the time it never occurred to the original Committee that there would ever be any problem.

In 2012 PSPL found themselves making so much money that they would have to pay tax, so they attempted to push a change through all Probus club's constitutions which would have turned us into charities supporting "Isolated and Lonely Aged". They erroneously thought that would turn them into a charitable organisation which would be tax exempt. While this club did

not fully understand what was going on, enough clubs did and refused to agree to such a change and eventually that suggestion was scrapped. However this was the straw that broke the camel's back and clubs all around Australia & NZ started to liaise with one another about the problems that were becoming apparent with PSPL and the carefully selected board. This in turn drew castigation from PSPL and some board members who attempted to tell Probians that they had no right to discuss such issues between clubs, and at that the fan got really messy.

The PSPL board members are all retired honourable men (& occasionally women) who have been Rotarians and are now members of Probus clubs. They volunteer their time and considerable expertise, based on their stellar working careers, to assist PSPL attain its objectives. So what has gone wrong? It appears from Probus' viewpoint that the board have lost control and seem to rubber stamp every suggestion put up by the employees, particularly the Managing Director.

But let's just take another look at this. The Sydney area District Governors of Rotary set this organisation up to provide assistance and guidance to Rotary clubs on how to go about setting up Probus clubs in their area. When we have a look at PSPL's constitution and particularly how the board is selected it becomes apparent that this is still the main purpose of PSPL. While PSPL incidentally provides some service to Probus clubs its main aim is to support Rotary. When you check you find we purchase our badges, regalia & pre-printed stationery from Rotary not PSPL (who merely pass on our order). Rotary Sydney have pulled a con trick on Probians by requiring Probus clubs to cover the costs of Rotary's support operation. This becomes even clearer when you appreciate that the then General Manager, Pat Atkinson, moved from employment by Rotary to run this PSPL operation. It becomes obvious that the intention of those original Sydney Rotary District Governors changed slightly in the late 1990s to pass the cost burden onto Probus clubs. No wonder they have swung the operation into a company with a carefully selected board of died-in-the-wool, & like-minded Rotarians, all of whom have been Rotary District Probus Chairs of their respective Rotary districts plus two positions always appointed by the Rotary Council of Governors.

PSPL has become a business run as a money making concern which fits in perfectly with the management experiences of most Sydney based Rotarians, or at least the ones who put their names forward to become DGs. This, of course, is completely at odds with the aims of Probus which is to provide retired professional & business people (and others from worthwhile occupations) with fun, fellowship & friendship together with mental stimulation **at minimal cost**. However PSPL do have expenses to meet to provide the services Rotarians & Probians have learned to expect and so utilising business methods to offset some of those costs makes good sense. That does not however justify the secrecy with which PSPL operates, the dictatorship approach based on their belief that they are the sole arbiters of policy nor the selection procedures utilised to fill board positions. When you understand that this is intentional on the part of Rotary Sydney it all becomes much more understandable.

A group of Probians in Victoria decided to form a reform group with the aim of forcing desirable changes onto PSPL and then leaving PSPL to get on with providing the services, group insurance and regalia etc., which they were in the best position to provide. They did not intend to push PSPL out in order to institute an alternative organisation. What is this reform group complaining about?

1. PSPL (Probus South Pacific Ltd) has assumed the right to dictate to all Australasian clubs not only how they should act as Probus clubs but how much they must contribute to PSPL each year. It is the latter issue which is pertinent to all of us. This PSPL money siphon, assuming all clubs agree to their current demands, will yield them \$2.7M for 2014. When this support group started in Australasia the amount was \$0.50 per person as a *recommended donation* which would have yielded \$84,319 for 2014. One must ask why PSPL need so much money to service 2144 clubs.
2. PSPL only has ten or eleven members. Probus clubs are not members of PSPL and have

no say whatsoever in who gets elected to the PSPL Board. The board is made up of a small group of very carefully chosen, like minded, individuals who have set themselves up to govern PSPL in perpetuity. While the members of the group move in, and, after 6 or 7 years, out of the board they make all the decisions on who can replace them when their term expires.

3. PSPL threaten clubs with disaffiliation if they discuss this issue, or any other, outside their own club. PSPL have assumed this power, which they really do not have as we are all autonomous organisations, and there should be no impediment to Probus Clubs liaising with one another over any issue.
4. PSPL should essentially be a service organisation providing services requested by Probus clubs. There is probably a case to be made that some central body within the Probus movement should set some standards to which Probus Clubs should conform so that the movement retains it's good name, but PSPL have assumed far too much responsibility for setting those standards without any liaison with clubs. In Canada & Britain the equivalent of PSPL are referred to as the "Stationery Cupboard" and operate on a shoe string.
5. PSPL have become overcome by their own feeling of importance and have purchased an expensive ground floor suite of office space in a busy and expensive part of Sydney, namely George Street, Parramatta. PSPLs functions could be just as easily performed from cheap premises in Bathurst, Toowoomba, Benalla or Tailem Bend. Anywhere in fact with a good phone, mail and internet service. The problem stems from the management and most of the directors of PSPL being Sydney residents who feel that the exorbitant costs in Sydney are normal.
6. PSPL management & Board have a conflict of interest in that they really have no purpose other than to serve the clubs and yet they seem to believe profit from their business activities is more important than service.

This reform group, set up as PSPL Reform Group Inc., (or PSPLRG for short), generated a set of demands, with the assistance of a barrister, which they presented to PSPL in mid 2013 with the threat that if PSPL made no attempt to act on these demands PSPLRG would take them to court and attempt to force change. This document called "Back From The Brink" and it's attachments can be obtained as pdf files from the Reform Group, should you be interested in reading the whole thing. They are not available on the internet. Their key demands are:

- that every Probus club should automatically become a member of PSPL;
- the selection of board members should be made fully democratic with all Probus clubs having a vote;
- that the requirements to provide personal information be removed from our Probus constitutions;
- that the requirement to pay capitation fees at whatever PSPL cares to set each year be removed from our Probus constitutions;
- that the secrecy under which PSPL now operates be scrapped, and PSPL operations become much more readily observable by all Probians; and
- stipulations as to the number of the magazine *Active Retirees* to be paid for by each club be removed from our Probus constitutions.

When one realises that this will be completely at odds with Rotary Sydney's intentions then the difficulty of achieving these objectives, so desirable from Probus clubs' point of view, become more apparent. That is why reform of PSPL is so desperately needed.

After the deadline for action passed, PSPLRG duly lodged their court complaint and a date for the hearing was set in early 2014. Shortly before that date PSPL contacted the PSPLRG suggesting that the complaints should be discussed and so PSPLRG withdrew their complaint at the court and a meeting was arranged, in Sydney, between four board members of PSPL and two members of the PSPLRG. Unfortunately those discussions resulted in nothing being accomplished and PSPLRG have reinstated their court proceedings. PSPL effectively

delayed things for a year.

Not all clubs received a copy of the "Back From The Brink" as PSPLRG did not have email addresses for all clubs (PSPL do not put contact emails for clubs in their annual list of clubs). Hence not all clubs ever learned that PSPLRG was operating. We learned of it when a copy was passed to me by another club and so in late 2013 a meeting was called for the Committee and some foundation members to discuss it. At the time it was decided that we should not get involved until we saw what transpired from their threat. Well we now know that PSPL have no intention of negotiating with PSPLRG and are very confident that they have might on their side. ***We are not even allowed to discuss this issue as, in PSPL's view, it contravenes their sole right to set policy.***

It must always be remembered that PSPL and its earlier incarnations have **ASSUMED** the powers they claim to have over Probus clubs. There has never been any discussion with clubs about these assumptions or their ramifications, just a statement telling us that is the law according to them. As surrogates of Rotary, or at least the Sydney DGs of Rotary, it is not surprising that they ASSUME they have this power. That somehow epitomises Sydney management types. However if one asked the average Rotarian what they know about Probus you would be likely to find a null answer.

Add the fact that, when we were set up as a result of two local Rotarians taking the initiative to call a meeting, after which we were told, in no uncertain terms, that we were autonomous, and once operational we could expect no further assistance of any sort from Rotary, then the whole concept of Rotary having **control** over Probus becomes untenable. ***Only in Australia & NZ is there a central body which has assumed the right to secretly dictate to clubs what they can talk about, and what funds they must raise to support that central body.*** New Zealand, where Probus started a year ahead of the first Australian club, are very close to breaking away from PSPL as they see very little benefit from paying their capitation fees and absolutely no benefit from the magazine. PSPL claim to be intending to start producing a NZ specific magazine in an attempt to pacify NZ's anger.

Change will only occur when PSPL realise that their income is seriously threatened by lots of clubs, or dare I say most clubs, refusing to pay their demanded fees. What can PSPL do? Their only power comes from their assumed power to disaffiliate clubs which would mean that Probus Clubs, Rotary's major community service activity, would disappear from Australia & NZ, replaced by the same groups calling themselves something else. Rotary International will not put up with that, as they spend such a lot of time patting themselves on the back for how they started (not really true) and continue to promote Probus as **their** community service activity despite putting very little effort into ensuring Probus thrives.

PSPLRG is actively canvassing support from both clubs and individual Probian. It is my firm belief that this club should become a member of the PSPLRG Inc. (at a cost of \$20) and that we should do so without delay. I am a private member and that is how this club has been kept informed about what is happening between PSPLRG & PSPL. PSPL has made no mention of any of this in "Active Retirees" nor is it likely to ever do so.

Further information is available from www.psplreformgroup.com, www.trueprobian.com/ol.html, and http://en.wikipedia.org/wiki/Probus_Clubs. Searching via Google will also provide a wealth of information on how Probus operates around the world.

From a concerned Queensland Probian.