

A plain English guide to Lions Australia FARES EQUALISATION policy

WHAT IS IT?

The Fares Equalisation Policy was established to recognise that some Lions must travel further to a National Convention, and therefore are liable for a higher personal cost. The provisions of the Constitution are outlined at the end of this document, however the basic principles are outlined below.

THREE IMPORTANT THINGS TO REMEMBER

1. The amount of fares equalisation paid will probably not influence your decision to attend a Convention. It is only a small amount compared to the cost of your travel and accommodation. It does try to recognise that the travel costs to attend the Convention vary compared to place of residence.
2. Although there is a set rate in the Constitution of 19 cents per kilometre, this is limited by the size of the total pool. Those eligible for Fares Equalisation share funds from a pool (the Fares Equalisation Fund) set in the Multiple District budget each year.

The size of the pool changes according to available funds, and the number of eligible delegates changes each year. For this reason, the payment is different each year and is not known until after the Convention (since we don't know the number of eligible attendees until the Convention is over)

3. The payment is made to the club not to the individual Lion. This is because some Clubs may subsidise delegates or have a policy to use the payment in another way. It is up to each club to decide if the payment is distributed to individual members.

THE PRACTICAL EXPLANATION

Let's consider the explanation in the terms of this year's Convention.

1. Council set a pool of \$25,000 for Fares equalisation in the last year's budget. That is all that is available.
2. Your club is eligible to apply for Fares equalisation if it is more than 1,200 kilometres from Townsville, as the crow flies. You can see the boundaries for Townsville in this map, or view the live map here. <https://tinyurl.com/ya3x6qvn>
3. Your club is only eligible for Fares equalisation for up to two, accredited delegates.
4. After Convention, your District Cabinet Secretary (through the Cabinet Secretary Coordinator) will send advice to the Multiple District as to the distance, each eligible delegate travelled and we will calculate the total liability for all eligible Lions.



5. The fares equalisation claim is to the edge of the boundary. So, for example, if you travelled 2,000 kilometres, your claim will be adjusted to 800kms.
(2000 – 1200 = 800)
6. **The tricky bit!** This is the part that can become a little difficult to follow.

Since the total pool is limited to \$25,000 (this year), if the liability exceeds the pool (and it will), each claim will be discounted by the amount needed to match the pool. Have a look at this example below.

EXAMPLE

- 120 delegates are eligible for Fares equalisation
- As a total, they travelled 302,000km's to Convention.
- However cumulatively, they only travelled 158,000 kms to the circle. (That 1,200km radius)
- If we were to pay each of those Lions the full amount of 19 cents per km, the total cost would be \$30,020 and that would exceed the total pool.
- Therefore, each payment is discounted by 85.5%. ($\$25,000/\$29,260 \times 100 = 83.25\%$)
- So last year, for example, if you were a Lion in Perth, you travelled about 3,500 kms to Hobart. This equates to a Fares Equalisation claim of 3,500kms minus 1,200 to the radius of the circle. Although they may have expected \$437 to be paid to your club, your club instead received about \$360 once the total pool of \$25,000 was shared. (3,500-1200 giving a claimable distance of 2,300, multiplied by 19 cents, discounted by 83.25%.
- However, if you were a Lion in Whyalla, South Australia, your club would have only received about \$40, since you travelled 1,400km. That's because it was only 200km to the "circle". Therefore, you could only claim 200km @ 19cents per kilometre, discounted by 83.25%

QUESTIONS AND ANSWERS

1. Why don't we put more money in the budget for Fares Equalisation?

Council can do this, if there is money available but remember, this is member's money from your dues and we can only spend it once. The more money allocated to Fares Equalisation, the less money for other things. Not every Lion attends Convention and so we need to be careful with its costs.

2. What other things can you do to reduce the cost of Convention?

We encourage Lions to bid for Conventions to share them around the country. When the Multiple District Convention is near your home, we encourage you to attend.

3. Why 19 cents per kilometre?

This is set by Convention in the Constitution. It's an arbitrary figure and can be changed by members moving a motion to Convention.

4. Why is the payment different each year?

Remember, there are a number of variables that affect the amount.

- a. The total pool of funds – set by the Council budget each year.
- b. The number of Lions attending Convention eligible to claim – those outside the circle.
- c. The total distance travelled – For example, if we have 100 Lions coming to Townsville from Perth, this will dilute the Fares Equalisation payment.

5. Why have Fares Equalisation at all if we only get a few dollars.

- a. Firstly, Lions Conventions aren't just about fun, they are part of the democracy of our organisation. It's important to support members as much as we can to attend and participate in the debates.
- b. Secondly, our geographic boundaries cover our country, and Papua New Guinea. Since the Conventions are often concentrated on the east coast, we need do what we can to support our members in more remote parts of the country.

What the Constitution says

53. Convention Fares Equalisation Fund - Sufficient moneys shall be paid into this Fund to assist in defraying the travelling expenses of accredited delegates of distant clubs in accordance with the provisions of this clause in the following manner:
- 53.1 Not more than two accredited delegates of each Club situated outside the circumference of a circle centred at the Convention Centre with a radius of 1,200 kilometres and who shall attend the Convention shall be entitled to a payment at the rate of nineteen (19) cents for each kilometre for each delegate between the town or district in which the Club they represent is situated and such circumference via the shortest possible scheduled commercial air-route. The Executive Officer shall make such payments at the request made within 30 days of the closing of such Convention by the Cabinet Secretary or Cabinet Treasurer of the relevant District. At the time of such request such District Officer shall certify the names of the Clubs so entitled and shall furnish details of each claim and the number of the accredited delegates.
- 53.2 Should a Club in Papua New Guinea be entitled to more than two accredited delegates to a Convention, and more than two accredited delegates attend a Convention representing such Club, the Club shall be entitled to seek reimbursement in the same manner and at the same rate as provided in the last preceding clause in respect of such additional delegates provided that their Club fully meets the expenses of such additional accredited delegates attending such Convention and provided further that such additional accredited delegates are indigenous Papua New Guineans.
- 53.3 Notwithstanding anything herein before provided if there are insufficient moneys standing to the credit of the Fund in any one year all payments which would otherwise have been made will be reduced proportionately.