

I understand dividend imputation is to be re-examined which is supported by Mr. David Murray, Price Waterhouse Coopers and ANZ Chairman Mr. David Gonski among others. Cochlear, Amcor and Future Fund Chairman Mr. Peter Costello argue for its retention. My husband and I derive our entire income from dividends and dividend imputation supplemented by the minimum age pension. We have no investment in Managed Funds, because in times of crisis assets can be frozen and access deferred, nor any Term Deposits. Changing dividend imputation has the probability of eroding a substantial part of our income and would severely impact on thousands of retirees. We would then be forced to sell our shares incurring massive capital gains tax, eroding substantially our asset base and leaving us without adequate ways to fund our future needs. Thousands of retirees would then be forced to become very dependent on the age pension instead of the bare minimum pension we currently receive. The Government is very concerned already about the blowout in the provisioning for the age pension and changing dividend imputation would greatly exacerbate this. I only became aware of the issues being aired concerning dividend imputation after reading the article by John Beveridge in the Herald Sun on Friday, 8th August and I recommend this article to members of the panel. I decided to send a submission after reading this article and becoming extremely concerned and worried. I respectfully request the panel of the Financial System Inquiry to consider the above submission and recommend retaining dividend imputation.

I am a retiree and this summary is my submission as I do not have the financial qualifications to present a very detailed one. Thank you. Wilma Whitelaw.