

Dear Sir.

We are self funded retirees struggling to survive now that our nest egg has been reduced by half because of the current economic downturn.

We note that the government has two ideas that they are considering and we wish to make comment on them.

#There is talk that after June 30 this year that super funds will no longer be tax free. If this is the case it will dramatically affect many people like us who at present receive the government health card as we would no longer be eligible.

This health care card makes a big difference to us as far as costs for medications, discounts on rates, electricity and registration.

We have both worked all our lives and saved and planned for our retirement and never asked the government for a handout.

If the present legislation is changed it will affect us greatly.

The second issue was mentioned in today's paper and concerns the possible loss of our dividend –imputation system. All our super funds are invested in Australian shares which provide imputation credits. The labour government when they took over after the liberal rule found an economy that was booming. This was due largely to our very large superfund industry investing in Australian shares and building up Australian businesses. They did this because of the benefit of imputation credits.

In a climate where government is trying to get people to invest in their own super funds and so fund their retirement this would be a deterrent as it would be back to the days of double taxation and people would not put their money into super.

On a personal note it would reduce the income of thousands of self funded retirees who are struggling to live on an already reduced income.

Thankyou for reading this submission

Wendy and Kevin Tame

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