

# Letters

www.afr.com/letters

Breaking news at www.afr.com

## ATO's ruling

If you had any doubt about our federal government, Treasury and the Australian Taxation Office running a Ponzi scheme with an agenda to ensure that your family remain wage slaves in perpetuity then ATO tax ruling TR 2011/D3 will dispel that doubt forever.

The self-managed super funds (SMSF) investment vehicle had the potential to evolve into a truly universal pension scheme that over two or three generations could have unshackled the majority of the population from the need of a government-funded handouts in retirement via intergenerational SMSFs.

In m  
superar  
I quest  
differe  
industri  
pool re  
investr  
to sell o  
Insti  
entirely  
benefitg  
retaine  
The n  
rectitud  
the myd  
raising  
through  
unleas

coup de grace, capital gains tax, where the asset has to be sold to pay for the usurious tax grab.

The restrictions imposed on SMSFs by the ATO's interpretation by way of limiting what can be applied against the anti-detriment payment through reserves (concessional caps) as well as limits on insurance proceeds and disallowing using other members funds to fund the extra benefit payable has stripped spouses and their adult beneficiaries of SMSFs their full entitlements.

**David Proctor**  
Beaumaris Vic

## Inflaming debate

Nicholas Kulish makes a very timely point about talk potentially leading to violence ("When talk leads to violence", July 25). Political leaders have a responsibility not to inflame ideological passions when striving for office. Senior Coalition figures have headed in an unhealthy direction with their increasingly shrill and dishonest criticism of government policies on global warming and boat people. By inflaming the debate, they risk unleashing a darker side of politics.

**Bob Muirhead**  
Port Melbourne Vic



### SUBMITTING LETTERS

- Fax: (02) 9282 3137  
email: edletters@afr.com.au  
(file attachments not accepted)
- Letters will be edited for clarity and length.
- We prefer 250 words or less.
- Letters submitted to other newspapers or web publications will not be considered.
- If referring to an AFR article please give the date, page and headline.

## Gige credibility

A rece  
elector  
were h  
prefere  
turn-up  
Ever  
suppor  
got no  
tax. Sh  
whose  
impleto  
govern  
If gi

emissions is so insignificant in the bigger scheme of things.

Gillard is quite happy to sell our coal to China; its greenhouse gas emissions will skyrocket in the next 10 years. While we also mine and sell uranium, the clean nuclear energy option is off the agenda — another silly policy position of this government.

**Coke Tomyn**  
Camberwell Vic

## Economy needs better road map

The heading on John Hewson's column, associated with Bill Clinton campaign strategist James Carville ("It's the economy, stupid", Opinion, July 22), makes you want to read on. It may be easier to "believe" that clever economic management has contributed much of our better-than-most economic outcomes. Hewson identifies key consequences of this belief — high comparative interest rates and a manufacturing, education and tourism-crushing exchange rate.

Hewson could have done more than point out our misguided belief in our good management. We need to address the fiscal policy settings where governments can really contribute to delivering on economic management.

David Crowe (Canberra observed, July 22) identifies the political importance of being seen as a credible economic manager. Governments can provide leadership and improved economic and fiscal management.

Two policy areas to focus on are lifting productivity and reducing dependence on welfare. Productivity was once "the word". It needs to be improved and importantly in areas where we have not traditionally focused on productivity improvements. Health, education, public infrastructure and public administration cry out for actions to achieve improved results. Addressing middle-class and corporate welfare requires real attention.

A closer examination of taxation arrangements and benefits, and taxation expenditure programs, is required. The Henry tax review sets out the road map. And the changes needed include cultural changes of focusing on real need in the community and developing a greater sense of self-reliance and independence, rather than the present outcomes of reliance and dependence.

**Kevin Riley**  
Giralang ACT

## Just strategy

From back page  
and not just financial services. How-  
ever, the world of financial services in

made ay  
opportts  
tic main

## Meet the lost generation: fifty, fit and fearful