

# KPMG

KPMG House  
161 Coffins Street  
Melbourne VIC 3000  
Australia

GPO Box 2291 U  
Melbourne VIC 3001  
Australia

Telephone: (03) 9288 5555  
Facsimile: (03) 9288 6666  
Internet: www.kpmg.com.au

To Lexia Bain, Inquiry secretary  
Organisation Standing committee on  
employment, education and  
workplace relations

From Andrew Purdon  
Department Tax, Melbourne

Fax (02) 6277 4427  
Copy to

Telephone (03) 9288 6648  
Fax (03) 9288 6624

Date 10 September 1999

Ref **EsasenquiryAH1009-TF.doc**

**Page 1 of 1**

Subject **Employee share ownership inquiry**

I am writing, as requested by the Committee, following my submission before them on 7 September 1999 in Melbourne. Specifically, I was asked if I could confirm some information included in the KPMG share scheme survey which was presented to the Committee. I am happy to do that now.

Mr Brendan Cameron asked if we could advise further on the respondents who would have implemented a share scheme if the tax exempt limit was raised and on the number of respondents who did not have a share scheme. I can confirm that.

- 65% of the companies surveyed did not have an employee share or share option scheme;
- 32% of these companies (ie those without an employee share or sham option scheme) said they would definitely implement a tax exempt scheme if the tax exempt limit was raised to \$2,000 per employee, per year.
- 35% of the total respondents said that they would definitely implement a tax exempt share scheme if the tax exempt limit was raised to \$2,000.

I trust that this information confirms the details required. If we can assist in providing any further information from our share survey or other matters please call either me on the above number or Alec Highnam on (03) 9288 6742.

Regards,

Signed  
Andrew Purdon