

Healthy investment

Shareholders urged to give hospitals dividends



Appeal . . . Mandi Farrugia, 3, at Sydney Children's Hospital, would benefit from the scheme

By JOHN ROLFE
Business Editor

INVESTORS are being urged to donate small, often unclaimed, dividends to children's hospitals.

The drive has been prompted by a report in *The Daily Telegraph* on Monday, revealing that more than 125,000 people have failed to claim \$42 million in dividends from just two companies.

The Bank of Queensland trialled the Investing in Hope scheme last year and hundreds of dividends, some as small as \$4, were donated.

"The people we are hoping to attract are investors for whom banking a cheque is more effort than it is worth when they could be donating it to the public good," Children's Hospitals Australia (CHA) development manager Nikki Johnston said.

The CHA must first win the support of large companies to include a brochure and form with regular "dividend election" mailouts.

Ms Johnston said "two or three" major companies are already considering joining the program.

Australian Shareholders Association CEO Stuart Wilson said Investing in Hope was "a simple, yet brilliant" idea.

"Twice a year, hundreds of



How *The Daily Telegraph* broke the story

millions of dollars in uncashed dividend cheques contribute to companies' huge administrative costs," he said.

"If we could get just 0.1 per cent of shareholders of the top 200 companies participating, then we would raise more than \$100 million annually, at virtually no cost to any party, thanks to the fully automated nature of the concept."

The donated money would be spent on research to improve treatment methods and discover cures for many life-threatening diseases.

The cash would also help develop ways to help abused or neglected children.

Donations will be 100 per cent tax deductible and shareholders retain "franking" benefits—credit for the 30 per cent tax the company has already paid on the dividend.