

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS REVIEW OF
THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS FINANCIAL ADVICE
SECTOR

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Dr LEIGH: It sounds a terrible way of investing your superannuation. How many of these new ERFs did you set up?

Mr De Ferrari: As of May of this year, our ERF had roughly 92,000 accounts for an average balance on these accounts, as I said before, of roughly \$11,000.

Dr LEIGH: So you set up 92,000 new ERFs in order to deal with your fees-for-no-service refunds?

Mr De Ferrari: No, that is the total balance of our eligible rollover fund. It is not only linked to remediation.

Dr LEIGH: Okay, so do you have an answer to the question I asked?

Mr Wade: We don't have that number to hand. But, Dr Leigh, if I may address your question on performance: the capital guarantee does result in a different performance return across the board, given that it is a unique product. What I can point to on performance is the fact that during this COVID downturn and substantial market volatility, our clients—

Dr LEIGH: I'm sorry, Mr Wade, but we're revisiting grounds that you've addressed already. I'm happy for you to provide that information on notice, but I want to move on to other questions. Can you please take on notice the question of how many new ERFs have been opened as part of repaying the ill-gotten gains there.

Answer

42,286 ERF accounts were set up for the purposes of remediation in 2019 and 2020. Only 240 of these were related to remediation for Fees for No Service.

Of these, 17,087 customers had transferred their balance to their preferred superannuation fund by 30 June 2020.