

**Senate Economics Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Additional Estimates, 16 & 17 February 2005

**Question: Add 18**

**Topic: APRA – Adequacy of Funding of Defined Benefit Superannuation Funds**

**Hansard Page: E105**

Senator Sherry asked:

What would be the number of defined benefit funds where there are still rectification plans in place to address their benefit index levels?

Answer:

Out of a total defined benefit fund population of 491 (including hybrid funds) as at 30 September 2004, there are presently 68 defined benefit funds and sub funds supervised by APRA which are considered to be in an unsatisfactory financial position. APRA considers that 60 of these funds have a satisfactory rectification plan in place to address their financial position, and APRA is seeking improvements to the balance.

Forty four of those funds in an unsatisfactory position have a vested benefits index of 90% or greater, whilst 38 are expected to return to a satisfactory financial position by 31 December 2007.