

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates, 16 February 2006

Question: AT 27

Topic: *Approximate sum of money involved with respect to the people switched with Westpoint*

Hansard Page: E36

Senator SHERRY asked:

It is on the high end; I am glad you note that. We will get to the extreme with Westpoint. I am concerned about a super product here. That commission of 2.2 per cent is on top of other fees and charges presumably, or is it inclusive of admin, financial investment et cetera?

Mr Cooper—It is inclusive.

Senator SHERRY—So it is 2.2. What is the approximate sum of money involved in respect of the people who were switched?

Mr Cooper—There were 180 clients involved. They were all school teachers. We would have to assume that their superannuation balances were within normal ranges, so it is just a matter of doing the maths. If you like, I can take on notice what the figure is.

Senator SHERRY—Take it on notice, but given the profile of the individuals involved I suspect it is in the millions.

Answer:

The case currently alleges that FCFP advised over 180 teachers to switch their superannuation from FSS to a number of commercial super funds.

There were 180 Statements of Advice recommending approximately \$6,810,829 in funds be switched from FSS.