

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates 20-21 February 2008

Question: aet 28

Topic: Superannuation – Choice of Fund

Hansard Page: E41

Senator BUSHBY asked:

Senator BUSHBY—I have a number of questions on superannuation but I wanted to raise initially some questions about super choice. I presume this should be directed to the Treasury. In general, how is the implementation of super choices going? Has it been a successful change? For instance, how many Australians have changed funds since it started?

Mr Lonsdale—I guess it is an issue of how you define ‘successful’. In terms of the super choice law being followed, and employees being presented with choice of fund, I am not aware of any particular difficulties in that space. In terms of how many people are switching, that data is not clear to me in terms of whether that relates directly to choice or other issues.

Senator Sherry—I am not sure whether Treasury has actually done a survey.

Mr Lonsdale—No.

Senator Sherry—There are a number of surveys carried out by private research houses. If it is of assistance to you, I am happy to take this on notice and we can obtain some information about the later data analysis in that space.

Senator BUSHBY—If you would do that, that would be great.

CHAIR—Before you continue, it is very near to the lunchbreak. Are you indicating you wish to continue on?

Senator BUSHBY—I have only a few more questions on this.

CHAIR—And you will be able to finish in the next couple of minutes?

Senator BUSHBY—What effect would there be on the industry as a whole or any particular sections of the industry or on consumers if there were to be any lessening of choice as to individual superannuation funds and the ability to switch?

Mr Lonsdale—I think that goes to policy.

Senator Sherry—As I have indicated, we can provide data to you; you can come to your own conclusions. But I would just say that the Labor opposition committed to retain the superannuation choice of fund regime, as it is known.

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Answer:

The Government has not surveyed how many employees have changed their superannuation fund since the commencement of the *Superannuation Legislation Amendment (Choice of Superannuation Funds) Act 2004* on 1 July 2005.

A number of private sector organisations have conducted surveys on the matter, including ANOP Research Services, the Association of Superannuation Funds Australia (ASFA), and Roy Morgan Research. Details can be obtained from these organisations.