

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Additional Estimates

10 – 11 February 2010

**Question: aet 51**

**Topic: FIDO & ‘Understanding Money’ Websites**

**Hansard Page: Written**

**Senator EGGLESTON asked:**

1. ASIC operates both the FIDO website and the understanding money website with the Financial Literacy Foundation. Can ASIC detail how much funding has been allocated to the operation of the websites in 2009-10?
2. Does ASIC monitor visits to the websites? Can ASIC provide figures for the number of unique visitors to the sites over the previous 12 months (and each year over the past three years)?
3. Does ASIC receive feedback from users with regards to the website? Can this feedback be released?
4. What kind of review process does ASIC go through to ensure that the websites are providing relevant advice and that investors are actually using the sites?
5. Does ASIC believe generally that investor education has improved since the introduction of the Fido website?

**Answer:**

1. The Financial Literacy Foundation no longer exists, as of 30 May 2008. No separate funding is allocated to ASIC for either the FIDO or Understanding Money websites. Those sites are maintained and administered as part of ASIC's business as usual activities.
2. Yes, ASIC monitors visits to both the FIDO and Understanding Money websites.

In the last 12 months (1 March 2009 to 28 February 2010) there were:

- 1,894,713 unique visits to the FIDO site; and
- 302,559 unique visits to the Understanding Money site.

The table below sets out numbers of visits for the last five financial years.

Year	FIDO	Understanding Money
Visits 09-10*	1,335,970 (to 28 Feb)	200,965* (to 28 Feb)
Visits 08-09	1,456,386	623,893
Visits 07-08	1,474,622	600,542

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Visits 06-07	1,049,506	555,578
Visits 05-06	785,110	Not launched

\*From July 2009, visits to Understanding Money were counted using a new statistics package. The figures quoted from July 2009 onwards do not include robots and crawlers, which account for approximately 47% of visits. The figures for Understanding Money from this time are calculated the same way as for FIDO. FIDO statistics do not include robots and crawlers.

The table below sets out a month-by-month breakdown of visits.

Month	FIDO	Understanding Money
Mar-09	122,689	25,000**
Apr-09	115,581	25,000**
May-09	155,237	26,218
Jun-09	165,236	25,376
Jul-09	159,444	24,749
Aug-09	163,000	25,732
Sep-09	207,932	24,973
Oct-09	187,937	26,115
Nov-09	160,577	24,029
Dec-09	134,021	19,415
Jan-10	164,610	28,727
Feb-10	158,449	27,225
Total	1,894,713	302,559

\*\*In March and April 2009 the gathering of website statistics transferred from Treasury to ASIC. For the purposes of this answer, we estimated 25,000 visits for each of those months.

3. ASIC receives regular feedback from FIDO users. Users mainly submit feedback by directly sending an email to [feedback@asic.gov.au](mailto:feedback@asic.gov.au) or by telephoning ASIC's Infoline.

ASIC collates this feedback and uses it as a source of information for evaluation and improvements to its consumer and investor education resources. The feedback is currently only used internally within ASIC as there are privacy issues with making communications from individual users available in a public forum.

ASIC has also undertaken surveys of its consumer website users to gather feedback. Some of these surveys have been general, assessing the website as a whole, while others have been specific to calculators and tools found on the website.

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Below is a sample of feedback received about FIDO content:

Sample of feedback for [www.fido.gov.au](http://www.fido.gov.au):

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Jan 10 - Hello, I've always been terrified of doing a budget as it seems too overwhelming and I just don't know where to start. A friend mentioned on the weekend that she did an internet search for 'Budget Planner' and a "government one" came up that she downloaded and completed. I did the same and found the ASIC planner so quickly - I am so pleased I did. This is a fantastic tool and I'm feeling much more positive about my finances.

Thanks to whoever is responsible. I'm sure you've made a lot of people's finances more manageable and less stressful! Kind regards, HJ

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December 09 - Being self-funded retirees and have a dismal view of financial advisers, we really appreciate your views on most subjects you email to us. Congratulations, have a happy Xmas and keep up the good work MNK

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December 09 - I have just received my first FIDO news and I am very impressed.

I am the Finance Manager for a Women's Refuge that also has a support service for Aboriginal Families.

The support service offers guidance to young mothers who haven't had the building blocks to make many decisions that they are now called on to make. For this reason the link to the "Money Talks Audio Programs for Aboriginal Services will be invaluable. The support workers were very interested in the site and were wondering if there were any short video packs available for us to purchase. I personally found all the information very useful and have only just started wading through it. Regards, PT

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December 09 - Hi ASIC, I salute you for doing excellently well. Without your Newsletter, we won't have a clue of what is happening being so concentrated making the business work. Please continue to guide us to be better service to consumers. Thanks and Happy Holiday. NT

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November 09 - Hi, I love FIDO News because it keeps me up to date with all the latest scams, especially of the electronic versions. I read it every month. FIDO News is an invaluable information source in this rapid changing world of communications. Keep up the good work. Regards, RH

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October 09 - Dear Sir/Madam, I just found your online planner and thought what a great idea.

I could enter a lot of details but it does not allow for any other investments you have as part of your retirement plan, ie. shares, rental properties so this was of no use to me, thought you should be aware of this. Regards BAG

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October 09 - This monthly "News Letter" is great. Lots of interesting articles, & things to be aware of.

Thanks, keep it up .BT.

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October 09 - Thanks for the tip on checking car insurance, which in turn I then started to compare house and contents insurance. This produced some interesting results, I

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always thought the best deal was having everything with the one company (“we give you a discount if you have 3 or more policies with us”). I now intend to shop around online and with brokers at least every two years. Thanks again, MW

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September 09 - Fido gives a useful service to ordinary people to increase their knowledge of financial matters which are partly or fully under government control. It appears to deal with subjects which need more exposure such as scams etc. Good Dog!

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August 09 - Hi, I'm a female young adult and I love receiving FIDO news. I think the frequency of the emails is just right. Anymore and it would be too repetitive and too much to sort through. The topics are find the most informative are tax advice, mortgages and super. Often I would forget to make forward contributions to my super or check on my account without the being reminded. Thanks, J

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August 09 - To Whom It May Concern: I have used and continue to use, FIDO over the last few years. I enjoy the plane English way in which things are explained. Keep up the good work.

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June 09 - Very good: written in simple English language. Easy to read, easy to understand. Not too heavy, and not too light. JUST RIGHT! V

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June 09 - Basically, I like it. Generally a pretty good mix of subjects and can be skimmed quickly, or read at length. Keep it up. Regards

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June 09 - I like the new professional look for FIDO News. It makes it much easier and clearer to quickly scan the items that have been highlighted in the newsletter. Well done. Keep up the good work!

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4. ASIC’s consumer and investor education team formally meets weekly to discuss emerging issues. The team reviews current online content on the basis of information including:
- a) feedback from website users;
  - b) input from ASIC's Infoline service about issues raised in calls received;
  - c) intelligence from ASIC's stakeholder teams;
  - d) trends identified through ASIC's deterrence activities;
  - e) issues raised by industry organisations in their regular liaison with ASIC;
  - f) priorities identified by government working groups;
  - g) issues identified by ASIC monitoring of the media; and
  - h) issues raised through legislative change and the law reform process.

Content is created or updated on the FIDO website if, for example:

- a) a new consumer or retail investor issue has arisen that requires online information for the public;
- b) a knowledge gap has been identified;

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- c) the law or regulations have changed or are changing; and/or
- d) there is a government or regulatory campaign that ASIC can usefully support or promote.

Investor use of the consumer website is reflected in the visit statistics cited earlier.

5. It is difficult to measure behavioural change and the long-term effect of ASIC's education efforts on Australian investors, but it is fair to say that the FIDO website has made a positive impact on investor knowledge and understanding.

Factors that suggest that the FIDO site has contributed positively to consumer and investor education include:

- a) the number of visits has increased steadily over the years despite no advertising budget for site promotion;
- b) the number of subscribers to FIDO News, ASIC's free monthly e-newsletter, has increased over time;
- c) FIDO receives positive feedback from users and industry;
- d) the online calculators available on FIDO are highly regarded;
- e) the site is frequently referred to in the media as a trusted source of unbiased financial information (125 media mentions for the six months from July to December 2009).