

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates, 1 to 4 June 2004

Question: Bud 90

Topic: APRA - Superannuation data collection

Hansard Page: E47

Senator Sherry asked:

Please send me the items now being collected on the expenses (fees and charges) of superannuation funds.

Answer:

a) List of data items collected up to 30 June 2004

Prior to 30 June 2004 fees and charges were not reported separately. There are no specific item for fees and charges earned or paid by superannuation entities.

Income items on the old returns are "member and employer contributions", "inward transfers", "net investment income", "unrealised gains/loss" and "other income".

The instruction guide is silent on fees and charges earned. Other income may be used by some entities as other income is any other income not previously reported. Member and employer contributions may be reported net of fees and charges.

The expense items for benefit payments to members and outward transfers (rollovers) are generally reported net of any fees and charges, eg exit fees.

Administration and investment fees and expenses are reported as one item.

b) List of additional data items collected in the new returns – from 30 June 2004

From 30 June 2004 the additional items collected are:

Fees and charges earned by superannuation entities

- Item 13 – Fees and Commissions earned:
 - Item 13.1 – Scrip Lending fees
 - Item 13.2 – Underwriting activities
 - Item 13.3 – Other fees - Includes (but is not limited to): Entry/exit fees earned, trailing commissions earned, ongoing fees/charges earned.

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Fees and charges paid by superannuation entities

- Item 17 - Investment Expenses:
 - Item 17.1 – Investment management fees
 - Item 17.2 – Custodian fees
 - Item 17.3 – Property maintenance fees
 - Item 17.4 – Asset consultant fees
 - Item 17.4 – Other.

- Item 18 – Operating Expenses:
 - Item 18.1 – Interest expense
 - Item 18.2 – Management fees
 - Item 18.3 – Administration fees
 - Item 18.4 – Actuary fees
 - Item 18.5 – Directors/trustees fees and expenses
 - Item 18.6 – Auditors fees
 - Item 18.7 – Other.

- Item 2 – Net Rollovers and expense.

- Item 5 – Benefit Payments are reported to APRA net of the superannuation entity's fees and charges eg exit fees.

- Item 1
 - Item 1.1 – Employer contributions are to be reported gross of fees and charges
 - Item 1.2 – Member contributions are to be reported gross of fees and charges.