

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates 29, 30 & 31 May 2007

Question: bet 70 (ASIC)

Topic: Fake Investment Website

Hansard Page: E109

Senator SHERRY asked:

Another release caught my eye mainly because I will be interested to see what the response was. The release of Monday, 2 April, was titled 'Don't be fooled this April Fools' Day: ASIC helps you spot a scam.' You launched a fake investment website on April Fools' Day to alert investors about the dangers of investment opportunities on the internet. I am interested to know what the response was to the fake website.

Mr Cooper—We might have to take that one on notice because I think the commission is also interested—

Senator SHERRY—I am not criticising the initiative. I am interested to see in fact how many consumers you did manage to attract on April Fools' Day.

Mr Cooper—I am not sure we have that data to hand, so we will have to take that on notice.

Senator SHERRY—Again you may have to take this on notice. You have launched a simpler super calculator. What has the response been to that? That was launched on 5 April.

Mr Cooper—We will have to take that one on notice.

Answer:

There have been 3466 visits to the electroharvest scam site with 11,562 pages viewed (up until 27 July 2007), detailed below:

Month	Unique visitors	Number of visits	Pages	Hits	Bandwidth
Mar 2007	83	92	429	2361	7.13 MB
Apr 2007	2179	2821	9685	60239	183.17 MB
May 2007	287	333	883	5343	16.47 MB
Jun 2007	109	127	306	1601	5.75 MB
Jul 2007	84	93	259	1213	3.92 MB

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Total	2742	3466	11562	70757	216.44 MB
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The majority of visits (50.4%) came via links from the ASIC or Fido webpages, and a further 4% of hits came from sites who had published ASIC's media release announcing the site. Therefore it appears these people came to the information knowing it was posted by ASIC.

The next largest category of sources of hits was links from internet forums (28.8%). It is difficult to assess what the audience from each of these sites are, but from a brief assessment of the comments posted on those forums it appears there are a mixture of people interested in investment and seem to have some grasp of the principles of sound investing, while others are more interested in the technical aspects of the Electroharvest claim.

In terms of the actual pages visited on the site, here are the statistics on the pages which attracted most hits:

	Viewed	Entry	Exit
<u>/invest.htm</u>	2146	231	501
<u>/profits.htm</u>	1498	140	249
<u>/scam.htm</u>	1403	93	862
<u>/testimonials.htm</u>	1376	135	262

The scam page statistic is highlighted, as this is the page at which a person who had not identified the site as a scam would discover that it was one.

Simpler Super Calculator

ASIC have been offering a before 1 July 2007 calculator and an after 1 July 2007 Simpler Superannuation Calculator in order to cater for people's different super planning needs under the relevant rules.

The page views for both super calculators from 5 April to 30 July are as follows:

April: 2566
May: 5569
June: 3609
July: 3300
Total: 15044.

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We have had some good anecdotal feedback from some investors and financial planners about the information that can be gained using the calculator and its simplicity.

ASIC will continue to promote the simpler super calculator through its consumer education and media activities, including through its on-line consumer newsletter Fido News.