

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

21 – 22 October 2009

Question: sbt 51

Topic: Default Funds for Superannuation Guarantee Contributions

Hansard Page: E54-55 (22/10/09)

Senator BUSHBY asked:

Senator BUSHBY—I will start with some questions that I tried to ask at an earlier Treasury estimates and was told to ask you about. Hopefully this is the right place for some of these. Does Treasury have access to any information regarding the practice of employers using a competitive tendering process to select their default fund for their superannuation guarantee contributions?

Mr Brake—We have had few a discussions with various industry participants about how default funds are selected. We are aware that the practice varies; some employees will tender out on that basis and others will not, but I do not have data available.

Senator BUSHBY—Do you mean you do not have data available today or you do not have data available to you or to Treasury?

Mr Brake—I do not believe we have data ourselves. I am not sure if there is any data that is available. The whole default fund issue will be one of the things which are being considered also by the superannuation system review led by Jeremy Cooper.

Senator BUSHBY—You used the words ‘not sure’; would you mind taking on notice to have a look to see if there is any information that is available to you?

Mr Brake—Yes.

Answer:

Treasury does not have any data on the practice of employers using a competitive tender to select their default superannuation fund.