

**Senate Finance and Public Administration Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**Finance and Administration Portfolio**

**Department of Finance and Administration**

November Estimates Hearings 2003-04 – 4 November 2003

**Question: 1**

**Outcome: 1 Sustainable Government Finances, Output: 1.1.2 Financial Reporting**

**Topic: Lost Money Register/Super Holding Reserve Monies**

**Hansard Page: F&PA 87**

**Senator Sherry asked:**

Is that because you are holding cash in the case in the case of SHAR, but there is an offsetting liability? (Kerwin) When the money moves from the special account in the CRF, how it is regarded – whether it is regarded as what is called a transaction or whether it is regarded as something other than that – would determine whether it has an effect on the underlying cash or fiscal balance. I do not know the answer as to how it is regarded. (Sherry) Can you take that on notice?

**Answer:**

The *Superannuation (Unclaimed Monies and Lost Members) Act 1999* has effect in regard to Lost Members.

The Lost Members Register is a register of people within superannuation funds who are deemed to be lost according to the criteria specified in the *Superannuation (Unclaimed Monies and Lost Members) Act 1999*.

Monies relating to people deemed to be lost members are retained within that person's superannuation fund. That is, the Lost Members Register does not result in a financial transaction for the Commonwealth. There is no impact on fiscal balance or underlying cash balance.

Amounts received and paid in respect of the Small Superannuation Accounts Reserve (SHAR) account are administered through a special account established under the *Small Superannuation Accounts Act 1995*.

Through the operation of the SHAR special account, monies are held in trust for the employees associated with the scheme. Because it is held in trust it is not held for the use or benefit for the Commonwealth and there is no impact to the Australian Government's budget. That is, there is no impact on fiscal balance or underlying cash balance.