

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

2016 - 2017

Division/Agency: Australian Prudential Regulation Authority

Question No: 143

Topic: For-Profit Sector Superannuation - Fund Performance

Reference: Hansard page 29 (02 March 2017)

Senator: Gallagher, Katy

Question:

Senator GALLAGHER: [...] Could you confirm that, as of June 2016, \$317 billion of assets were held by these funds that account for nearly 60 per cent of retail fund assets?

Mrs Rowell: I would have to take that on notice.

Senator GALLAGHER: If you can, have a look at that on notice. I have also had a look at the 28 bank owned super funds for which APRA does have a ten-year rate of return. And from my looking at this, only six of them are above the median return of all funds and 22 are below it. Could you confirm that?

Mrs Rowell: I would have to take that on notice.

Senator GALLAGHER: [...] Of those six that are above the median return of all funds over the 10-year return, I think only one of them

is open to the public for public offering. The others are staff funds run by the banks, and there is actually quite a difference in return for staff funds run by the bank in all instances. It is anywhere from one and a half per cent to almost 3 per cent higher for the funds that are run for staff than those that are open to public offering. I would like APRA's view on that.

Mrs Rowell: I would have to take that on notice. [...]

Answer:

Refer to the response provided in AET142.