

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates, 31 May to 2 June 2005

Question: Bud 101

Topic: ASIC – Steve Huggert & Jim Welch

Hansard Page: E94

Senator Sherry asked:

Senator SHERRY—Could you take two other cases on notice? I know there has been correspondence, but I would not expect you to have knowledge of it today. I asked APRA because the first one involves Mr Steve Huggert and it is the same principle as the AXA issue.

Mr Lucy—The Telstra employee?

Senator SHERRY—Yes. It involves an employer offer. He was convinced to shift from a DB fund to an accumulation fund—that is the first one. He has corresponded with ASIC, APRA and SCT and is not satisfied and not happy. Could you have a look at that one? The second one involves Mr Jim Welch and the collapse of a fund called Freedom of Choice, a monthly income fund. This goes back almost five years to December 2000. APRA were able to give a bit of information on the record—not about Mr Jim Welch particularly—but the matter has been outstanding now for almost five years and Mr Welch is getting a little aggravated, and I do not say I blame him, because of the moneys issue and the compensation issue. Could you take those on notice?

Answer:

ASIC has been in contact with Senator Sherry's office and will provide personal briefings to the Senator on these matters.