

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

21 – 22 October 2009

Question: sbt 42

Topic: Self-Managed Superannuation Fund Review

Hansard Page: E46 (22/10/09)

Senator BUSHBY asked:

Senator BUSHBY—The self-managed superannuation fund review was instituted on 14 February 2008, and as far as I am aware it has neither reported nor wound up. Where is that currently at? Is there likely to be an outcome?

Senator Sherry—The best way to describe it is that it has been absorbed within the Cooper review. If you look at the announcement of the terms of reference of the Cooper review and, indeed, the Cooper review's subsequent three areas that it has announced, one of those includes the self-managed super fund sector.

Senator BUSHBY—How much work was done on that review before the Cooper review was announced?

Senator Sherry—In what sense?

Senator BUSHBY—How much of taxpayers' resources were expended on that review before it was actually subsumed into a subsequent review?

Senator Sherry—Someone at the table may be able to help us, but I think we would have to take it on notice.

Senator BUSHBY—Thank you. Have the submitters to that review been informed that it has been subsumed into the Cooper review?

Senator Sherry—Again, I would have to take it on notice. Up until June I would have known, but for obvious reasons I do not. I will take it on notice unless any of the officers can provide us with up-to-date information. We can come back to you on it.

Answer:

1. How much of the taxpayers' resources were expended on that review before it was actually subsumed into a subsequent review?

The consultation on self managed superannuation fund (SMSF) issues was not separately funded. The examination of submissions received in response to the former Minister's request was undertaken as part of Treasury's function of providing policy advice to the Government on superannuation matters. As such, the cost of this activity was met from within Treasury's existing departmental funding allocation and is not separately identifiable.

2. Have the submitters to that review been informed that it has been subsumed into the Cooper Review?

No. Individuals and organisations who lodged submissions were sent an acknowledgement of receipt of their submission. They were not subsequently advised that the consultation had been subsumed into the Cooper Review.

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However, the Government announced on 29 May 2009 the details of a *Review into the governance, efficiency, structure and operation of Australia's superannuation system*. A panel of experts is conducting this review, chaired by Mr Jeremy Cooper. Ms Meg Heffron, an expert in SMSFs and a member of the Australian Taxation Office's National Tax Liaison Group (Superannuation), was appointed to the panel on 4 August 2009.

An Issues Paper on the structure of the superannuation industry, including SMSFs, is scheduled for release on 14 December 2009.