



Media Release

Wednesday, 14 May 2008

FIRST HOME SAVER ACCOUNTS TO BENEFIT 15,000 WESTERN AUSTRALIANS EACH YEAR

GESB, manager of the largest WA-based superannuation fund, welcomed further details on the First Home Saver Account, an initiative aimed at assisting Australians to save larger deposits for their first home.

GESB Chief Executive Officer Michele Dolin estimated that over a 5 year period up to 75,000 Western Australians could benefit from around \$100m from the Commonwealth Government co-contributions under this initiative.

This included some 10,000 GESB members who could share in around \$8.5m in payments over this period.

Under the First Home Saver Account people contributing up to \$5,000 per year will be eligible to receive a Commonwealth Government contribution of up to \$850 per year.

Savers will be able to withdraw their monies free of tax at the end of four financial years to purchase or build their first home.

The First Home Saver Account has similar taxation arrangements and investment options to superannuation. These returns are enhanced by being taxed concessionaly at 15%, the same rate as superannuation, rather than at an individual's marginal tax rate.

For example, a person on a 40% marginal income tax rate who saves \$10,000 a year for 5 years would accumulate around \$62,000 in their First Home Saver Account*. This would amount to only \$55,000 if these savings were placed in a standard savings account earning the same rate of return.

** Based on certain assumptions, if these assumptions change results may differ.*

-ENDS-

Media Contact

Lucy Henry
Tel: 08-9263 4377
Mob: 0421 585 576
Email: lucy.henry@gesb.com.au

About GESB (May08)

GESB manages the largest superannuation fund based in Western Australia and is a significant national player. It manages superannuation on behalf of 25% of

Western Australia's workforce and with a 69 year track record, GESB has unrivalled experience in superannuation in Western Australia.

It is a member based organisation that manages the superannuation of current and former WA Public Sector employees and their partners. GESB has over 290,000 members and a growing investment portfolio of nearly \$9 billion.

GESB's primary purpose is to improve the long-term financial well-being of its members. The organisation offers a choice of competitive superannuation and retirement products, sound investment returns, competitive fees, excellent member services, and financial advice.

GESB will become a public offer fund and a member owned mutual on 1 July 2008.

For further information visit gesb.com.au