

ASIC steps up super fund scrutiny

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The head of the Australian Securities and Investments Commission (ASIC) intends to force superannuation funds, and the money managers running them, to improve disclosure to fund members about what shares, property and other investments the fund has invested in, according to a report by the *Australian Financial Review*.

ASIC chairman Greg Medcraft embarked on the effort to strengthen disclosure after AustralianSuper told him that specific information on where his super was invested was not available.

"Clearly I don't think that is good enough," Mr Medcraft said, according to the *AFR*. "The person who has the most skin in the game is the investor and they should be entitled to see what is in their own underlying fund."

The Australian superannuation sector is among the least transparent regarding disclosure, according to the Organisation for Economic Co-operation and Development.

The super industry has come under fire of late for resisting efforts to force disclosure on executive pay within the sector, and efforts to appoint more independent chairmen.

The scrutiny is expected to intensify as the minimum contribution from members is set to rise from nine per cent of their annual income, to 12 per cent by 2019, according to the *AFR*.

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2 Comments

Jason Blomfield wrote:

I was in Australian Super but no longer, the level of disclosure was so poor in my opinion (ASIC steps up super fund scrutiny, January 10). SMSF is the way to go for many. My costs are about one quarter of what Australian Super were charging and performance is much better (I don't know if this is luck but I think that's unlikely).

11 Jan 2012 8:41 AM

John Smith wrote:

Why do these highly paid executives need to be dragged kicking and screaming and be forced to do what is clearly the morally right thing?

Why the 'them'and 'us' mentality? (ASIC steps up super fund scrutiny, January 11)

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