

Tuesday, 24 July 2018

AIST welcomes report on fee and cost disclosure in superannuation

The Australian Institute of Superannuation Trustees (AIST) has today welcomed the release of a comprehensive report into the fee and cost disclosure regime for superannuation funds.

AIST CEO Eva Scheerlinck said the report – prepared by independent expert, Darren McShane at the request of the Australian Securities and Investments Commission (ASIC) – vindicated many of AIST’s concerns with the existing fee and cost disclosure regime for superannuation funds.

“The report acknowledges there are challenges and inconsistencies with the existing disclosure regime and, importantly, recommends a framework that will apply more rigour to decision-making on fee and cost disclosure,” Ms Scheerlinck said.

Ms Scheerlinck also welcomed the report’s acknowledgement of the complexities involved in disclosure and its recommendations for ASIC to introduce comparative tools to better support consumers in their decision-making. This includes a recommendation for ASIC to explore the development of a user-friendly online portal to allow individuals to compare fees and costs.

“We welcome recognition that consumers need more tools to easily compare fees and costs,” Ms Scheerlinck said. “Disclosure must not only be meaningful it must be accessible and not hidden in the back pages of a website.”

Ms Scheerlinck said AIST – which has been actively involved in the industry-wide consultation process on fee and cost disclosure for more than four years – looked forward to reviewing the findings in detail with ASIC and other key stakeholders.

Media contact: Janet de Silva 0448 000 499

AIST is the peak body for the \$1.2 trillion profit-to-member superannuation sector which includes industry, corporate and public-sector funds.