

14 March 2001

Review of Certain Superannuation Legislation
Productivity Commission
Belconnen ACT
Fax (02) 6240 3311

SUBMISSION

I am assuming that the substance of my submission can be dealt with somewhere within the review of the six pieces of legislation mentioned in the terms of reference.

My suggestion is simple; I think it most important that the Statements of Members' Accounts provided to members of Superannuation Funds contain details of what **dollars** were deducted from earnings for administration etc. This disclosure should put pressure on funds to justify the fees they levy, and hopefully, create some pricing competition.

From my (limited) experience with my own fund manager, the only information that is provided about the various charges levied is by listing the MER's of various funds, but even then that information is not shown on Members' Statements. It is impossible for a fund member to determine what he/she has paid in fees from the MER information alone. Not only that, other percentage charges are deducted in addition which are also impossible to determine in dollars.

Most (if not all) Bank Statements now show exactly what deductions have been made by the Bank for fees, taxes etc. As a consequence, bank charges are competitive.

It is very important that individual members of superannuation funds know what they are being charged by their funds (in dollars, not percentages) and I hope your inquiry makes recommendations to ensure that this is rectified.

Yours sincerely,

(signed)

David Taylor