

Answer to question on notice and in writing:

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

**AUSTRALIA'S FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS:
SUPERANNUATION SECTOR**

APRA-S07QW:

In *'Badly behaving industry funds to be punished twice'*, Australian Financial Review, June 15, 2021 by Michael Roddan it was reported that "APRA executive director Suzanne Smith last week told super funds that if they were considering building a kitty for penalties by charging a new fee to members, the increased administration fee rate will be included in the regulator's "heat map" performance tests that seek to punish funds for overcharging fees". Is this still the case? Will this fee also be recorded within the Your Future, Your Super performance test?

Answer:

Where a trustee charges a fee to members for the purposes of building or replenishing any reserve (held as capital or in the fund), this fee is captured as an administration fee in both the legislated performance test and in APRA's heatmap.