

Answer to questions on notice:

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

INQUIRY INTO THE IMPLICATIONS OF COMMON OWNERSHIP AND CAPITAL CONCENTRATION IN AUSTRALIA

Australian Institute of Superannuation Trustees: 22 September 2021, Hansard, p. 4

CO-AIST01QON:

Dr LEIGH: So, what 's your view on a beneficial ownership register?

[...]

Dr LEIGH: What about lowering the substantial shareholder declaration?

[...]

Dr LEIGH: What about portfolio disclosures by large listed investors, such as occurs in the US through section 13F filings?

Mr Haynes: We support portfolio holdings disclosure, with some caveats around the disclosure of unlisted assets and derivatives.

Dr LEIGH: So you'd be comfortable with large portfolio holders doing quarterly declarations of listed assets?

Mr Haynes: We haven't got a specific policy on that, but I would anticipate that we would be supportive of that.

Dr LEIGH: Okay. I suppose I'm pushing you on these things because your submission says we need to know more about common ownership, but the barrier to knowing more about common ownership is Australia's unusually opaque share register. So people who on one hand say we need to know more but on the other hand say we shouldn't have more disclosure seem to be arguing at cross-purposes with themselves.

Mr Haynes: I accept the logic of that proposition.

Dr LEIGH: Would you undertake to come back to this committee on the two transparency issues that I raised with you?

Mr Haynes: Yes, I will.

Answer:

AIST is considering the development of policy positions on:

- the establishment of a beneficial ownership register, and
- changing the substantial shareholder declaration.

AIST will further respond to the committee following the development of these positions. It is anticipated that this will be in December 2021.

AIST is following the below process to determine its policy positions to ensure they reflect and are supported by AIST member superannuation funds.

- A presentation on these issues followed by a preliminary discussion was held at the AIST policy committee held on 14 October.
- AIST is consulting with AIST member funds on these matters and is inviting their involvement in a forum to be held in early November. The purpose of the forum is to provide information about these issues and discuss views on various policy position options.
- There will be a substantive discussion about these issues at the next scheduled meeting of the policy committee (25 November), with a view to providing a report and recommendation to the December meeting of the AIST Board.
- Following the determination of policy positions on these issues, AIST will advise the committee of these positions.