

Question No: 010
Topic: Cost of running SMSF
Committee Member: Mr Falinski
Reference: Hansard pages 15 and 16

Question

Mr FALINSKI: I have one last question. With all due respect, you did issue a media release and there were media stories to this effect. If you Google this now, it comes up saying that ASIC says that running an SMSF costs \$13,000. **Don't you think it is incumbent a regulator to correct the record so the appropriate, proper and accurate information is available to consumers making these choices?**

Ms Press: **May I take that on notice and come back to you as to how best we do that?**

Mr FALINSKI: I understand your thing, but my question is: don't you think it is incumbent upon the regulator, especially one of the stature of ASIC, to ensure that accurate information is in the public domain?

Mr Crennan: Let me intervene here. I do support what Commissioner Press just said—that we need to take it on notice—because, of course, we need to check the record, as it were, to make sure that there isn't anything unhelpful or misleading, which we will do. But thank you for raising this issue, because you're absolutely right. We can say now in the public domain that those numbers are stale and have been updated, and we will take on notice how best, if there is a need, to clarify information or a misimpression. We will certainly do that.

Mr FALINSKI: Sorry, this is—

CHAIR: Mr Falinski, we really have to move.

Mr FALINSKI: Sorry, Chair. **What is ASIC going to do in the future to ensure mistakes don't like this don't occur or that stale information is not put into the public domain with the credibility of ASIC?**

Mr Crennan: Again, to reinforce what Commissioner Press said, these numbers when they were released were good, credible information. We are always looking and always mindful that, if matters go stale and there is an enduring—all I can say is thank you for raising this particular issue with us and we'll certainly look at it to see if there is an enduring state of misinformation. If there is an enduring state of misinformation, we will take steps to clarify it.

CHAIR: Thank you. The committee will now break.

Answer

On 11 October 2019, ASIC released an SMSF Factsheet *Self-managed super funds: Are they for you?* (Factsheet). The Factsheet was attached to ASIC Media Release 19-277 *ASIC urges consumers to question whether SMSFs are right for them*.

ASIC worked closely with the ATO on the design and content of the Factsheet and the Factsheet drew heavily on ATO data.

The purpose of the Factsheet was to explain to new SMSF trustees the risks and costs associated with establishing and running an SMSF.

The Factsheet was distributed by the ATO to up to 4,000 new SMSF trustees as part of a time-limited pilot from November 2019. The pilot has ended and the Factsheet is no longer being distributed by the ATO.

While the Factsheet was accurate at the time of publication some of the source information is now out of date. For example, the Factsheet referred to ATO 2016-2017 Statistical Information ([Self-managed super funds: a statistical overview 2016-17](#)). On 22 June 2020, the ATO updated this

information in its release of its 2017-2018 Statistical Information ([Self-managed super funds: A statistical overview 2017-18](#)).

On 15 July 2020, ASIC Commissioner Press advised PJC that the Factsheet pilot had concluded and that ASIC would not be re-issuing the Factsheet.

Following the release of the ATO's new data, and to make it clear that the Factsheet relied on point in time data, ASIC has updated the media release to include the following editor's note:

'This factsheet was published on 11 October 2019 using 2016-17 ATO data and distributed by the ATO as part of a pilot, which has since concluded. On 22 June 2020, the ATO published 2017-18 data. As such, the information in the factsheet is now outdated and should not be relied upon. ASIC has decided not to update the factsheet and it is no longer being distributed.'

ASIC's MoneySmart website also referred to SMSF costs based on the ATO's historical statistical data. This content has been updated to refer to the data released by the ATO on 22 June 2020.