

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

10 – 11 February 2010

Question: aet 52

Topic: Investor Education

Hansard Page: Written

Senator EGGLESTON asked:

1. What strategies will ASIC be using to improve investor education in the future?
2. With regards to Government plans for ASIC to take over the supervision of the ASX from the ASX, will ASIC be taking over the responsibilities that the ASX has had for market education, as well as the ASX's education website?

Answer:

1. ASIC will continue to enhance the online tools it provides through its consumer websites (www.fido.gov.au and www.understandingmoney.gov.au) to help investors understand and act on information about financial issues. These tools include our popular calculators on topics like superannuation, managed funds and risk and return.

ASIC has developed a comprehensive package of investor education material around the theme of Investing between the Flags. It uses this well known Australian safety metaphor to help teach Australians how to avoid the sharks and invest with relative safety. We will also continue to distribute the key messages of this package in hard copy and using channels such as radio, seminars and face-to-face road shows. We are also working with seniors organisations and others to boost the distribution of our messages and materials. In addition, ASIC is continuing to develop targeted educational materials on particular financial services issues of interest or concern to retail investors.

2. ASIC understands that ASX has a role in investor education as part of its promotion and marketing. After the transfer of some supervision functions from ASX to ASIC, ASX will continue to perform its function as a listing authority and will, we assume, continue to promote its market.

ASIC will not be taking over this role, nor will it take over ASX's education website.