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20 November 2008

Mr John Hawkins
Committee Secretary
Senate Economics Committee
Department of the Senate
Parliament House
CANBERRA ACT 2600

Dear Mr Hawkins

Re: Senate Inquiry into Corporations Amendment (Short Selling) Bill 2008

ASFA is pleased to provide brief comments on the proposed *Corporations Amendment (Short Selling) Bill*. ASFA is supportive of overall direction of the Bill.

ASFA is a non-profit, non-political national organisation whose mission is to protect, promote and advance the interests of Australia's superannuation funds, their trustees and their members. Our members which include corporate, public sector, industry and retail superannuation funds, account for more than 5.7 million member accounts and over 80% of superannuation savings.

ASFA supports the Bill's proposition to ban 'naked short selling'. This is especially responsible in the current global market environment.

ASFA is also committed to a robust and transparent regime of market reporting and disclosure of covered short sales.

In our submission in early May to the ASX consultation paper on short selling, we stated:

ASFA as a matter of principle supports greater transparency in the reporting of all short sales as well as the enhancement of participants' recognition and control of the risks inherent in stock lending. ASFA would support amendments to the Corporations Act to require reporting of all sales where borrowing takes place in order to meet settlement obligations.

ASFA supports the disclosure model as outlined in the Bill.

For any further questions, please contact me on 02 8079 0810.

Yours sincerely

Melinda Howes
Director of Policy and Industry Practice