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ASIC Enforcement Review
Financial System Division
The Treasury
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Dear Sir/Madam

Self reporting of contraventions by financial services and credit licensees

The Association of Superannuation Funds of Australia (ASFA) is pleased to provide this submission in response to the consultation paper from the ASIC Enforcement Review Taskforce (Taskforce), *Self-reporting of contraventions by financial services and credit licensees* (Paper). We appreciate the extension of time provided for us to make this submission.

About ASFA

ASFA is a non-profit, non-political national organisation whose mission is to continuously improve the superannuation system so people can live in retirement with increasing prosperity. We focus on the issues that affect the entire superannuation system. Our membership, which includes corporate, public sector, industry and retail superannuation funds, plus self-managed superannuation funds and small APRA funds through its service provider membership, represent over 90 per cent of the 14.8 million Australians with superannuation.

ASFA's comments in response to the Paper focus primarily on its potential impacts on those Australian Financial Service (AFS) licensees that are also APRA-regulated superannuation trustees, holding a Registrable Superannuation Entity (RSE) licence.

1. Key concerns

ASFA supports, in principle, efforts to provide greater transparency over the performance and behavior of licensees in the financial services sector. Greater transparency should, when delivered in a meaningful way, contribute toward increasing consumer confidence in the sector.

The proposed reforms to the self-reporting regime have the potential to deliver relevant information to ASIC in a more timely fashion, enabling ASIC to better perform its regulatory functions. However, they must be viewed and assessed in an environment where AFS licensees – and particularly RSE licensees - are subject to ever-increasing levels of regulation and the efficiency of the superannuation industry is under intense scrutiny from regulators and the Government.

Amendments to clarify the scope and 'trigger' for the self-reporting obligation are welcome. However, it is crucial, when contemplating reforms such as these, to ensure that the anticipated benefits, in terms of improved regulatory outcomes, are not outweighed by the resulting increase in the regulatory cost and burden. ASFA is concerned that the proposal to extend the obligation to breaches that are merely 'suspected' is likely to result in the reporting to ASIC of substantial volumes of data that will, given its highly preliminary nature, have little utility from a regulatory perspective.

2. General comments

Differential reporting obligations will impose a compliance burden on entities holding both AFS and RSE licences

Superannuation fund trustees are subject to contravention reporting obligations under both the *Corporations Act 2001* and the *Superannuation Industry (Supervision) Act 1993* (SIS Act). There is a significant degree of harmonisation between these regimes – the reporting tests and thresholds apply similarly, and the timeframe for reporting is aligned.

Further, where a contravention is required to be reported under both regimes – to both ASIC and APRA – there are considerable synergies in the reporting method, with trustees able to lodge a single report for both regulators, via an online reporting tool administered by APRA.

While the paper acknowledges the harmonisation that exists currently, it does not address the genuine practical difficulties – and the increase in regulatory burden and cost - that will arise for trustees should the requirements for self-reporting of contraventions under the AFS licence regime diverge from those that apply under the SIS Act, as envisaged in the Taskforce's Positions.

ASFA seeks confirmation that the Taskforce is liaising with APRA to ensure that the impacts of its work on superannuation trustees are minimised.

2.2 Accountability and transparency in breach reporting

ASFA also notes the Taskforce's comment in paragraph VI of the Paper that the existing breach reporting regime is not the appropriate vehicle to address matters related to enhanced transparency and accountability for misconduct in the financial sector. ASFA concurs with this view. While transparency and accountability are undoubtedly important matters, they warrant specific and detailed consideration and should not be treated as incidental aspects of the current review.

2.3 Auditors' responsibilities need to be considered

Given the focus of the Paper on self-reporting of contraventions, it is understandable that it does not seek to express any view regarding the obligations imposed on auditors of AFS licensees in relation to the reporting of contraventions, or likely contraventions, identified during the course of audit-related activity.

ASFA does, however, consider it important that the auditors' obligations are not overlooked in this process and that dialogue is held with the audit profession to ensure that the reporting obligations are aligned and consistent where appropriate and any unintended consequences are avoided.

3. Comments in response to specific positions and consultation questions

Position 1: The 'significance test' in section 912D of the Corporations Act should be retained but clarified to ensure that the significance of breaches is determined objectively

Question 1.1 - Would a requirement to report breaches that a reasonable person would regard as significant be an appropriate trigger for the breach reporting obligation?

Question 1.2 - Would such a test reduce ambiguity around the triggering of the obligation to report?

In principle, ASFA supports applying an objective test to determining the significance of breaches. We consider it would be appropriate to retain the 'significance test' in section 912D of the *Corporations Act*, with clarification to ensure the significance of breaches is determined objectively.

A requirement to report breaches that a reasonable person would regard as significant would be an appropriate trigger for the breach reporting obligation, however it will in ASFA's view be necessary to clarify who the 'reasonable person' is intended to represent in this context, what attributes they are deemed to hold, and when they would be taken to regard a breach as significant. In this respect, we note that those AFS licensees who are also RSE licensees are already obligated to exercise, in relation to all matters affecting the entity, the same degree of care, skill and diligence as *a prudent superannuation trustee* would exercise in relation to an entity of which it is trustee and on behalf of the beneficiaries of which it makes investments. This threshold already represents a more onerous obligation than the proposed 'reasonable person'.

It is also important to note that the proposed new test would not automatically reduce ambiguity around the triggering of the obligation to report. It will be necessary for ASIC to support the new test via replacement of – or extensive revisions to – its existing regulatory guidance. Removal of the subjective language in RG 78 *Breach reporting by AFS licensees* (as noted in paragraph 21 of the Paper) and replacing it with objective measures, as proposed in paragraphs 29-30 would go some way to reducing the current ambiguity, as would a clearly articulated standard for the objective test.

ASFA strongly supports ASIC providing additional regulatory guidance regarding the types of breaches that it considers to be reportable. With respect to the indicative list of breaches set out in paragraph 29 of the Paper, however, it is important that ASIC's guidance clearly states that there must be a relevant connection between the conduct to be reported and the services provided under the AFS licence. It is also critical that the guidance is consistent with the breach reporting requirements of section 912D, as amended.

The specification of a list of 'always reportable' breaches begs the question of whether these are breaches which ASIC deems will always satisfy the significance test, or whether these are matters for which the 'significance test' should not be applied. ASFA presumes the former interpretation is correct, but suggests that this be clarified. If the latter interpretation applies, this would appear to be inconsistent with Position 1 and, if intended, may create inconsistences and practical issues.

Position 2: The obligation for licensees to report should expressly include significant breaches or other significant misconduct by an employee or representative

Question 2.1 - What would be the implications of this extension of the licensee's obligation to report (an extension to cover significant breaches or other significant misconduct by employees and representatives)?

ASFA is strongly supportive of a regulatory approach that enables ASIC to investigate and, where necessary, take timely action to remove individuals from the industry in order to protect customers.

Breaches caused by the conduct of representatives must already be reported by licensees, if significant (RG 78 sets out examples). However, as outlined in the Paper, there may be ambiguities about when a breach by a representative is reportable. We also understand that in some anomalous circumstances a breach by an *employee* representative would be deemed to be a breach by the licensee, while a breach by an *authorised* representative may not necessarily be a breach by the licensee. The introduction of a specific obligation on AFS licensees to report relevant significant breaches or other significant misconduct by an individual (including employees, representatives, and authorised representatives) would address these concerns.

Position 2 does, however, involve some challenges for licensees. In particular a licensee must obtain and verify sufficient information to determine that misconduct has occurred and that it is significant, and will need to balance the potential for third party liability where a representative's livelihood may be adversely impacted by premature reporting of concerns.

In ASFA's view, proceeding with the proposal would require:

- new definitions of 'significant misconduct' and 'significant breach' as they relate to the actions of an individual

  As the current criteria for determining the 'significance' of a breach are formulated at the *licensee* level, the concepts would need to be appropriately adapted to enable the test to be interpreted at the *individual* level. Any definition of reportable 'significant misconduct' by an individual would need to have a relevant connection to the financial services provided under the licensee's AFSL
- the development of regulatory guidance by ASIC, to assist licensees in identifying those acts or omissions that amount to 'significant misconduct' and a 'significant breach'.

  In particular, clarity is required regarding the meaning of 'serious misconduct'. For example, is it intended to cover immoral or unethical conduct (which may not necessarily breach a financial services law) or to have a criminal meaning? If the latter, how is natural justice to be achieved where a breach is reported (involving a connotation of 'guilt') in circumstances where criminal proceedings are in train or contemplated?

  ASFA members have indicated that the use of the term 'serious compliance concerns' in recent ASIC communications has posed challenges of interpretation, and they anticipate that the terms 'significant misconduct' and 'significant breach' in this context will present similar challenges
- consistency between the timing of reporting under this new obligation with the licensee's existing obligations under section 912D.

- an obligation on ASIC to inform the licensee of the outcome of its investigations following a report of an individual's 'serious misconduct'.

Position 3: Breach to be reported within 10 business days from the time the obligation to report arises

Question 3.1 - Would the threshold for the obligation to report outlined above be appropriate (namely, the 10 business day reporting timeframe starts when the licensee becomes aware or has reason to suspect that a breach has occurred, may have occurred or may occur). There would be deemed awareness when notified by regulator, a former director or representative or employee, ombudsman.

Question 3.2 - Should the threshold be extended to wider circumstances, such as where the licensee has information that "reasonably suggests" that a breach has or may have occurred, such as in the UK?

Question 3.3 - Is 10 business days from the time the obligation to report arises a reasonable time limit or should it be shorter or longer?

Question 3.4 - Would the adoption of such a regime have a cost impact for business, positive or negative?

ASFA notes that while Position 1 recognises the importance of the significance test, paragraphs 47 to 51 of the Paper, and questions 3.1 to 3.4, make no reference to that test being applied. At face value, therefore, Position 3 would appear to require AFS licensees to report **all** breaches, no matter how trivial, without assessing their significance. If this is the intention, it represents a substantial expansion of the self-reporting obligation and will have serious implications for licensees and for ASIC.

While ASFA supports the introduction of more objectivity to the process of considering breaches and determining whether they should be reported to ASIC, we consider it critical that this is applied consistently. In particular, we consider that the test for when the 10 business day reporting requirement is triggered should be an objective one.

ASFA notes that the wording used in the Paper - *"…the 10 business day timeframe commence from when the AFS licensee becomes aware or has reason to suspect that a breach has occurred, may have occurred or may occur rather than when the licensee determines that the relevant breach has occurred and is significant"* – retains an element of subjectivity. The wording is likely to introduce substantial uncertainty for AFS licensees as to when the obligation to report a matter is triggered. An obligation to report **suspected** breaches (including breaches that are not significant) that may occur in future appears impractical. In ASFA's view, the threshold for self-reporting should require more than a mere suspicion that a breach has occurred.

Extending the self-reporting threshold to even broader circumstances, such as where a licensee "has information that reasonably suggests" a breach has or may have occurred, may introduce further uncertainty for AFS licensees.

To the extent the obligation to report may commence *before* the licence has assessed a breach as significant, or in cases where the licensee merely has information that "reasonably suggests" a breach "may have occurred", this would inevitably result in a substantial increase in reporting of relatively minor incidents.

These reports will be of little use to ASIC, as it would be expected that in many of these instances it will ultimately be determined that there was in fact no breach, or that any breach was not 'significant'. This is likely to be burdensome to both licensees and to ASIC and will not necessarily result in an improvement in the quality of the information collected under the breach reporting regime, as in many cases, these incidents will be ultimately be deemed not to be 'significant'.

To provide certainty, it would be preferable to adopt formulate the threshold so that it points to a concrete, objectively ascertainable event at which point the licensee's knowledge can be deemed to be information for the purposes of the section.

Appropriateness of the reporting time limit

ASFA considers that it would be inappropriate to set a timeframe shorter than 10 business days for the obligation to report. We note that 10 business days is consistent with the reporting obligation that currently applies for RSE licensees under the SIS Act.

In ASFA's view, a timeframe shorter than 10 business days would be impracticable, given the time involved in undertaking the necessary internal investigations, obtaining internal (and potentially external) legal advice and preparing a sufficiently detailed and properly informed breach report. A tighter timeframe would compromise the quality of the investigation and analysis of the issues that could reasonably be undertaken by the AFS licensee. This would diminish the quality of the information reported to ASIC and would, ASFA submits, reduce its utility. If the reporting obligation is 10 business days from when the AFS licensee forms a view as to the 'reportability' of the breach, this represents a tight timeframe but, in ASFA's view, an achievable one.

Cost and impact of adopting such a regime

A requirement to self-report contraventions that have not yet been determined by the licensee to be 'significant' will increase the volume of the data reported to ASIC and the frequency of such reporting. This will undoubtedly create an increased compliance cost and burden for licensees.

In addition, it is likely to increase the burden on ASIC's resources, as it will be required to process, assess and respond to the increased volume of data, much of which is likely to be of minimal relevance once full investigations have been concluded and it is determined that a breach has not in fact occurred, or that any breach that occurred is not significant. This appears unlikely to improve the effectiveness of the breach reporting regime or the quality of the data ASIC collects through it.

We note that this impact will not merely be limited to ASIC's 'front line' staff with responsibility for incoming breach reports. Rather, to justify the additional cost and burden placed on industry we would expect ASIC to make full use of the data by seeking to identify any potentially systemic issues or patterns that it may reveal. It will be necessary for ASIC to satisfy itself that it has the mechanisms in place to conduct such analysis and ensure they are able to support the likely volume of reports.

Position 4: Increase penalties for failure to report as and when required

Position 5: Introduce a civil penalty in addition to the criminal offence for failure to report as and when required

Position 6: Introduce an infringement notice regime for failure to report

Position 7: Encourage a co-operative approach where licensees report breaches, suspected or potential breaches or employee or representative misconduct at the earliest opportunity

Question 4.1 - What is the appropriate consequence for a failure to report breaches to ASIC?

Question 4.2 - Should a failure to report be a criminal offence? Are the current monetary penalty and maximum prison term a sufficient deterrent?

Question 4.3 - Should a civil penalty regime be introduced?

Question 4.4 - Should an infringement notice regime be introduced?

Question 4.5 - Should the self-reporting regime include incentives such as those outlined above? (Such an uplift or discount in the level of the penalty depending on whether the licensee reported within the statutory time-frame.) What will be effective to achieve this? What will be the practical outcome for ASIC and licensees?

As a preliminary comment, ASFA notes that as a pre-requisite to any increase in or modification to the applicable penalties, it is critical that clearly articulated guidelines are in place to indicate what and how licensees are to report.

Further, some of the potential sanctions discussed in the Paper are extremely serious, and should in ASFA's view only be discussed in a context where there is a strong degree of clarity as to the 'trigger' that invokes the self-reporting obligation.

We note the comments in paragraphs 66 and 68 of the Paper regarding the potential to create a legislative provision expressly allowing ASIC to decide not to take action in respect of licensees when the self-report and meet certain additional requirements. It is not clear to ASFA that this is necessary, given the breadth of existing discretions afforded to ASIC. We recommend that caution be exercised, to avoid creating doubt about the scope and efficacy of those existing discretions.

Criminal offences and a civil penalty regime

While ASFA considers that the current penalty regime does provide a deterrent for AFS licensees, we support the introduction of a 'tiered' approach to penalties that incorporates an element of proportionality and enables ASIC to apply the penalty regime in a way that ensures the consequences are appropriate on a case by case basis.

Integral to this should be an examination of why the breach was not self-reported – for example, a deliberate disregard of the self-reporting obligations should be treated differently to cases where the failure to report is due to a difference of opinion between ASIC and the AFS licensee on the 'significance' of the breach.

As noted at paragraph 52 of the Paper, a failure to comply with the obligation to self-report is currently a criminal offence, with a maximum penalty of 50 penalty units (currently $9,000) or imprisonment for one year or both in the case of an individual, and a maximum penalty of 250 penalty units (currently $45,000) in the case of a body corporate.

Even with the proposed amendments to introduce more 'objectivity' into the significance test, compliance with the self-reporting obligations will still, ultimately, rely upon the exercise of judgment by licensees. Given this ASFA does not consider any increase in the current potential term of imprisonment to be appropriate.

ASFA supports the introduction of a civil penalty regime that will allow ASIC to take enforcement action where there has been non-compliance that does not warrant criminal penalty action being taken.

The addition of a civil penalty regime to the existing criminal penalties is likely to enable ASIC to adopt an enforcement approach that is more graduated and proportionate to the degree of non-compliance.

Following the introduction of a civil penalty regime, criminal penalties should in ASFA's view be reserved for only the most egregious cases of deliberate non-compliance with the self-reporting obligation, and should not be contemplated where the licensee has, in good faith, made an effort to comply.

An infringement notice regime

ASFA acknowledges that an infringement notice regime may potentially provide for a more flexible or proportionate response to a failure to report, depending on the circumstances.

However, given the complexity of the breach reporting regime and the degree of judgment that a AFS licensee is required to exercise when determining whether a breach is significant (even with the proposed introduction of an 'objective test'), it would be important that any an infringement notice regime applies did not entirely replace the existing criminal penalty and the proposed civil penalty regime, but merely supplemented them. This is critical, to ensure that licensees that disagree with ASIC's assessment of the licensee's conduct in relation to the failure to self-report retain access to the judicial assessment of their conduct in the context of a civil penalty action or prosecution of a criminal offence.

We note that the Taskforce will be separately reviewing fundamental issues regarding the availability and scope of infringement notice regimes generally (paragraph 64). Accordingly, while ASFA considers there to be merit in considering the introduction of an infringement notice regime to the self-reporting obligations, we consider it premature to make any final decisions on the matter.

Incentives, uplifts and discounts

If designed appropriately, there is some potential for incentives, uplifts and discounts – a 'carrot and stick' approach - to encourage licensees to adopt the more 'co-operative' approach to self-reporting the Taskforce has identified as desirable in Position 7.

However, it is in ASFA's view critical in any discussion of such an approach to ensure that it is part of an objective, transparent and clearly established regime and not entirely reliant on ASIC's discretion on a case-by-case basis. Licensees should be able to identify with certainty the penalty outcome that would flow from specific behaviour. The regime should be developed carefully and in consultation with the industry, and the Taskforce should, if has not already done so, utilise the expertise of the Government's Behavioural Economics Team.

Position 8: Prescribe the required content of reports under section 912D and require them to be delivered electronically

Question 5.1 - Is there a need to prescribe the form in which licensees report breaches to ASIC?

Question 5.2 - What impact would this have on AFS licensees?

ASFA supports in principle the prescription of the information required to be self-reported by licensees and the delivery of reports electronically. A well-designed prescribed form has the potential to assist licensees in streamlining their investigation and reporting of breaches.

However, in order to realise the anticipated benefits from prescription and electronic reporting, it is critical that the reporting form is carefully developed and that best practice design principles are applied to ensure the reporting process is as efficient as possible, while providing flexibility to cater for the range of breaches that may trigger the self-reporting obligation.

One of the main concerns expressed by ASFA members is that the current form (which is recommended for use only, not mandatory) is not fit for purpose. In particular, members advise that it is narrow in its scope and drafted from the perspective that there has been an actual (verified) breach - it is not appropriate for self-reporting a 'likely' breach.

If the Taskforce's position regarding reporting of a suspected breach is adopted, it would be important that the form allows a licensee to clearly specify whether they are reporting a suspected or potential breach, as opposed to one that has been determined to be an actual and significant breach. Licensees should also have the ability to withdraw a report about a suspected breach if it is ultimately found not to be reportable. This is particularly important if there is to be publication of data regarding reported breaches and naming of licensees (as proposed by Position 12), to avoid creating a disincentive for licensees to report. If withdrawal of such reports is not considered appropriate, there should be scope for them to be reclassified (perhaps as 'information reports') and not counted toward published breach reporting data.

We strongly recommend that ASIC consult with industry on the design of the form, to ensure it appropriately balances the level of information that may be considered desirable by ASIC to collect, with the potential burden on licensees to provide it. This is especially important given the intention, outlined in the Paper, for licensees to self-report earlier in their investigations.

Position 9: Introduce a self-reporting regime for credit licensees

Question 6.1 - Should the self-reporting regime for AFS licensees and credit licensees be aligned?

Question 6.2 - What will be the impact on industry?

While we acknowledge that the adoption of position 9 may involve some additional compliance costs, ASFA considers it appropriate that there is consistency in the self-reporting obligations imposed on AFS and credit licensees to the extent practicable.

Position 10: Ensure qualified privilege continues to apply to licensees reporting under section 912D

If amendments are made to the self-reporting requirements, ASFA considers it important that all relevant related legislation is also reviewed and amended as required, to ensure qualified privilege applies to all licensees self-reporting information to ASIC.

Position 11: Remove the additional reporting requirement for responsible entities

Question 7.1 - Should the self-reporting regime for REs be streamlined?

Question 7.2 - Is it appropriate to remove the separate self-reporting regime in s 601FC? If so, should the threshold for reporting be incorporated into the factors for assessing significance in section 912D?

ASFA supports reform that streamlines and reduces unnecessary or unproductive regulatory duplication, and considers it appropriate that the separate self-reporting regime for responsible entities in section 601FC is removed.

In ASFA's view, it would be appropriate to incorporate into the factors for assessing 'significance' in section 912D the additional requirement that where the breach relates to a registered scheme, consideration to be given to the extent the breach has had, or is likely to have, a materially adverse effect on the interests of members of that scheme.

Position 12: Require annual publication by ASIC of breach report data for licensees

Question 8.1 - What would be the implications for licensees of a requirement for ASIC to report breach data at a licensee level?

Question 8.2 - Should ASIC reporting breaches on a licensee level be subject to a materiality threshold? If so, what should that be?

Question 8.3 - Should ASIC annual reports on breaches include, in addition to the name of the licensee, the name of the relevant operational unit within the licensee? Or any other information?

We acknowledge the perception that the publication of breach data by ASIC at a licensee level will provide transparency over the quality of Australia's financial services industry and the levels of misconduct in the provision of financial advice. This is reflected in in recommendation 9 of the House of Representatives Standing Committee on Economics' *Review of the Four Major Banks: First Report* (commonly referred to as the Coleman Report) and in the Taskforce's Position 12.

While an increased level of transparency would be beneficial, this must in ASFA's view be carefully balanced against the risk that unwarranted reputational damage may be caused to individuals, licensees and the financial services industry more generally.

Supplementing the existing ASIC reporting framework with summary reports containing de-identified information on the volume, nature and customer impacts of reported breaches would, in ASFA's view, increase transparency and consumer confidence. However, ASFA is concerned that publication of breach data by ASIC that attributes breaches at the licensee level or operational unit within the licensee would introduce the risk of uninformed commentary during the investigation and/or remediation stage, in many cases prior to ASIC forming any view on the reported breach. We note that in cases where ASIC determines that enforcement activity or sanctions of some type against the licensee are warranted - for example because ASIC considers the licensee's remediation of a breach to be inadequate – this already receives widespread publication.

ASFA strongly endorses the Taskforce's "initial view", stated at paragraph 106 of the Paper, that any publication of breach data should be confined to **significant** breaches. We take this to mean breaches that have been determined by the licensee to be significant following the completion of its investigative processes.

Earlier in this submission we outlined our concerns about the quality of the data reported at preliminary stages of the investigation process and the inevitability that many 'suspected' breaches will ultimately be determined either not to be 'significant', or not to be breaches at all. On this basis, if the self-reporting regime is extended to cover 'suspected' breaches (as proposed in Position 3) we consider it absolutely critical that data about 'suspected' breaches is excluded from publication by ASIC. Publication of such data would convey an inaccurate and potentially misleading impression regarding the volume of breaches occurring, and may have a negative – and unwarranted – impact on consumer confidence. It would also potentially create a disincentive for licensees to report, in direct conflict with the 'co-operative approach' outlined in Position 7.

Should the Taskforce ultimately recommend publication at the licensee level – and particularly if the self-reporting obligation is extended to 'suspected' breaches - publication should be subject to appropriate threshold.

It is imperative that an appropriate balance is struck between procedural fairness and the need to preserve the integrity of investigative processes. This would in ASFA's view be best achieved by imposing, as a pre-requisite to any publication, the threshold finding of fact that there is a breach which has been determined significant. Additionally, the threshold might be framed to reflect whether a penalty was imposed or whether the breach caused a significant client impact.

Finally, we concur with the Taskforce's conclusion that it would not be appropriate to publically name individuals, based solely on breach reporting.

As noted in the Paper, ASIC already undertakes extensive public reporting regarding individuals subject to banning, criminal conviction or civil penalties - this typically includes the issue of a media release at the time of the relevant sanction, and inclusion in ASIC's six-monthly reporting of its enforcement outcomes. While it is appropriate that naming of individuals occurs where there have been findings of fact made in relation to misconduct, naming should in ASFA's view be restricted to such cases. Extension of the circumstances in which individuals may be publically named in association with breaches involves a risk that, rather than improving transparency and self-reporting behaviour, it may encourage concealment of breaches by individuals and/or delays in reporting.

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If you have any queries or comments in relation to the content of our submission, please contact Julia Stannard, Senior Policy Adviser, on 03 9225 4027 or by email jstannard@superannuation.asn.au.

Yours sincerely

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