

Submission No: 2014/26

23 June 2014

RE: Report 391 – ASIC’s deregulatory initiatives

ASFA’s submission in response to *Report 391 – ASIC’s deregulatory initiatives* makes a number of comments in response to the recent and proposed ‘deregulatory initiatives’ outlined in the Report. These include:

1. Regulations regarding derivative transaction reporting should be amended to implement one-sided ‘Over the Counter’ trade reporting for Phase 3 reporting entities.
2. ASIC should conduct targeted stakeholder consultation on all regulatory guidance material, and make more information available regarding changes to existing regulatory guides.
3. ASIC should undertake a review of superannuation disclosure requirements to increase the ability of RSE licensees and AFSL holders to utilise electronic delivery methods.
4. The planned upgrade of the ASIC website should provide for clear dating and version control of documents, an enhanced search engine, and a ‘webmaster’ service to notify users when the website has been updated.

ASFA has also identified a number of further areas where scope exists to reduce the regulatory burden on stakeholders with minimal or no regulatory detriment. A number of these areas would require ASIC to discuss potential regulatory changes with Treasury, the Government and/or APRA. These include:

1. Consideration of the choice product dashboard should be deferred until the existing MySuper dashboard has been properly consumer tested and redesigned to make it more comprehensible and usable, and then implemented for a period of 12 months. Amendments should also be made to rationalise the requirement to include product dashboards with members’ periodic statements.
2. ASIC, APRA and Treasury, in consultation with the industry, should completely reconsider all reporting and disclosure requirements relating to an RSE’s investment holdings, including portfolio holdings disclosure.
3. The requirement to publish on an RSE’s website specially created summaries of all significant event notices for the last two years should be removed, with licensees instead permitted to publish redacted versions of the notices.
4. ASIC should work with Treasury to have the Corporations Act and Regulations amended to group regulatory provisions by subject matter, and published in an annotated form.
5. ASIC’s process for providing relief via Class Order should be refined, to ensure that information is accessible to stakeholders and notified in a timely manner.
6. ASIC, Treasury and the Tax Practitioners Board should work together to ensure that there is harmonisation (to the extent possible) between the standards imposed on providers of financial product advice and tax (financial) services.