



## Ramsay report on fee disclosure timely: IOOF Funds Management

**October 17, 2002:** The release of the Ramsay report is timely and welcome considering the rejection by the Senate of super disclosure regulations, according to IOOF Funds Management's Technical Services Manager, Pam Roberts.

Ms Roberts said the report addressed the need for disclosure requirements to be uniform across all investment products.

"The report acknowledges that super funds should not be treated differently to other managed investment products, which are covered by industry codes such as the Investment and Financial Services Association (IFSA) code," she said.

"For instance, if super funds are required to disclose the "ongoing management charge" (OMC), other managed investments should also be required to."

Ms Roberts said the inconsistent approach by regulators to disclosure undermined the overarching principle behind financial services reform.

"The thrust of financial services reform was to have rules that apply consistency across all products," she said.

"Certainly, if you asked the consumer, they would not see any reason for the separation of super from non-super products."

"They're all 'investments' after all."

However Ms Roberts said an overly prescriptive system requiring a confusing array of tables and comparisons needed to be avoided.

She said Ramsay's proposals that the effect of fees on projected returns be shown in a table had merit, however would be difficult for master trusts to implement.

"If a master trust was required to complete a table for each option it could take dozens of pages, leaving consumers bewildered."

"This would defeat the very purpose of reform – clarity."

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