

# Super advisers under fire over charges

■ Accountants attacked for DIY push

■ Call for new licensing regime

**Alison Kahler**

Accountants have been accused of jeopardising their clients' retirement by pushing them into do-it-yourself superannuation funds to create an annual \$1 billion revenue stream for the profession.

An expert round table convened by *The Australian Financial Review* claimed accountants had mis-used their right to establish DIY funds and should lose the legal exemption that allows them to do so.

"There are 11,000 accountants who audit self-managed super funds. They have a huge conflict of interest because at an average fee of \$2500 a year for maintaining records and doing the audit, it's a billion-dollar industry for the accounting profession," said Michael Rice from actuarial firm Rice Warner.

According to the Australian Taxation Office, there are more than 368,000 DIY superannuation funds with a total of \$313 billion in assets, following a surge in new funds after

**'There should be a level playing field when it comes to giving advice around superannuation and it should be a requirement for everybody to have to comply with the same set of rules.'**

—AFR superannuation round table: Feature, pages 60-61

→ John Wasiliev: DIY super mistakes incur heavy punishment, **page 31**

the former coalition government announced dramatic changes to the super system in May 2006.

But there is concern the funds are a fad and are being established by people with insufficient assets, or interest in their fund, to justify the costly administration required to comply with onerous laws.

Many investors who established funds to capitalise on the new super laws have suffered losses due to the 11 per cent slide in the S&P/ASX 200 Index since the June 30 cut-off date last year.

The losses are in addition to the

**Continued page 10**



Solemnly swearing . . . Treasurer Wayne Swan, Deputy Prime Minister Julia Gillard of allegiance as part of the opening of the new parliament yesterday.

## Business resigned to Labor

**Lenore Taylor and Steven Scott**

Leading business groups have accepted the Labor government's mandate to implement its new industrial relations regime, raising questions about the coalition's possible tactic of blocking the bill in the Senate.

The coalition is split over whether to take a hard line on Labor's first industrial relations bill, due to be introduced to parliament today.

But some in business are concerned such a stance would risk the uncertainty of the government having to negotiate its passage with minor parties in the new Senate after June.

### PARLIAMENT RESUMES

**'If the government achieves what it has set out to do, it will its place in history.'**

— Editorial, page 5

→ Laura Tingle: comment, **page 5**

→ Full text of apology, **page 5**

→ Reports and analysis, **pages 5-6**

The grudging business acceptance of Labor's reforms comes as the government is also taking a pragmatic approach to its minimum wage, national employment standard and possible concessions on the average hours of the 38-hour working

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