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Media Release

AUSfund Calls for ERF Sector Consolidation

Time to End High Fees & Low Activity Levels

AUSfund, Australia's leading Eligible Rollover Fund (ERF) has called for restructuring in the lost super sector and the creation of a single ERF to deal with all lost and unclaimed super accounts.

"AUSfund is advocating for wholesale change to remove structural inefficiencies within the system. The ERF sector currently has too many players, relatively high fees and charges and low levels of activity amongst some providers. This is not the most efficient way to ensure people are reunited with their lost and unclaimed super" AUSfund Executive Director, David Haynes said.

"The recent ERF Sector Benchmark analysis completed by SuperRatings confirmed our view that sector consolidation is needed. AUSfund is calling for a single ERF solution to lost super and believes this would provide a cost effective, streamlined, one stop shop to address all lost and unclaimed super issues and remove the high fees and inactivity characteristic of some providers in the sector.

"Inactivity, low profiles and cumbersome procedures are too common amongst ERFs. Some providers don't have any online search service, conduct genuine cross fund matching exercises or undertake public campaigns or even promote their own existence. AUSfund does all these things and will continue to encourage Australians to find their lost and unclaimed super.

"AUSfund operates on a not-for-profit basis with in excess of 60 industry, corporate and retail funds using our services. Our track record is clear and our campaigning initiatives are regular and ongoing. Surely it makes sense to have a single ERF with this kind of success servicing the whole industry".

"We welcome the new Minister's initiative in seeking to address lost super issues and AUSfund will continue to work with Government, the ATO and other stakeholders to improve efficiencies and reform the sector".

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