

**QON Number** 018  
**Topic** Early release super  
**Committee Member** Mr Georganas MP  
**Reference** Hansard pages 26 & 27

### Question

**Mr GEORGANAS:** Without going into the investigations, it would be good for this committee, if we could, to have those particular lists or groups that have been improperly marketing or advertising. Secondly, the measures that have been put in place due to COVID-19 to be able to withdraw from your super early: have you identified any risks in that area? I know we've spoken about marketing and advertising, but are there any long-term risks to funds, to the insurance product side of superannuation? Have there been any investigations into this area to see the long-term risks that are involved, if there are any?

**Mr Shipton:** I'll ask Ms Press to respond.

**Ms Press:** Thank you, Chair Shipton. Mr Georganas, thank you for your question. I think the question that you're asking actually may be better posed to either APRA or the Treasury with respect to the impact on funds, particularly through their liquidity. What we are looking at is making sure that funds are communicating fairly and appropriately with their members, and that they're providing good information to allow members to make the most appropriate choices for them at the time that they are looking to access their superannuation. Clearly, there are risks of misleading communications and we are looking to correct these if we see them and if they are particularly egregious and ongoing at enforcement action—although at this stage we haven't seen any that are ongoing.

**Mr GEORGANAS:** Has ASIC had any other misleading communication, investigations or irregularities reported to it due to the early release of super?

**Ms Press:** We haven't received any reports of irregularities that I am aware of, although obviously the ATO is looking closely at whether or not access has been unlawful. But that is a matter for the ATO and not a matter for ASIC.

**Mr GEORGANAS:** Understood. Have there been any discussions or advice to Treasury from ASIC on this particular matter?

**Ms Press:** Other than in the normal course of discussions around what we are seeing in the market, no. We had no input into the policy setting.

**Mr GEORGANAS:** Thanks

**Mr Shipton:** If I could supplement perhaps just on that point that discussions are ongoing in relation to the monitoring of the program which, as Commissioner Press said, is predominantly overseen by the ATO. However, a number of law enforcement agencies are watching out for scams and fraud, and this matter is a frequent matter of discussion, oversight and coordination at the Council of Financial Regulators.

**Mr GEORGANAS:** Is it possible to get a list of all reports or referrals that have been given to ASIC regarding this particular matter?

**Mr Shipton:** We can take that on notice.

**Mr GEORGANAS:** Thank you.

### Answer

To date, ASIC has received referrals from the following agencies regarding Covid-19 scams and fraud: Australian Taxation Office (ATO), Australian Federal Police (AFP), Australian Competition and Consumer Commission (ACCC), Australian Cyber Security Centre (ACSC), Australian Criminal Intelligence Commission (ACIC), Attorney General's Department (AGD), Australian Prudential Regulation Authority (APRA) and the Australian Financial Complaints Authority (AFCA).

Types of concerns raised relate to matters that are within and outside of ASIC's jurisdiction. The information provides ASIC with intelligence regarding types of misconduct and its operators in light of the COVID-19 pandemic.

Examples of matters referred to ASIC include:

Serious and organised fraud targeting superannuation funds, cybercrime, use of malware and ransomware to target Australians and property crime and government program fraud.

Identity theft linked to COVID-19 stimulus schemes, suspicious COVID-19 international payments and money transfers, fraudulent websites providing misleading information and unlicensed financial advice about the JobKeeper stimulus program and multiple fraudulent claims of COVID-19 small business support grants.

Serious and organised crime targeting early release of superannuation payments (ERS), real estate agents encouraging tenants to access ERS to meet rental payments, credit providers advising borrowers to use ERS meet loan repayments and members of the public being charged fees to access ERS.

Conduct of insurers towards travel insurance and business interruption insurance claims and adequacy of responses by lenders to borrowers that have made hardship applications.