

MACQUARIE
UNIVERSITY



FACULTY OF
BUSINESS AND ECONOMICS

ACST 815
Superannuation
Semester 1, 2011

Department of Applied Finance and Actuarial Studies

**MACQUARIE UNIVERSITY
FACULTY OF BUSINESS AND ECONOMICS
UNIT GUIDE**

Year and Semester:	Semester 1, 2011
Unit convenor:	Sachi Purcal
Prerequisites:	ACST603 or admission to MCom or MIB or MEc or MActPrac prior to 2011
Credit points:	4

Students in this unit should read this unit guide carefully at the start of semester. It contains important information about the unit. If anything in it is unclear, please consult one of the teaching staff in the unit.

ABOUT THIS UNIT

This course aims to instruct students in the economics and finance of retirement — “superannuation” translates literally as “over-years”. Reference will be made to retirement income provision around the world, with special reference to current Australian practice.

TEACHING STAFF

Sachi Purcal is the unit convenor. You can reach him by email (sachi.purcal@mq.edu.au) or on 9850-8571.

The other staff teaching this course are:

Shauna Ferris	shauna.ferris@mq.edu.au	9850-7294
Geoff Kingston	geoff.kingston@mq.edu.au	9850-7069

CONSULTATION TIMES

Staff consultation times/locations will be posted on Blackboard.

You are encouraged to seek help at from a staff member teaching on this unit during their regular consultation hours. In special circumstances, an appointment may be made outside regular consultation hours. Staff will not conduct any consultations by email. You may, however, phone staff during their consultation hours.

In order to gain access to staff located at levels 1, 2 and 3 of building E4A during their consultation hours please ring the staff member from the phones available in the

lobby (phone numbers of relevant staff members will be provided on Blackboard and are available next to the phones).

Students experiencing significant difficulties with any topic in the unit must seek assistance immediately.

CLASSES

The timetable for classes can be found on the University web site at:
<http://www.timetables.mq.edu.au/>

Lectures (and a tutorial) are held on Tuesdays from 1800 to 2100 in W6B 315.

Any alterations to classes will be advised in lectures and/or Blackboard.

REQUIRED AND RECOMMENDED TEXTS AND/OR MATERIALS

There is no text book for this course. Readings that are required or recommended each week will be posted on Blackboard.

Lecture notes will be made available on Blackboard.

TECHNOLOGY USED AND REQUIRED

You will be required to use Blackboard, word processing software (like Word), spreadsheet software (like Excel) and be able to create and read pdf files.

UNIT WEB PAGE

Course material is available on the learning management system (Blackboard). To access the teaching website, go to <http://learn.mq.edu.au> and login using your usual login and password. You will then have access to the websites for all the units in which you are enrolled. If you have any trouble logging in (e.g., you have forgotten your password), please contact the Student IT Helpdesk in C5C244.

Before logging in, you should follow the link labelled "Technical Information" and read all the information there, including the *Information Technology Security Policy and Rules* and the *Information Technology Usage Rules*. This technical information also mentions a number of "plugins" that may be required. Of those listed, in this unit you will only need Acrobat Reader. Remember to close your browser when you have finished using the site. If you don't, another person can use the still running browser to access the website with your account.

The web site will be used as an integral part of this unit.

LEARNING OUTCOMES

The learning outcomes of this unit are:

1. Describe the main features of the Australian system of superannuation.
2. Outline the major issues, including ageing, that are germane to superannuation systems.
3. Explain the typical regulatory issues that arise in superannuation and particular features of regulation in Australia.
4. Describe the different forms superannuation systems can take and their consequences.
5. Outline the considerations relevant to the retirement decision.
6. Explain the pertinent issues involved in life cycle saving and investment, including international investment.

GRADUATE CAPABILITIES

In addition to the discipline-based learning objectives, all academic programs at Macquarie seek to develop the capabilities the University's graduates will need to develop to address the challenges, and to be effective, engaged participants in their world.

This unit contributes to this by developing the following graduate capabilities:

1. Discipline Specific Knowledge and Skills
2. Critical, Analytical and Integrative Thinking
3. Problem Solving and Research Capability
4. Effective Communication
5. Engaged and Ethical Local and Global citizens
6. Capable of Professional and Personal Judgement and Initiative

TEACHING AND LEARNING STRATEGY

Lectures will review the main topics and provide coverage of the course concepts. They are an opportunity for students to develop an understanding of the main topics covered in the course and the level of knowledge expected. They provide a guide to the course of study during the session and the material students need to read and review. Students should read the prescribed readings prior to the lecture.

Tutorial problem discussions and in-class activities are for students to ask questions on aspects of the course that need further clarification, and to interact with other students in the course.

Week	Week beginning	Topics covered	Lecturer	Assessment item
1	21 February	Introduction to retirement saving (including the age pension and ageing Australia issues)	SF	
2	28 February	Overview of superannuation and historical background	SF	
3	07 March	Compulsory and voluntary superannuation	SF	
4	14 March	Types of fund, issues in choice of fund	SF	
5	21 March	Prudential legislation I: SIS Act	SF	
6	28 March	Prudential legislation II, Policy directions (Cooper and Henry reviews)	SF	
7	04 April	Savings and investment over the life cycle	SP	Mid-semester exam Tuesday 5.iv.11, 1805–1855
8	25 April			No classes: Easter/Anzac holidays
9	02 May	Retirement income streams	SP	
10	09 May	More on managing life cycle investments	SP	
11	16 May	The superannuation industry	GK	
12	23 May	Retirement	GK	
13	30 May	Investing internationally	GK	Review essays due by 2100 Tuesday 31.v.11

RESEARCH AND PRACTICE

- This unit uses research by Macquarie University researchers (references are given in the unit notes)
- This unit uses research from external sources (references are given in the unit notes)
- This unit gives you practice in applying research findings in your assignments
- This unit gives you opportunities to conduct your own research

RELATIONSHIP BETWEEN ASSESSMENT AND LEARNING OUTCOMES

	Mid-semester test	Review essay	Final exam
Description	In-class test (50 minutes)	1400 word (maximum) essay	Formal exam (Two hours)
Due date	5 April	31 May	Exam period
% Weighting	20	20	60
Grading method	Marking system is given on test paper.	Mark out of 20. A marking rubric is available on Blackboard. Formal referencing is required. Students must also give a five minute presentation (not assessed).	Marking system is given on exam paper.
Submission method	In-class	Paper submission to lecturer before due date	Formal exam
Feedback (<i>type, method, date</i>)	Class-level and individual, within 12 working days of assessment	Individual, within 12 days of due date.	None
Estimated student workload (hours)	8–12	15–25	15–27
Learning outcomes assessed			
1	✓		✓
2	✓	✓	✓
3	✓	✓	✓
4	✓	✓	✓
5		✓	✓
6		✓	✓
Graduate capabilities assessed			
1	✓	✓	✓
2	✓	✓	✓
3	✓	✓	✓
4	✓	✓	✓
5	✓	✓	✓
6	✓	✓	✓

Attendance at the mid-semester exam and final exam is compulsory. Failure to attend will result in a mark of zero for that assessment item.

Review essays must be submitted prior to the due date. Late essays will not be assessed, resulting in a mark of zero for this assessment item. In very unusual circumstances, students may be granted an extension. Requests for an extension must be made to the unit convenor prior to the due date.

Examinations

A final examination is included as an assessment task for this unit to provide assurance that:

- i. the product belongs to the student and
- ii. the student has attained the knowledge and skills tested in the exam.

A two-hour final examination for this unit will be held during the University Examination period.

The University Examination period in First Half Year 2011 is from 6 June to 17 June.

You are expected to present yourself for examination at the time and place designated in the University Examination Timetable. The timetable will be available in Draft form approximately eight weeks before the commencement of the examinations and in Final form approximately four weeks before the commencement of the examinations.

<http://www.timetables.mq.edu.au/exam>

The only exception to not sitting an examination at the designated time is because of documented illness or unavoidable disruption. In these circumstances you may wish to consider applying for Special Consideration. The University's policy on special consideration process is available at

http://www.mq.edu.au/policy/docs/special_consideration/policy.html

If a Supplementary Examination is granted as a result of the Special Consideration process the examination will be scheduled after the conclusion of the official examination period. (Individual Faculties may wish to signal when the Faculties' Supplementary Exams are normally scheduled.)

The Macquarie university examination policy details the principles and conduct of examinations at the University. The policy is available at:

<http://www.mq.edu.au/policy/docs/examination/policy.htm>

ACADEMIC HONESTY

The nature of scholarly endeavour, dependent as it is on the work of others, binds all members of the University community to abide by the principles of academic honesty. Its fundamental principle is that all staff and students act with integrity in the creation, development, application and use of ideas and information. This means that:

- all academic work claimed as original is the work of the author making the claim

- all academic collaborations are acknowledged
- academic work is not falsified in any way
- when the ideas of others are used, these ideas are acknowledged appropriately.

Further information on the academic honesty can be found in the Macquarie University Academic Honesty Policy at http://www.mq.edu.au/policy/docs/academic_honesty/policy.html

GRADES

Macquarie University uses the following grades in coursework units of study:

HD - High Distinction
D - Distinction
CR - Credit
P - Pass
F - Fail

Grade descriptors and other information concerning grading are contained in the Macquarie University Grading Policy which is available at: <http://www.mq.edu.au/policy/docs/grading/policy.html>

GRADING APPEALS AND FINAL EXAMINATION SCRIPT VIEWING

If, at the conclusion of the unit, you have performed below expectations, and are considering lodging an appeal of grade and/or viewing your final exam script please refer to the following website which provides information about these processes and the cut off dates in the first instance. Please read the instructions provided concerning what constitutes a valid grounds for appeal before appealing your grade.

http://www.businessandconomics.mq.edu.au/new_and_current_students/undergraduate_current_students/how_do_i/grade_appeals

SPECIAL CONSIDERATION

The University is committed to equity and fairness in all aspects of its learning and teaching. In stating this commitment, the University recognises that there may be circumstances where a student is prevented by unavoidable disruption from performing in accordance with their ability. A special consideration policy exists to support students who experience serious and unavoidable disruption such that they do not reach their usual demonstrated performance level. The policy is available at: http://www.mq.edu.au/policy/docs/special_consideration/procedure.html

STUDENT SUPPORT SERVICES

Macquarie University provides a range of Academic Student Support Services. Details of these services can be accessed at <http://www.student.mq.edu.au>.

IT CONDITIONS OF USE

Access to all student computing facilities within the Faculty of Business and Economics is restricted to authorised coursework for approved units. Student ID cards must be displayed in the locations provided at all times.

Students are expected to act responsibly when utilising University IT facilities. The following regulations apply to the use of computing facilities and online services:

- Accessing inappropriate web sites or downloading inappropriate material is not permitted. Material that is not related to coursework for approved unit is deemed inappropriate.
- Downloading copyright material without permission from the copyright owner is illegal, and strictly prohibited. Students detected undertaking such activities will face disciplinary action, which may result in criminal proceedings.

Non-compliance with these conditions may result in disciplinary action without further notice.

Students must use their Macquarie University email addresses to communicate with staff as it is University policy that the University issued email account is used for official University communication.