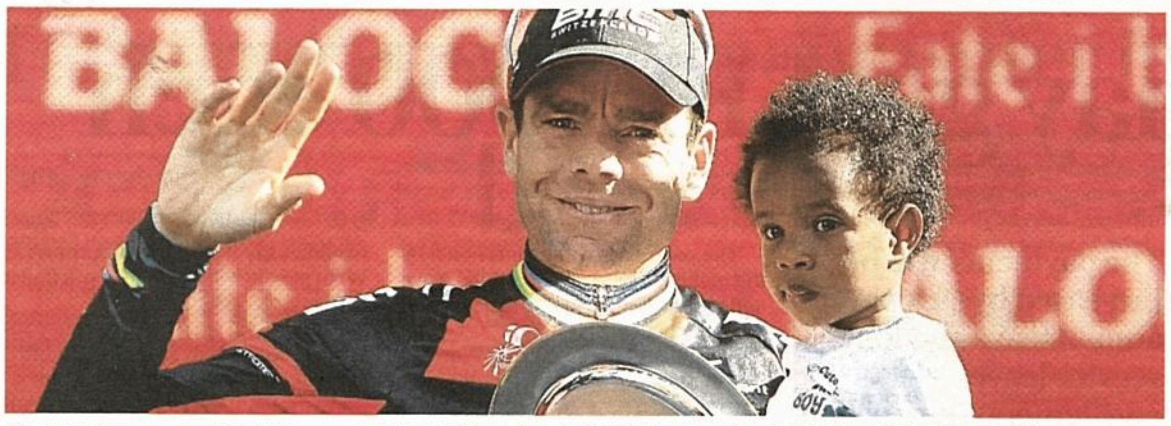

Cadel Evans, with his son Robel, finished third in the 96th Giro d'Italia cycling race, the first Australian to make the podium. Italy's Vincenzo Nibali was first.
PHOTO: REUTERS

Evans in 'tough' third

Jason Murphy

Cadel Evans's third-place finish in the 2013 Giro d'Italia may not bring the same accolades as his win in the 2011 Tour de France but, for fans that made the pilgrimage, it was as impressive.

"I thought it was exceptional," said Melbourne management consultant and Carnegie Caulfield Cycling Club president **Graham Fryer**, who had followed the Giro competition around for the past two weeks.

"Australians are harsh on people who don't come first but when you see how tough the sport is first-hand, to finish third in a grand tour is a sensational effort."

The three-week race through Italy arrived in the mountains amid unseasonably cold weather, meaning some stages had to be redesigned or cancelled for safety reasons. But the fans did not always find out in time.

"We actually rode up Sestriere, expecting them to come up the mountain. But by the time we got halfway up, they'd cancelled that part of the race," Mr Fryer said, referring to a 2000-metre peak near the French border.

SMSF dip tipped as temporary

Katie Walsh

The number of self-managed superannuation funds (SMSFs) set up in the March quarter has almost halved from recent highs, in a dip some advisers blame in part on threatened and actual policy tinkering by the Labor government.

Despite the downturn, advisers are confident the vehicles will return to strong growth as SMSF numbers broke through half a million for the first time.

The net number of SMSFs grew by 5778 in the March quarter, one of the lowest levels for the past five years, the latest Australian Taxation Office statistics reveal.

"Part of that may be down to uncertainty with self-managed super and super generally. Obviously there's been a bit of discussion about rule changes," **Multiport** technical services director **Philip La Greca** said.

Stronger super reforms, the ban of off-market transfers, changes to rules around valuations, and tougher restrictions on super advisers had all contributed to the uncertainty.

"Scuttlebutt" in the media around possible changes to the concessionary taxation of super contributions and earnings had also had an effect, Mr La Greca said. In the 2013-14 budget, the federal government introduced a 15 per cent tax on earnings of more than $100,000 in the retirement phase; a lighter blow than expected.

Hitting the 500,000 mark was a sign of the sector's strength.

Mr La Greca said another reason for the dip could stem from fears government could be drawn to the $1.4 trillion super sector in a bid to restore the budget to surplus. He said commentary around the possibilities also contributed to the trend towards fewer people setting up SMSFs or taking longer to consider the issues.

However, Mr La Greca said the number of SMSFs set up tended to taper off at this time of the year because the fixed costs – year-end financials, tax return and audit – made it more attractive to establish at the start of a year.

He said hitting the 500,000 mark in March was still a sign of the sector's general strength.

A senior policy manager from SMSF Professionals' Association of Australia, **Jordan George**, said that establishments tended to spike and trough on a quarterly basis. He expects the figure to rise again as taxpayers turn their minds to end of financial year planning.

Despite saying there was little to read into the March figures, Mr George said the confidence of existing SMSF trustees had been damaged by the constant flux of rules.

"[But] we don't have any direct research linking that to establishments," he said. The strong growth of the past two to three years should continue, he said, as people seek control and flexibility for their retirement income.

Callaughan Partners director **Brad Callaughan** said that contrary to the statistics, March was his busiest quarter in terms of setting up funds.

"We've been trying to get clients to make use of it if they've got the right amount of super," he said. Those with as little as $120,000 and a "steady job paying a decent amount of super" may find it worthwhile, he said.

The latest ATO figures reveal investments in listed shares grew to $162 billion, up 9 per cent from $149 billion. According to the latest Australian Prudential Regulation Authority figures for the March quarter, total SMSF assets hit $22 billion, accounting for one-third of the $68 billion of superannuation assets.