



## **MEDIA RELEASE**

Thursday, 31 August 2023

### **CONSUMERS SHOULD SEEK FINANCIAL ADVICE ON SUPERANNUATION PERFORMANCE TEST RESULTS**

The Financial Services Council (FSC) has welcomed the release of today's Performance Test results for MySuper and Trustee Directed Products.

The CEO of the FSC, Blake Briggs said: "The FSC supports measures that help superannuation consumers and their financial advisers choose appropriate superannuation options."

"The FSC encourages consumers to seek financial advice before making changes to their investment strategies following today's performance results to ensure changes align with their individual circumstances and take into account tax implications."

The FSC is also urging the Government to implement an effective product modernisation framework.

As the regulator noted today, the product modernisation regime for MySuper products has allowed for the movement of nine MySuper products and a total of 800,000 members. A comparable regime does not exist for Trustee Directed Products, with regulatory and tax issues a barrier to superannuation funds taking action to support consumers.

"Consumers in impacted products will be told their investment is underperforming, however many will be unable to move out of that investment due to tax reasons. The Government is encouraged to support consumers by offering Capital Gains Tax rollover relief to facilitate the transition to contemporary investment options," said Mr Briggs.

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#### **About the Financial Services Council**

The FSC is a peak body which sets mandatory Standards and develops policy for more than 100 member companies in one of Australia's largest industry sectors, financial services. Our Full Members represent Australia's retail and wholesale funds management businesses, superannuation funds, life insurers and financial advice licensees. Our Supporting Members represent the professional services firms such as ICT, consulting, accounting, legal, recruitment, actuarial and research houses. The financial services industry is responsible for investing more than \$3 trillion on behalf of over 15.6 million Australians. The pool of funds under management is larger than Australia's GDP and the capitalisation of the Australian Securities Exchange and is one of the largest pools of managed funds in the world.