

MEDIA RELEASE

23 April 2014

FSC seeks urgent hearing with Fair Work Commission

The Financial Services Council is seeking a hearing at the Fair Work Commission to challenge the validity of the Expert Panel's constitution and its ability to proceed with the review of default superannuation funds in Modern Awards.

The FSC has today requested an urgent hearing before the Fair Work Commission prior to the 28 April deadline for MySuper applications.

John Brogden, CEO of the FSC said: "The FSC is calling on the Fair Work Commission to allow us to make submissions on the current constitution of the Expert Panel which selects MySuper funds eligible for Awards."

The FSC wrote to the FWC on 11 April 2014 to express concerns that it was acting outside of its powers under the Fair Work Act by pushing ahead with a review of superannuation terms with an invalidly constituted Expert Panel.

President of the FWC, Justice Iain Ross, responded to the FSC's concerns by appointing himself to the Expert Panel.

"The extraordinary move by the Fair Work Commission President to appoint himself to the Expert Panel is not enough to remedy this issue," Mr Brogden said.

"The Expert Panel must be validly reconstituted before the process can proceed. The process is fast losing the confidence of the industry and must be urgently remedied."

"The FSC does not believe that the Fair Work Commission is the appropriate place for the selection of MySuper funds."

"APRA is the regulator responsible for authorising all MySuper products. It has credibility and expertise and would be better suited for overseeing the selection process."

The FSC has also requested a seven day extension to the 28 April deadline for MySuper applications so the matter can be resolved.

[ENDS]

For further information contact: Robyn Tolhurst, FSC Director of Communication, on 0411 177 773 or rtolhurst@fsc.org.au

About the Financial Services Council

The Financial Services Council represents Australia's retail and wholesale funds management businesses, superannuation funds, life insurers, financial advisory networks, trustee companies and Public Trustees. The Council has over 125 members who are responsible for investing more than \$2.3 trillion on behalf of 11 million Australians. The pool of funds under management is larger than Australia's GDP and the capitalisation of the Australian Securities Exchange and is the third largest pool of managed funds in the world. The Financial Services Council promotes best practice for the financial services industry by setting mandatory Standards for its members and providing Guidance Notes to assist in operational efficiency.