

MEDIA RELEASE

6 May 2014

FSC initiates court proceedings on the validity of the FWC Expert Panel

The Financial Services Council has today lodged an application with the Federal Court of Australia to challenge the validity of the Fair Work Commission's Expert Panel responsible for the selection of MySuper funds.

The FSC will contest that the constitution of the Expert Panel does not comply with the provisions of the Fair Work Act. This will include three key points:

1. The self-appointment of the FWC President to form part of the Expert Panel on 17 April was not authorised by the Fair Work Act;
2. The Expert Panel is not constituted in accordance with the Fair Work Act; and
3. The Expert Panel is not currently authorised to continue to deal with the Review of MySuperfunds.

This legal action follows a statement from FWC President, Iain Ross on 28 April which denied the FSC's request for a hearing on the validity of the Expert Panel for default superannuation funds and said any challenge should be taken up in court.

John Brogden, CEO of the FSC said: "We are seeking a hearing from the Full Federal Court to ensure that any uncertainty on the validity of the Expert Panel will be clarified once and for all."

The FSC is also seeking an order to restrain the Expert Panel from continuing to deal with the review of MySuper default funds unless it is properly constituted in accordance with the Fair Work Act.

The hearing date has been set for 9 May.

[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.