

MEDIA RELEASE

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New APRA data shows FSC member funds outperform industry funds

The first report on MySuper performance and fees released by APRA today is a game changer for the way superannuation is reported, the Financial Services Council said.

Andrew Bragg, FSC Director of Policy said: "For the first time, Australians have APRA data which directly compares the fees and performance of MySuper products."

"From today, APRA is showing true 'apple with apple' comparisons."

"APRA data shows FSC members' funds have outperformed industry funds since MySuper started in January 2014."

FSC members' funds averaged net returns of 3.4 per cent compared to industry funds at 3.18 per cent since the commencement of MySuper.

"This is evidence that MySuper is delivering both transparent, comparable information and lower fees," Mr Bragg said.

"This is good news for 70% of working Australians who do not choose a superannuation fund."

Mr Bragg said: "Fees can be further reduced if the industry fund-dominated default superannuation market is opened up to competition."

"MySuper has been a game changer for the default superannuation market."

"Industry funds are now more expensive and offer lower returns than FSC member funds, but maintain a monopoly on default contributions through the Fair Work Commission process.

"While the FWC process continues, millions of Australians will be missing out on the benefit of lower fees and higher return MySuper products offered by FSC members," he said.

"Superannuation is a long term investment. This is why fees and performance are important."

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About the Financial Services Council

The Financial Services Council (FSC) represents Australia's retail and wholesale funds management businesses, superannuation funds, life insurers, financial advisory networks, licensed 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.