



MEDIA RELEASE

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PASSAGE OF SUPER BILL TO DELIVER HOST OF BENEFITS

The Financial Services Council (FSC) welcomes the passage of the Treasury Laws Amendment (Improving Accountability and Member Outcomes in Superannuation Measures No. 1) Bill 2017 through Parliament.

“This legislation contains a range of long-overdue measures to help ensure a high standard of governance and transparency in the superannuation industry,” FSC CEO Sally Loane said today.

“Super funds must be run in the best interests of members and the FSC has been a strong advocate of accountability measures for super fund trustees and their directors.

“Practices like offering inducements to employers have no place in a modern superannuation system, and we are pleased to see the strengthening of the existing prohibition as recommended by the Royal Commission into Financial Services.

“The FSC also supports APRA having additional powers to ensure poorly performing funds do the right thing and either lift their game or merge with a better-performing fund.

“The changes in this Bill will help ensure superannuation funds remain squarely focused on achieving good retirement outcomes for their members.”

Background

The new laws contained in the Treasury Laws Amendment (Improving Accountability and Member Outcomes in Superannuation Measures No. 1) Bill 2017 will:

- Apply penalties for breaches of the member best interests duty
- Strengthen prohibition on employer inducements
- Increase APRA powers to issue directions to RSE licensees
- Improve portfolio holdings disclosure for super funds
- Set annual member meeting requirements
- Legislate APRA outcomes assessments

ENDS

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About the Financial Services Council

The Financial Services Council (FSC) has over 100 members representing Australia's retail and wholesale funds management businesses, superannuation funds, life insurers, financial advisory networks and licensed trustee companies. The industry is responsible for investing almost \$3 trillion on behalf of more than 14.8 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 fourth largest pool of managed funds in the world. The FSC promotes best practice for the financial services industry by setting mandatory Standards for its members and providing Guidance Notes to assist in operational efficiency.