

MEDIA RELEASE

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Federal Court declares Fair Work Commission Expert Panel invalid

The Full Federal Court today upheld a challenge by the Financial Services Council and determined that the Fair Work Commission Expert Panel for the selection of MySuper default funds in Modern Awards is invalid.

The Federal Court declared that:

1. The decision by the President of the FWC to appoint himself to Expert Panel is not valid; and,
2. The Expert Panel is not correctly constituted.

John Brogden, CEO of the Financial Services Council said: "The Federal Court found the FWC Expert Panel lacked the number of superannuation experts required by law."

FWC President, Iain Ross was also found to have acted outside his legislative powers by appointing himself to the Expert Panel.

"We have argued from the beginning that the Expert Panel was conflicted and then incorrectly reconstituted," Mr Brogden said.

"The Federal Court has today upheld our position."

"We want an open, competitive process which allows every APRA-approved MySuper product to compete for default superannuation contributions."

"A genuinely competitive market will lead to more transparency, lower fees and better services for employers and employees," he said.

[ENDS]

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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.