



MEDIA RELEASE

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FSC statement on superannuation governance reforms

The Financial Services Council welcomes the debate taking place in the Senate over the proposed reforms that will require all superannuation trustees to have one third independent directors on their boards.

The Senate today voted to consider proposed amendments to the legislation that were moved by Senator Ricky Muir. The Senator's amendments make it clear that the reforms are focused on improving protections for consumers.

Sally Loane, CEO of the Financial Services Council said: "The Senate is a chamber of review. We welcome the independent Senators' contribution to the debate and urge the Senate to pass this important piece of legislation before Parliament rises this year.

"Independent directors will strengthen governance and manage conflicts of interest in all superannuation funds – retail, industry or corporate."

"This is moderate sensible policy which has been recommended by the Cooper Review under the Labor government and by David Murray's Financial System Inquiry," Ms Loane said.

Background

The Superannuation Legislation Amendment (Trustee Governance) Bill 2015 will require all trustees to have one third independent directors and an independent chair. The Bill applies equally to all types of superannuation trustees.

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About the Financial Services Council

The Financial Services Council (FSC) has over 115 members representing Australia's retail and wholesale funds management businesses, superannuation funds, life insurers, financial advisory networks, licensed trustee companies and public trustees. The industry is responsible for investing more than \$2.6 trillion on behalf of 11.5 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.