



MEDIA RELEASE

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Statement from the Financial Services Council on Superannuation Governance Reform

The Financial Services Council (FSC) looks forward to the continued discussion on the governance of superannuation funds.

Every Australian deserves the best possible outcome in their superannuation and the highest standard of governance.

The proposal for independent directors on the superannuation trustee boards is a moderate reform that will apply to all superannuation funds – retail, industry, corporate and public sector. The Government’s Financial System Inquiry and the previous Labor Government’s Cooper Review both recommended the appointment of independent directors on superannuation trustee boards.

The regulator for the superannuation sector, APRA, has made it clear that independent directors play an important role in protecting superannuation consumers from conflicts of interest.

The governance of superannuation funds was established in the early 1990s and has failed to keep pace with community expectations for higher governance standards. It is time for reforms that will ensure the ongoing sustainability of the superannuation industry into the future.

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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.