

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Additional Estimates

26 February 2014

**Question:** AET 3050

**Topic:** MySuper reforms #2

**Hansard Page:** page 117-118, 26 February 2014

**Senator BUSHBY asked:**

3050. CHAIR: In raising those, has Treasury looked at how many super funds on the MySuper list are likely to shut down? Have you done any assessment of the consequences to the industry of that major upheaval of literally hundreds of thousands of super funds losing access to the default?

Ms Quinn: There are only 105 MySuper products.

CHAIR: But there are hundreds of thousands—

Ms Quinn: Of people within—

CHAIR: Certainly hundreds of thousands of plans.

Ms Quinn: I do not have any analysis of the breakdown, but I am happy to take the question on notice as well.

**Answer:**

3050. Superannuation funds have been able to apply to the Australian Prudential Regulation Authority (APRA) for authorisation to offer a MySuper product since 1 January 2013. As at 16 May 2014, APRA listed authorisations for 117 MySuper products (including 105 'generic' MySuper products).

This question touches on the outcomes of the Fair Work Commission's (FWC) four-yearly review of modern awards, and the responses of businesses and funds to those outcomes. The FWC's four-yearly review comes under the portfolio responsibility of the Minister for Employment.

The Department of Employment has provided the following response:

The Government does not have the information available to know how many super funds on the MySuper list are likely to close if FWC decides to take a narrow stance in the four - yearly review.

The Department of Employment is using information provided during the public consultation on the Government's discussion paper, *Better regulation and governance, enhanced transparency and improved competition in superannuation*, to help analyse the costs for industry. The analysis has not yet been completed.