

Submission number: 2014/10

12 February 2014

Discussion Paper: Better regulation and governance, enhanced transparency and increased competition in superannuation

ASFA's response to Treasury's Discussion Paper: *Better regulation and governance, enhanced transparency and increased competition in superannuation* proposes:

- Specific areas where regulatory reform could be undertaken to reduce compliance costs;
- Improvements to the regulatory reform process - including adequate consultation, clear drafting, appropriate requirements, adequate implementation timeframes, regulator guidance, and post implementation reviews - which will serve to reduce unnecessary costs;
- A definition of 'independent trustee' that incorporates the major elements from the current SIS Act definition and ASX guidelines;
- Flexibility to appoint independent directors with support for a third of the trustee board being independent
- 9-12 year tenure, independent chairs and a ban on multiple directors (unless circumstances are exceptional);
- Deferral of the dashboard for choice products until current concerns with the MySuper dashboard have been addressed, and there has been consultation on the need for, and appropriate design of, the choice dashboard;
- A modified portfolio holdings disclosure regime, with partial look through and a materiality threshold - however we would prefer a more innovative, consumer-friendly approach to disclosure; and
- Suggestions of alternative processes for the Fair Work Commission, to address transparency and cost issues with the current requirements.