ASFA Explainer: The Australian Superannuation System



ASFA Explainer

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1

The history of superannuation

The Australian superannuation system has undergone remarkable change over the past century. Initially only available to employees in certain industries and professions, superannuation coverage is now more or less universal – a consequence of decades of ongoing reform.

The early days

Occupation-related superannuation first emerged in Australia in the mid-19th century, most notably with the establishment by the Bank of Australasia – later ANZ Bank – of a superannuation fund for its staff in October 1842. The term 'superannuation' was in common usage by the early 19th century in the United Kingdom to refer to the pension received by an individual (from a former employer) after retirement. In most countries, the term 'private pension' tends to be used to describe what is known as superannuation in Australia. Though it is not entirely clear why the term superannuation is used in Australia, its usage does at least provide a clear distinction between superannuation and the Federal Government-provided Age Pension.

From its earliest days until the 1940s, superannuation was only available to a select, mostly male, group of salaried employees in the public sector and some large companies. Employer-supported superannuation for wage earners tended to be less generous (in schemes that were non-compulsory), with smaller employer contributions and smaller benefits. Women were particularly disadvantaged. It was not uncommon for women to be required to resign from a permanent job position when they married. As well, vesting rules meant that if women in their 20s or 30s voluntarily resigned from a job because of family responsibilities they would be unlikely to satisfy the minimum years of service required by many superannuation funds to generate a defined benefit entitlement.

The 1950s to 1970s: superannuation largely for white-collar workers

From the 1950s to the 1970s, superannuation became more widely available but still was largely restricted to professional and office workers. Furthermore, for those whose working life was not continuous with one employer, the lack of vesting of employer contributions limited benefits. Again, these effects were more profound for women. By 1974, 32 per cent of wage and salary earners were covered by superannuation, which represented 41 per cent of male employees, but only 17 per cent of female employees. Most assets were in defined benefit funds.

From the 1970s until the introduction of superannuation associated with national wage setting arrangements in 1986, superannuation was an employment fringe benefit (concentrated among professionals, managers, administrators, public sector employees and in the financial sector). Super was provided largely at the discretion of employers, and that discretion was exercised in favour of only some employees.

The uneven coverage of superannuation (and the associated tax concessions) provided a catalyst for the push for universal occupational superannuation. This occurred primarily through the industrial relations system, rather than from political and parliamentary attention.

One of the attractions of promoting superannuation was that it allowed for deferred wage increases without going outside the then-centralised wage fixing system. Justice and equity were also motivating factors, as superannuation was available to many white-collar workers but generally not blue-collar workers.

One of the earliest and most prominent pushes for superannuation came from the Federated Storemen and Packers Union, which developed a portable industry-wide accumulation fund for its members in 1978. This was arguably the first industry (multi-employers across an industry) fund, although there are other contenders for that title; the building unions were not far behind. This led to concerted industrial campaigns aimed at getting employers to contribute to (the concerned) accumulation funds on behalf of all their employees, rather than to defined benefit funds for only some.

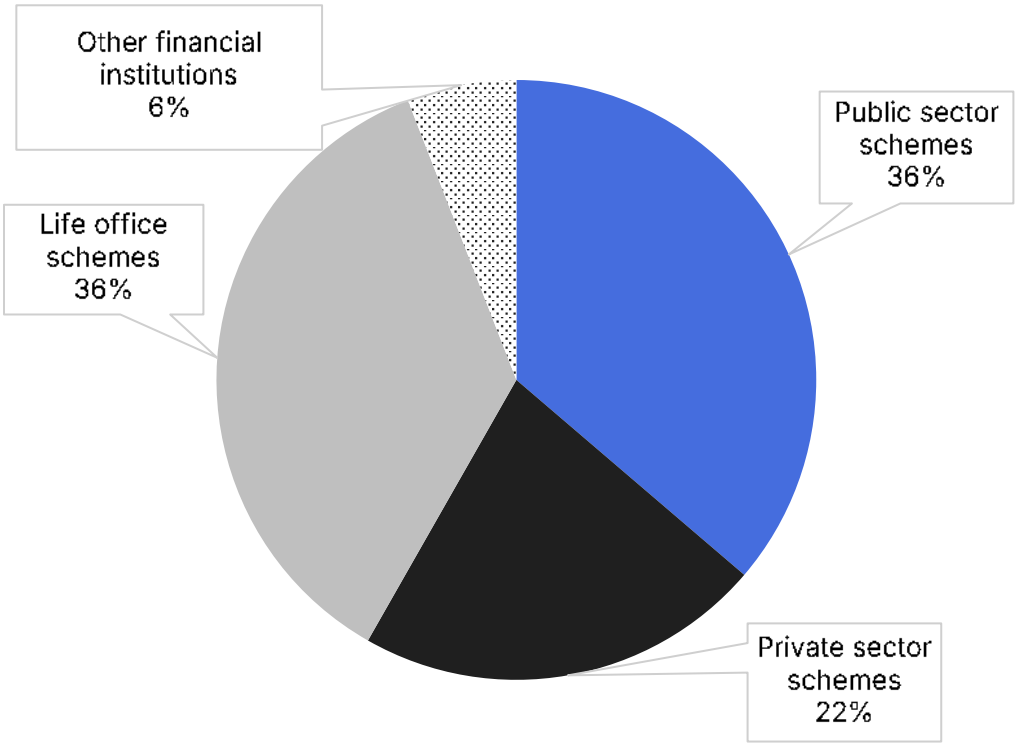
The 1980s: momentum gathers

In 1983, the newly elected Hawke Labor Government expressed support for the principles of employee superannuation and initiated discussions with the Australian Council of Trade Unions (ACTU) on the possibility of broadening access to superannuation as part of the Government's Prices and Incomes Accord with the trade unions.



Government support for superannuation was also given impetus by the economic conditions of the day. By 1985, Australia was experiencing high interest rates, elevated inflationary pressure, a widening current account deficit and rising foreign debt. Employee superannuation was an attractive policy option for the Government in that it responded to union and employee demands, but involved deferred wage increases and an improvement in Australia's level of national saving. That said, there were a number of factors leading to support by the unions and the Government for occupational superannuation. Attributing the introduction of compulsory super to the economic circumstances of the time would be a considerable oversimplification.

Chart 1: Superannuation system assets, 1989



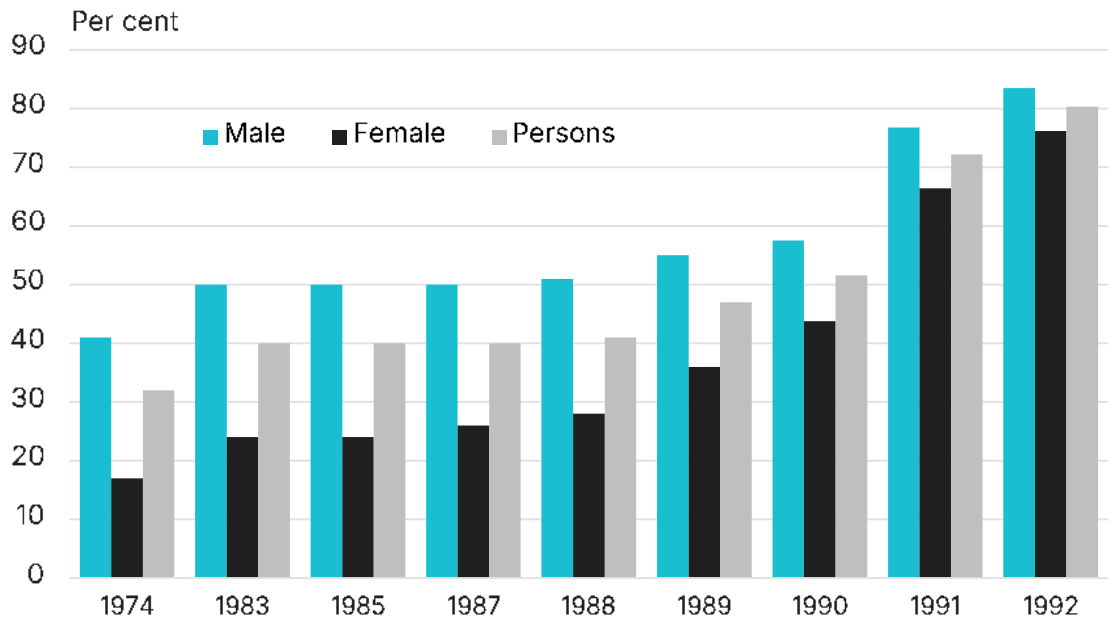
Source: ASFA (1989), *Superfunds*, August.

The process of making superannuation more or less a universal entitlement began in September 1985 when, with the support of the Government, the ACTU sought a 3 per cent superannuation contribution to be paid by employers to industry funds specified in relevant industrial awards. This case before the then-Conciliation and Arbitration Commission was in the context of national wage case guidelines, which allowed for a wage increase based on improvements in national productivity in addition to any wage increase related to changes in the Consumer Price Index.

Despite compelling arguments being presented, the Commission did not grant a blanket award of occupational superannuation. Rather, it announced that it would approve industrial agreements that provided for 3 per cent of wages to be contributed to approved superannuation funds.

As new industrial awards and agreements were progressively negotiated according to the guidelines in the national wage case decision, there was a rapid increase in superannuation coverage. In the four years after the introduction of award superannuation, coverage increased from 40 per cent of all employees to 80 per cent. Within the private sector, coverage rose from 32 per cent to 68 per cent (Chart 2).

Chart 2: Superannuation coverage, employees



Source: ABS, *Superannuation*; and ABS, *Employment Benefits*.

This was a major achievement for award superannuation, but more was needed to achieve adequacy of retirement incomes and coverage of the labour force. A contribution of 3 per cent of wages was not enough to generate substantial retirement savings, and around one-third of private sector employees still did not have superannuation at all.

The 1990s: compulsory superannuation comes into effect

In 1991, the ACTU and the Labor Government argued in the (renamed) Industrial Relations Commission for a further 3 per cent (employer-paid) contribution. The Commission rejected this based on compliance and implementation problems of using industrial awards to require the payment of superannuation.

While the Commission did not completely close off options for further extension of award superannuation (in terms of both coverage and quantum), the Government decided to take a completely different approach.

In the 1991-92 Federal Budget, the Government announced it would introduce a mandatory superannuation system through the implementation of the Superannuation Guarantee (SG). The SG system would use the taxation power of the Australian Government to provide a powerful incentive for employers to make correct superannuation contributions (the Australian Government does not have constitutional power to directly legislate to require all employers to make superannuation contributions). For employers, if the required amount was not paid, then a non-deductible SG charge would become payable (equal to each individual employee's shortfall in contributions), along with an interest payment and an administration charge. Once the employer made this payment, the employee could then get the Australian Taxation Office (ATO) to forward the shortfall and interest component to a complying superannuation fund. The 'guarantee' part of the SG relates to the requirement for contributions being made, rather than a guarantee of investment earnings or eventual retirement income.

The SG system came into effect on 1 July 1992. It required contributions of 5 per cent of ordinary-time earnings for employees of employers with an annual payroll in excess of $1,000,000, and 3 per cent for all other employees. A schedule of future increases in the rate of the SG was also set, with a rate for all employees of 9 per cent of earnings applying from 1 July 2002.

The coverage of the system was broad, using a wide definition of employer and employee. For employers, claiming that an individual worker was a contractor did not necessarily remove the requirement to pay SG.

However, there were some exceptions to coverage: those aged under 18 working less than 30 hours per week, those earning less than $450 in a calendar month (this no longer applies – see end of Section 1), and those aged over 65 (there is no longer an upper age limit). As well, the SG does not apply to the self-employed other than to owner-managers who receive wages and thus, technically, are employees of a company they also control.

In the 1995-96 Federal Budget, the Government proposed a compulsory member contribution of 3 per cent together with a matching contribution from government – initially to be set at 1 per cent in July 1997, and rising to 3 per cent by July 1999. This latter contribution was to be paid instead of previously promised income tax cuts. However, with the change in government (in 1996), this did not occur.

The new Coalition Government did make other changes. In its first budget in August 1996, the Government introduced a surcharge (additional tax) on superannuation contributions by individuals with high taxable income and contributions (the surcharge was abolished in the 2005-06 Budget). The Government also introduced (from 1 July 1997) an 18 per cent tax rebate for up to $3,000 of contributions made for a low-income spouse. In addition, the Government increased the upper age limit for SG contributions from 65 to 70, and introduced Retirement Savings Accounts – bank deposit-like products with superannuation tax and preservation treatment.

As well, from 1 July 1999 preservation rules were strengthened, which allowed for the release of benefits only in very restricted circumstances prior to preservation age (which varies between 55 and 60 depending on the then age of the member). Legislation introduced in 2000 also allowed separating couples to split the value of their superannuation by agreement or by Court order.

The 2000s: choice and a higher SG rate

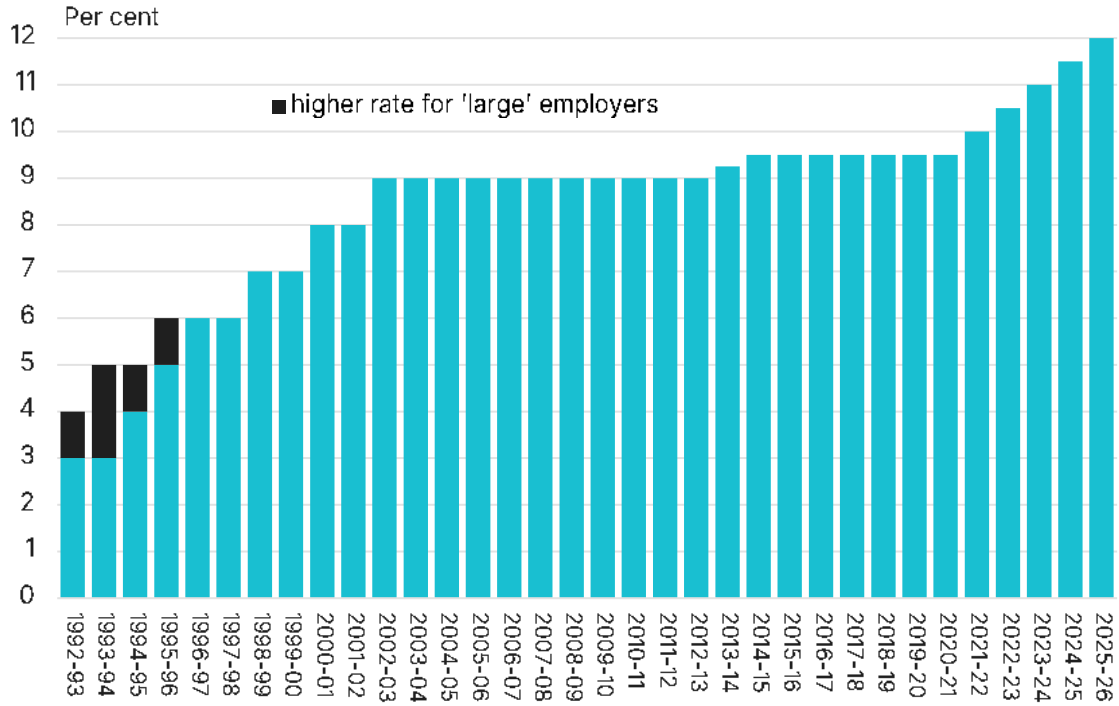
The 2000s saw further significant changes. In particular, the Coalition Government introduced provisions (with effect from 1 July 2005) that allowed employees to choose the superannuation fund (subject to certain exceptions) to receive their compulsory contributions. Accompanying this were regulations giving individuals the right to transfer their superannuation balance to another fund.

Clearly, superannuation has changed from a discretionary fringe benefit provided by employers to more of an individual property right. In response to this, there has been significant change in the prevalence of different fund types. In 1982-83, around 80 per cent of fund members were in defined benefit schemes. By the year 2000, only 13 per cent of members were in pure defined benefit funds – many of which were public sector schemes closed to new members. That percentage is now down to less than 10 per cent.

In particular, some employers became concerned about the higher average costs of enrolling an employee in a defined benefit scheme. These costs were amplified by the minimum vesting requirements that applied where an employer wished to satisfy their SG obligations by making contributions to a defined benefit fund. A further issue is that with greater labour mobility defined benefit schemes do not suit many workers and are not necessarily a good method for employers to attract and retain employees.

In May 2010, the then-Labor Government announced that the SG rate would rise from 9 per cent to 12 per cent by July 2019. Actual increases in the SG rate were more gradual – with 0.25 percentage point increases in 2013 and 2014, and 0.5 percentage point increases in every year from 2021 to 2025 inclusive (on 1 July). As of 1 July 2025, the SG rate stood at 12 per cent – the maximum legislated rate (Chart 3).

Chart 3: The SG rate (as of 1 July)



Another key policy change for older working Australians was the removal of the upper age limit on SG contributions, which came into effect on 1 July 2013 (the age limit had previously been increased from 65 to 70).

The evolution of supervisory arrangements

Along with the introduction of the SG came new supervisory arrangements, largely due to the changed nature of superannuation. Historically, the prudential framework for superannuation rested broadly on the principles of trust law supplemented by controls in the Life Insurance Act (for retail products), certain aspects of the Corporations Law, and income tax legislation. Not surprisingly, given the lack of clearly delineated member rights in many cases, the existence of trustee and employer discretions, and the costs of litigation, there was not much evidence of action being taken to enforce the rights of members.

With superannuation becoming more of an individual property right and with most employees receiving contributions, there was a need for a new supervisory regime and controls. Accordingly, in 1987 the then-Labor Government introduced the

Occupational Superannuation Standards Act (OSSA). This prescribed operating standards that superannuation funds were required to meet in order to be eligible for superannuation tax concessions.

In 1992, the Labor Government, along with mandating contributions, enhanced the prudential framework for supervising funds. The Superannuation Industry (Supervision) Act effectively replaced the OSSA legislation from 1 July 1994. The legislation defined the duties and responsibilities of trustees, improved disclosure requirements, increased the role of auditors and actuaries, and introduced more direct enforcement powers for the Insurance and Superannuation Commission (ISC).

Later, the then-Coalition Government introduced further superannuation reforms, following the collapse of a large insurance company that triggered broader concerns about the prudential safety of regulated financial entities. All superannuation trustees were required to obtain a Registrable Superannuation Entity (RSE) licence from the Australian Prudential Regulation Authority (APRA; the successor to the ISC) if they were to continue to operate after 1 July 2006. Trustees had to demonstrate a range of capabilities in order to obtain and retain a licence.

This led to a dramatic decrease in the number of trustee entities and superannuation funds (see Section 4), with small corporate funds in particular finding the new regime challenging and expensive relative to their assets under administration. Those funds that closed generally transferred members and assets to a fund that was licensed (or clearly was going to be licensed).

The establishment of APRA following the Wallis Committee of Inquiry into the Financial Sector in 1996 also saw the establishment of the Australian Securities and Investments Commission (ASIC). ASIC is responsible for the supervision of disclosure and market conduct by superannuation funds and other financial institutions.

Under this regime, funds are required to provide a compliant Product Disclosure Statement to new and prospective members and employer sponsors. There are both specific and general requirements with regard to the information that funds have to provide. Enhanced fee disclosure requirements apply to the offer documents of all regulated funds, along with enhanced reporting requirements applying to periodic (annual) member statements.

The Reserve Bank of Australia (RBA) is responsible for contributing to the stability of the Australian financial system – as set out in legislation and complemented by the standing agreement between the RBA's Monetary Policy Board and the Australian Government. The RBA does not directly regulate superannuation funds. However, the RBA monitors the risks to the stability of the financial system – of which superannuation is a major component.

The Treasury advises the Australian Government on all aspects of retirement income policy, including superannuation and age pension policies, and on the adequacy of retirement incomes. In this regard, the Treasury is responsible for developing superannuation policy and legislation: the primary legislation is the *Superannuation Industry (Supervision) Act 1993* (SIS Act). APRA, ASIC and the RBA are agencies within the Treasury portfolio.

Together, APRA, ASIC, the RBA and the Treasury comprise the Council of Financial Regulators (CFR). The CFR facilitates cooperation and collaboration across the member agencies, with the ultimate aim of promoting the stability of the Australian

financial system and supporting effective and efficient regulation. The CFR has no legal functions or powers separate from those of its individual member agencies.

The ATO is the primary regulator for Self-Managed Superannuation Funds (SMSFs). SMSFs are small funds with less than seven (originally five) members, where each member is also a trustee of the fund. The ATO's other, system-wide responsibilities include: administering the SG and ensuring employers pay mandatory contributions, and administering the superannuation tax concessions and ensuring taxpayer compliance.

The Australian Transaction Reports and Analysis Centre (AUSTRAC) enforces compliance with legislation for Anti-Money Laundering (AML) and Counter-Terrorism Financing (CTF) across the financial sector including superannuation funds.

The Australian Financial Complaints Authority (AFCA) is the external dispute resolution (i.e. ombudsman) scheme for Australian financial services. AFCA is not a regulator. Rather, it is a not-for-profit company that is governed by a Board of Directors, which includes equal numbers of industry and consumer representatives. Membership of AFCA is mandatory for superannuation trustees.

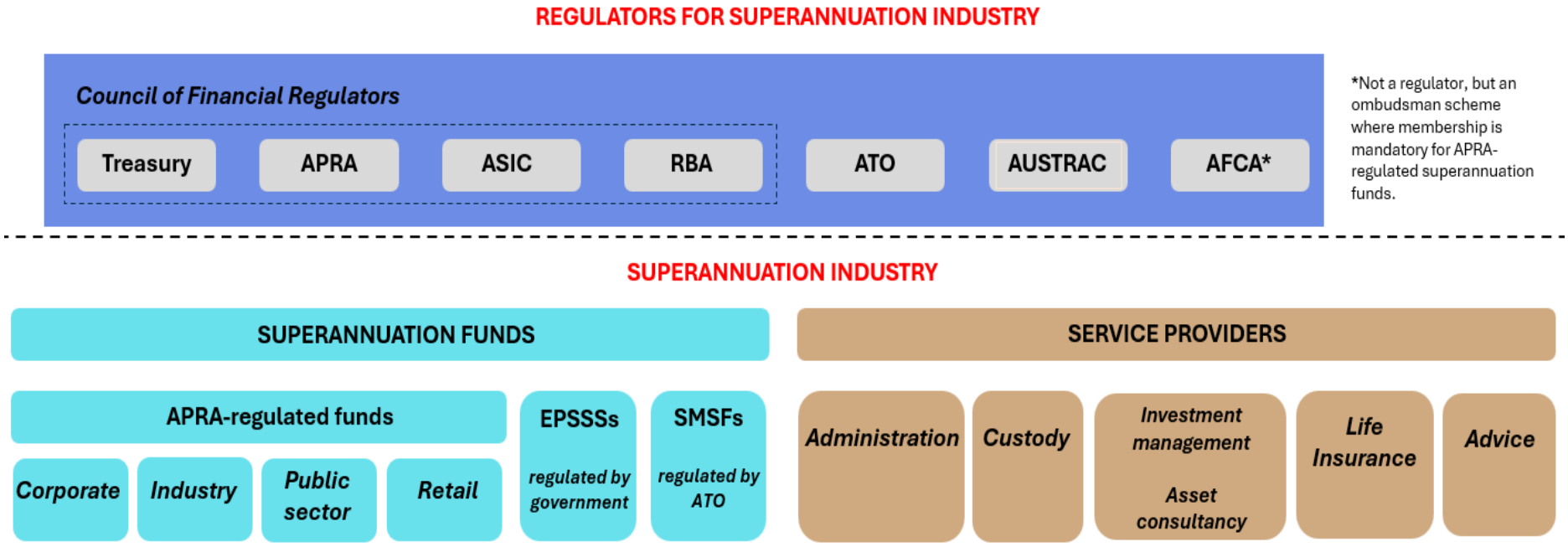
Figure 1 (next page) is a schematic of the superannuation regulators, and the superannuation industry. Key elements of the superannuation industry are covered in greater detail in later sections of this paper, including the different types of superannuation funds and service providers.

Industry bodies

There are also a number of industry bodies that represent the broader superannuation industry – including superannuation funds but also providers of the services and products that fund trustees source (not shown in Figure 1).

- Association of Superannuation Funds Australia (ASFA): Represents all types of superannuation funds – retail, industry, corporate and public sector – as well as administrators, custodians, investment managers, insurers, technology and other service providers.
- Financial Services Council (FSC): Represents retail and wholesale funds management businesses, largely retail superannuation funds, and financial advice licensees.
- Super Members Council (SMC): Represents profit-to-member superannuation funds – largely industry superannuation funds but also some public sector superannuation funds.
- SMSF Association: Represents self-managed superannuation funds.
- Australian Custodial Services Association (ACSA): Represents providers of custody and investment administration services.
- Council of Australian Life Insurers (CALI): Represents life insurers.
- Financial Advice Association Australia (FAAA): Represents financial advice professionals.

Figure 1: The superannuation industry



Recent regulatory changes

Introduction of the MySuper regime

Following the 2009-10 *Cooper Review* into the Governance, Efficiency, Structure and Operation of Australia's Superannuation System, the Australian Government introduced the following reforms:

- MySuper products: a product (authorised by APRA) that is designed for 'default' members who do not make an active decision about which fund to join – into which their compulsory employer contributions are paid. MySuper accounts typically offer a single diversified investment option, simple product features and relatively low fees.
- For their MySuper product, fund trustees are required to develop a single diversified investment strategy, with an appropriate degree of risk, which specifies the investment return target over a rolling 10-year period.
- Fees on MySuper products are subject to certain rules.
- All MySuper products were required to offer a minimum default level of life and total and permanent disability insurance on an opt-out basis.

The default insurance arrangements were later changed under two separate reforms – *Protecting Your Super Package* (2019) and *Putting Members' Interests First* (2020).

- Cessation of insurance provided on inactive accounts (for a continuous period of 16 months or more), unless a member has opted in.
- Insurance generally on an opt-in basis for members aged under 25 and on low-balance accounts.*

Governance and disclosure

A range of other reforms were introduced as a result of the Cooper Review recommendations. These included requirements that trustees of a MySuper product:

- promote the best interests of the fund members
- determine annually whether MySuper members are disadvantaged by the scale of the fund
- discharge their personal duties to act honestly, exercise the care, skill and diligence of a 'prudent superannuation director', and exercise their duties and powers in the best interests of beneficiaries (subsequently amended as part of the 2021 *Your Future, Your Super* reforms – see below).

APRA was given the power to draft binding prudential standards for the superannuation industry for the first time. The standards cover governance, fit and proper persons, risk management, business continuity management, outsourcing, auditing, conflicts of interest, investment governance, insurance, solvency and capital requirements. These standards were designed to coincide with the introduction of MySuper.

*Fund trustees can only provide insurance cover on an opt-in basis for people under 25 (unless working in a dangerous occupation) and on accounts with a balance less than $6,000. Also, trustees will cancel cover on accounts that have not received any contributions for 16 months (inactive accounts).

SuperStream

The SuperStream reforms introduced new data and payment standards for superannuation transactions. This includes electronic transmission of linked financial and member data using standardised formats, and using tax file numbers as the primary member identifier.

Your Future, Your Super

The *Your Future, Your Super* (YFYS) reforms, which reflect recommendations of the Productivity Commission's 2019 inquiry into the efficiency and competitiveness of the superannuation system, came into effect on 1 July 2021. Key elements of the YFYS reforms are below:

- A mechanism whereby superannuation accounts 'follow' members when they change employers (or 'stapling'), with the aim of reducing the incidence of multiple, unnecessary accounts.
- An annual performance test for superannuation products, where if a fund's product(s) fails over two consecutive years, the fund must notify that product's members and will not be able to take on new members in respect of that product.
    - Initially applicable to MySuper products only, the performance test has been extended to a sub-set of choice accumulation products – including all choice products where asset allocations are set by a fund (so-called trustee-directed products).
    - The performance test only applies to superannuation assets in defined contribution accounts (accumulation phase). Currently, coverage is 82 per cent of defined contribution assets.
- An amendment to trustees' best interests duty, such that trustees (and directors) are required to act in the "best financial interests" of their beneficiaries.

Payday Super

From 1 July 2026, the Payday Super reforms require that employers pay their employees' compulsory super contributions – that is, SG contributions – at the same time as salary or wages.

- Prior to these reforms, employers were required to pay SG contributions only quarterly regardless of the frequency of salary or wage payments.

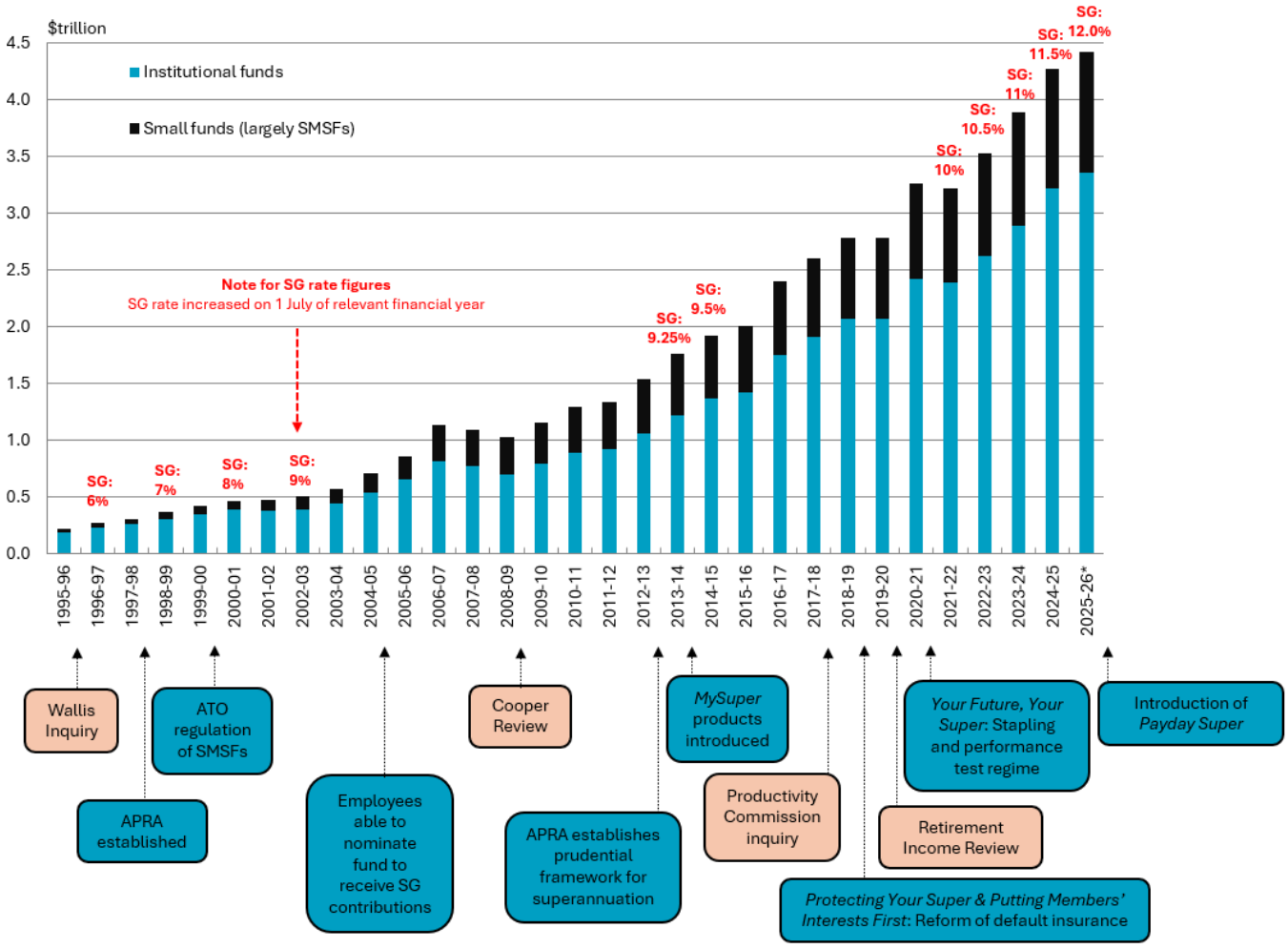
The regime specifies timeframes for SG contributions to flow from employers to superannuation accounts, and penalties for non-compliance.

- Typically, the flow of SG contributions from an employer to a member's superannuation account involves one or more third parties – which can include administrators, administration technology providers and custodians (see Section 7 onwards).
- Under the regime, a superannuation fund must receive and be able to allocate an eligible contribution within seven business days after pay day, with few exceptions. The superannuation fund must allocate the contribution – to the relevant member account – within three business days of receiving the allocatable contribution.

The key rationale for the Payday Super reform is to make it easier for employees to keep track of their SG contribution payments from employers, and so reduce the incidence of under-payment and non-payment of SG contributions.

Some of the key developments discussed above are summarised in the following timeline (Chart 4).

Chart 4: Key developments in superannuation
Total assets are as at end of financial year



Source: Productivity Commission (2016), *Superannuation Efficiency and Competitiveness: Issues Paper*; APRA, *Quarterly Superannuation Performance*, December 2025; APRA, *Annual Superannuation Bulletin*, June 2025; other APRA data and ASFA.

2

The superannuation fund as a trust

The foremost institutional arrangement within the superannuation system is the superannuation fund itself.

Nearly all superannuation funds are set up as trusts. The overarching service provided by a fund trustee is to ensure the fund is managed for the benefit of members in accordance with the legally enforceable rules set out in the fund's trust deed.

Fully 72 per cent of superannuation assets are in funds where a trustee acts on behalf of a superannuation entity that is authorised and regulated by the Australian Prudential Regulation Authority (APRA). Broadly speaking, these funds constitute the *institutional* superannuation sector, which comprises corporate, industry, public sector and retail superannuation funds (total of $3,410.0 billion in assets).

- *Small APRA funds* are set up as trusts and are regulated by APRA, but are not institutional – they have a maximum of six members. Small APRA funds comprise a small share of total superannuation assets ($1.5 billion in assets).

A further 23 per cent of system assets are in self-managed superannuation funds (SMSFs), where each of the members of an SMSF also is a trustee of that fund ($1,107.2 billion in assets).

- SMSFs are regulated by the Australian Taxation Office (ATO).

Around 4 per cent of system assets are in funds that are not set up as a trust – nearly all of which are in Exempt Public Sector Superannuation Schemes (EPSSSs).

EPSSSs largely service former public sector employees, and most are closed to new members ($187.8 billion in assets). An EPSSS is set up under an Act of Parliament, and is supervised by the relevant state/territory government or by the Commonwealth Government, rather than APRA or the ATO.

- Most current public sector employees are in funds that are regulated by APRA – see above.
- EPSSSs are considered part of the broader institutional superannuation sector.

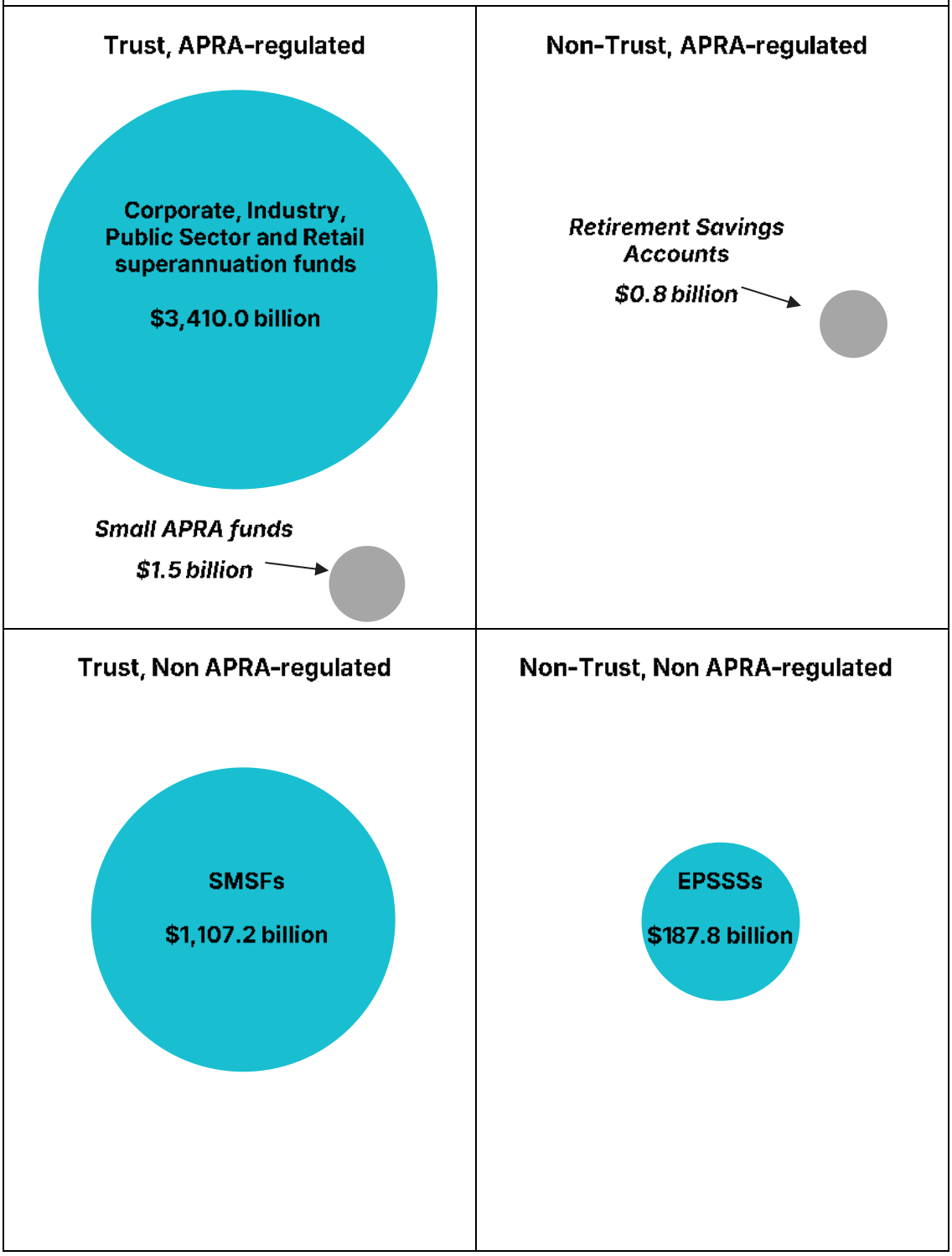
A Retirement Savings Account (RSA) is a particular superannuation product that is not set up as a trust, but is regulated by APRA. RSAs comprise a small share of total superannuation assets ($0.8 billion in assets).

Superannuation fund trustees have ultimate responsibility for operating the fund. However, under a typical trust deed, fund trustees have wide powers of delegation with respect to their functions, and typically outsource many of their functions to entities that are external to the fund. It is important to note that although funds outsource many of their functions, they cannot outsource their responsibility for the performance of those functions – a fundamental tenet of trust law. A detailed discussion of these functions is in Section 7.

Figure 2: Superannuation arrangements, by total assets (end of June 2026)

This figure disaggregates superannuation entities by two dimensions:

- Those that are set up as a trust, and those that are not.
- Those that are regulated by APRA, and those that are not.



Source: APRA, *Quarterly Superannuation Performance*, June 2026; APRA, *Quarterly Superannuation Industry Publication*, June 2026.

3

Current industry structure

The Australian superannuation industry comprises a mix of corporate, industry, public sector and retail funds – collectively institutional funds. There is also a large number of SMSFs, where members manage their own fund.

The key characteristics of each of the major types of funds – as represented by the different fund sectors – are outlined below.

Corporate funds

A corporate fund is sponsored by one or more employers and generally focuses on the employees of a particular company or company group. The number of corporate funds has declined markedly over the past two decades (discussed in Section 4), and now only one remains. Historically, some employers had established a quasi-corporate fund for their employees – where the fund was operated by a retail or industry sector superannuation provider (the RSE licensee). APRA classified such funds according to the RSE licensee – that is, a fund operated by a retail provider was classified as a retail fund. There is only one such fund remaining.

Industry funds

Traditionally, an industry fund drew members from the employees of a range of employers across a single industry, and generally was established under an agreement between parties to an industrial award. Over the past decade all industry funds have opened their membership to the general public (a public-offer fund), although generally a disproportionate share of members of each industry fund tends to be from the industry for which the fund was established.

Public sector funds

Traditionally, public sector funds cater only to public sector employees, although a small number have opened their membership to the general public (3 out of 27 public sector funds). More than half of public sector funds are not regulated by APRA, but instead are supervised by the relevant state/territory government or by the Commonwealth Government – that is, Exempt Public Sector Superannuation Schemes (EPSSSs).

Retail funds

Retail funds offer superannuation products on a commercial 'for profit' basis to the general public and typically are run by large commercial financial services institutions. In many cases, a group of discrete APRA-regulated retail funds are part of a single entity – that is, there is a registered licensee for a group of discrete superannuation funds. Further, in some cases, a number of discrete licensees may be part of the same corporate group. This complexity reflects, in part, the outcome of industry merger activity, where the corporate parent has chosen to retain the separation of entities within the larger group.

Small funds

The small funds sector comprises SMSFs and small APRA-regulated funds. Both types can have a maximum of six members (up from four members since 1 July 2021).

- SMSFs are operated, managed and controlled by the fund members, who are also the trustees of the fund. SMSFs are regulated by the ATO rather than APRA. With respect to pension systems in other jurisdictions, SMSFs are a unique feature of the Australian superannuation system.
- Small APRA-regulated funds are similar to SMSFs, though members are not the fund trustees.

Table 1 provides a snapshot of each main sector of the superannuation system.

Table 1: The superannuation system, by sector (1 July 2026)

	Number of funds	Total assets	Members' benefits	Number of accounts
		$billion	*$billion*	*'000s*
Institutional funds				
Corporate funds	1	8.3	7.9	27.5
Industry funds	18	1,814.7	1,697.0	14,656.5
Public sector funds	27	841.6	851.7	3,421.0
APRA-regulated	*10*	*653.8*	*634.3*	*2,615.0*
EPSSSs	*17*	*187.8*	*217.4*	*806.0*
Retail funds	37	933.2	919.4	5,809.0
public offer	36	933.2	919.4	5,809.0
trustee for corporates	1	0.0	0.0	0.0
Total institutional	***83***	***3,597.8***	***3,476.0***	***23,914.0***
Total institutional ex. EPSSSs	***66***	***3,410.0***	***3,258.7***	***23,108.0***
Small funds				
SMSFs	680,301	1,107.2	1,068.5	1,247.0
Small APRA-regulated	581	1.5	1.5	2.0
Balance of life offices*		60.7		
Total	**680,965**	**4,767.2**	**4,546.0**	**25,163.0**

Source: APRA, *Quarterly Superannuation Performance*, June 2026; APRA, *Quarterly Superannuation Industry Publication*, June 2026; APRA, *Quarterly Superannuation Fund-level Statistics*, June; and ASFA calculations.
*Relates solely to the life insurance business of an entity.

Technical note to Table 1

Table 1 distinguishes between total assets and members' benefits.

Total assets is the sum of all assets a fund controls and from which future economic benefits are expected to flow to the fund. This includes:

- investments
- securities purchased under agreements to resell and securities borrowed
- derivative assets
- receivables
- current and deferred tax assets.

Members' benefits are the total obligations (liabilities) to pay entitlements to member beneficiaries. They comprise:

- balances of accumulation accounts
- the present value of defined benefit entitlements, where this includes unfunded entitlements.

The gap between total assets and members' benefits broadly reflects:

- Operational Risk Financial Requirement (ORFR) reserve: APRA requires funds to hold a capital reserve to cover operational risks. This is a regulatory capital buffer and does not belong to members.
- Investment reserves: some funds hold reserves to smooth returns or manage investment risk over time.
- Insurance reserves: liabilities related to group insurance arrangements.
- Other liabilities: trade payables, accrued expenses, tax liabilities, and other amounts owed by the fund that sit between gross assets and net member entitlements.
- Trustee equity/net assets: after all liabilities (member and non-member) are deducted from total assets, the residual is the fund's net equity.

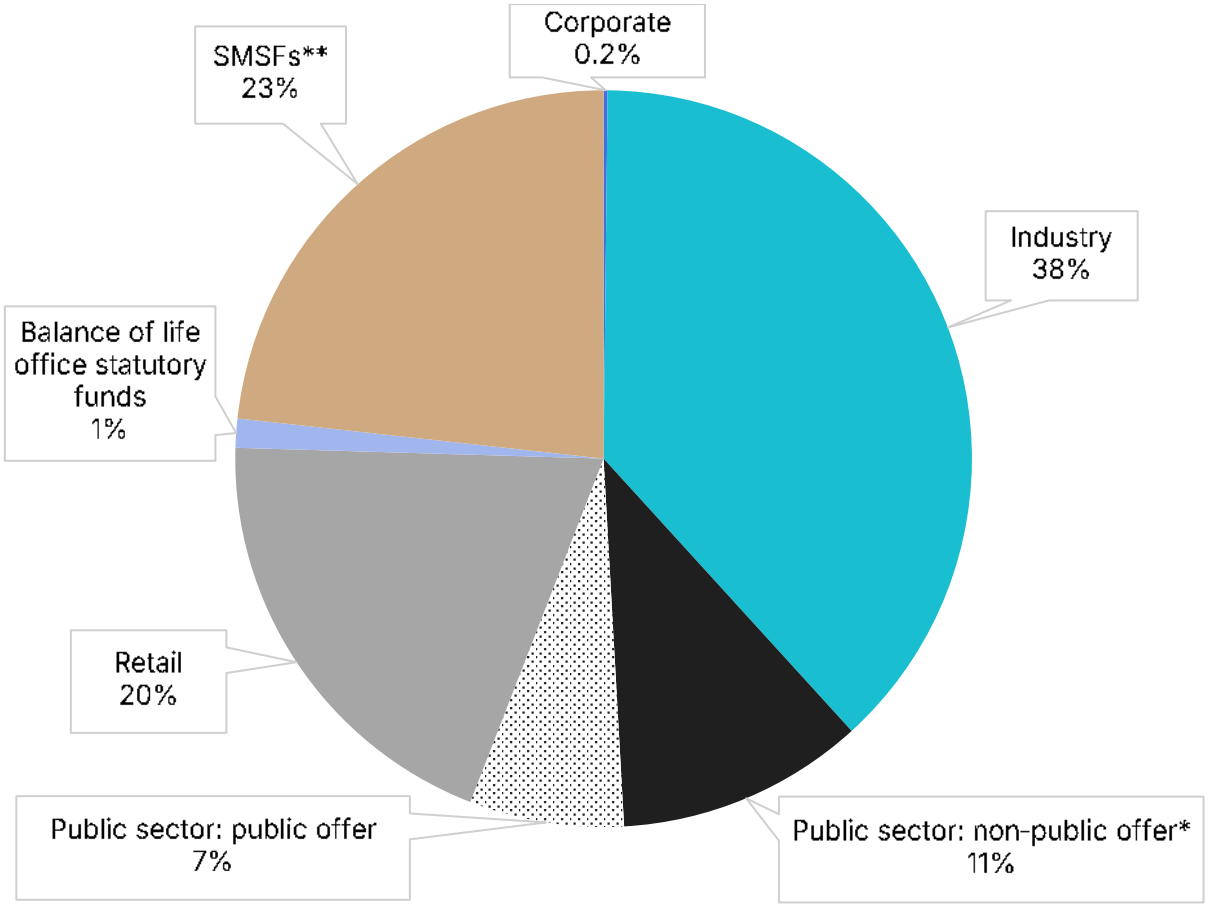
As noted above, approximately three-quarters of total superannuation assets are in institutional funds (corporate, industry, retail and public sector including EPSSSs). SMSFs account for almost one-quarter of total superannuation assets, though only 5 per cent of all member accounts.

There is a stark difference in the average account balances of institutional funds and SMSFs. As of June 2026, the average balance among all APRA-regulated institutional funds was around $150,000, whereas the average balance for an SMSF was around $890,000.

With respect to APRA-regulated institutional funds, almost 90 per cent of total assets are in funds that are open to the general public (Chart 5). APRA-regulated funds that are closed to the general public include:

- the single remaining corporate fund (ANZ Staff Superannuation Scheme)
- 7 of 10 public-sector funds
- one very small fund that serves the employees of a particular corporate entity (Rexel) but has a retail sector trustee.

Chart 5: Shares of total superannuation assets, by fund type* (June 2026)



Source: APRA, *Quarterly Superannuation Performance*, June 2026; APRA, *Quarterly Superannuation Fund-level Statistics*, June 2026; and ASFA calculations.
*Includes the assets of Exempt Public Sector Superannuation Schemes.
**This also includes the assets of small APRA-regulated funds, which are negligible compared with the assets of self-managed superannuation funds (SMSFs).
Note: Due to rounding, proportions for separate fund types add to more than 100 per cent.

4

Trends in industry structure

Australia's superannuation system is the fourth-largest pool of private pension savings in the world. Total assets have increased by around 430 per cent over the past two decades, while assets of institutional superannuation have risen by around 450 per cent. Over the same period, the number of institutional superannuation funds decreased from around 650 to 83.

Total superannuation assets

Over the past two decades, superannuation assets under management have grown markedly – driven by a combination of increases in the SG rate, and solid average growth rates for both employment and wages (notwithstanding periods of relatively low growth within that two-decade period).

Total superannuation assets have increased from around $900 billion at the end of June 2006 (or 90 per cent of annual nominal GDP), to $4.8 trillion at the end of June 2026 (or 163 per cent of GDP).

Australia's private retirement savings pool is one of the world's largest. As at the end of 2024 (the latest comparable data), Australia had the fourth-largest private retirement savings pool – behind the US, Canada and the UK (Table 2).

Table 2: Private retirement savings pools across the OECD (end 2024)

	USD trillion	% annual GDP		USD trillion	% annual GDP
US	44.8	153	France	0.4	13
Canada	3.4	158	Israel	0.4	69
UK	2.8	78	Mexico	0.4	22
Australia	2.4	135	Germany	0.3	6
Netherlands	1.8	151	Italy	0.3	12
Switzerland	1.5	167	Belgium	0.2	30
Japan	1.1	29	Finland	0.2	65
Denmark	0.8	206	Chile	0.2	59
Sweden	0.7	116	Spain	0.2	11
Korea	0.6	32	Ireland	0.2	26

Source: OECD, *Pensions at a Glance 2025* and ASFA.

Looking ahead, total superannuation assets are expected to keep growing for decades to come – though any projections are subject to significant uncertainty. The actual trajectory for total investments will depend on a number of factors, including: future investment returns, rates of employment and wages growth (which largely determine compulsory contributions), the quantum of voluntary contributions and the tax treatment of contributions and investment earnings. Table 3 provides a summary of various projections for super assets from Government and private sector sources.

The most recent projection (Deloitte) suggests that total superannuation assets will reach around $12 trillion by 2045, or around 180 per cent of annual GDP. Thereafter, total assets will continue to grow, and are not expected to decline in absolute terms – that is, when total outflows exceed total inflows – before 2060.

Table 3: Projected size of total superannuation assets

	Base year	Base value	End year	End value
		$ trillion		*$ trillion*
Deloitte	2025	$4.0	2045	$12.4
Treasury (IGR)	2022-23	$3.5	2062-63	$30*

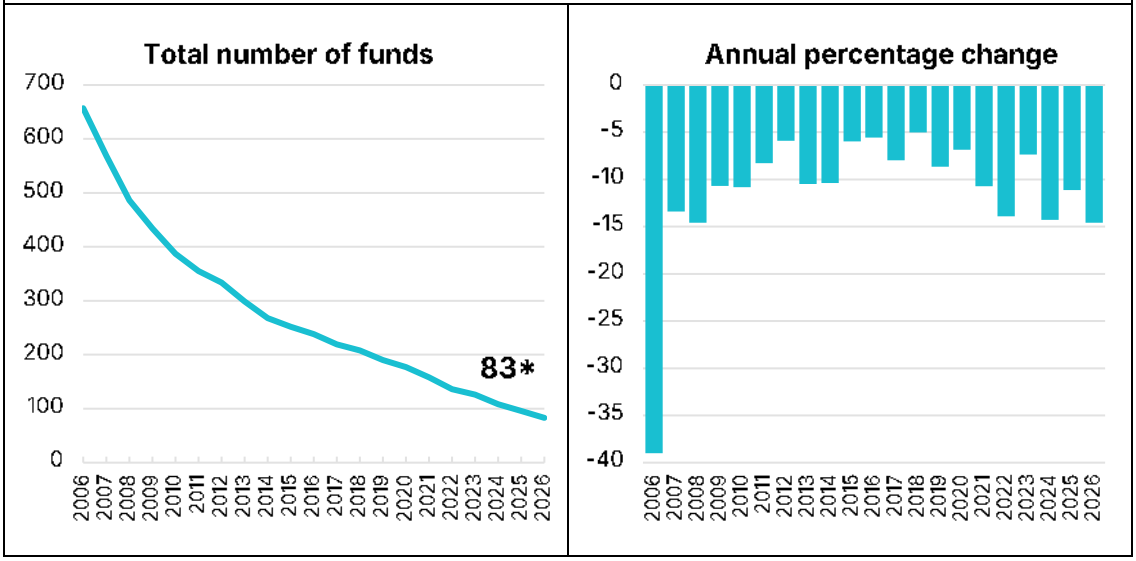
Source: Deloitte (2025) and Treasury (2023).
*ASFA derived from separate IGR projections for assets and GDP.

The number of institutional superannuation funds

The number of institutional superannuation funds has diminished markedly over the last two decades. While the pace of merger activity has picked-up over the recent years, consolidation has been a long-running feature of the industry (Chart 6).

Chart 6: Number of institutional superannuation funds (end June each year)

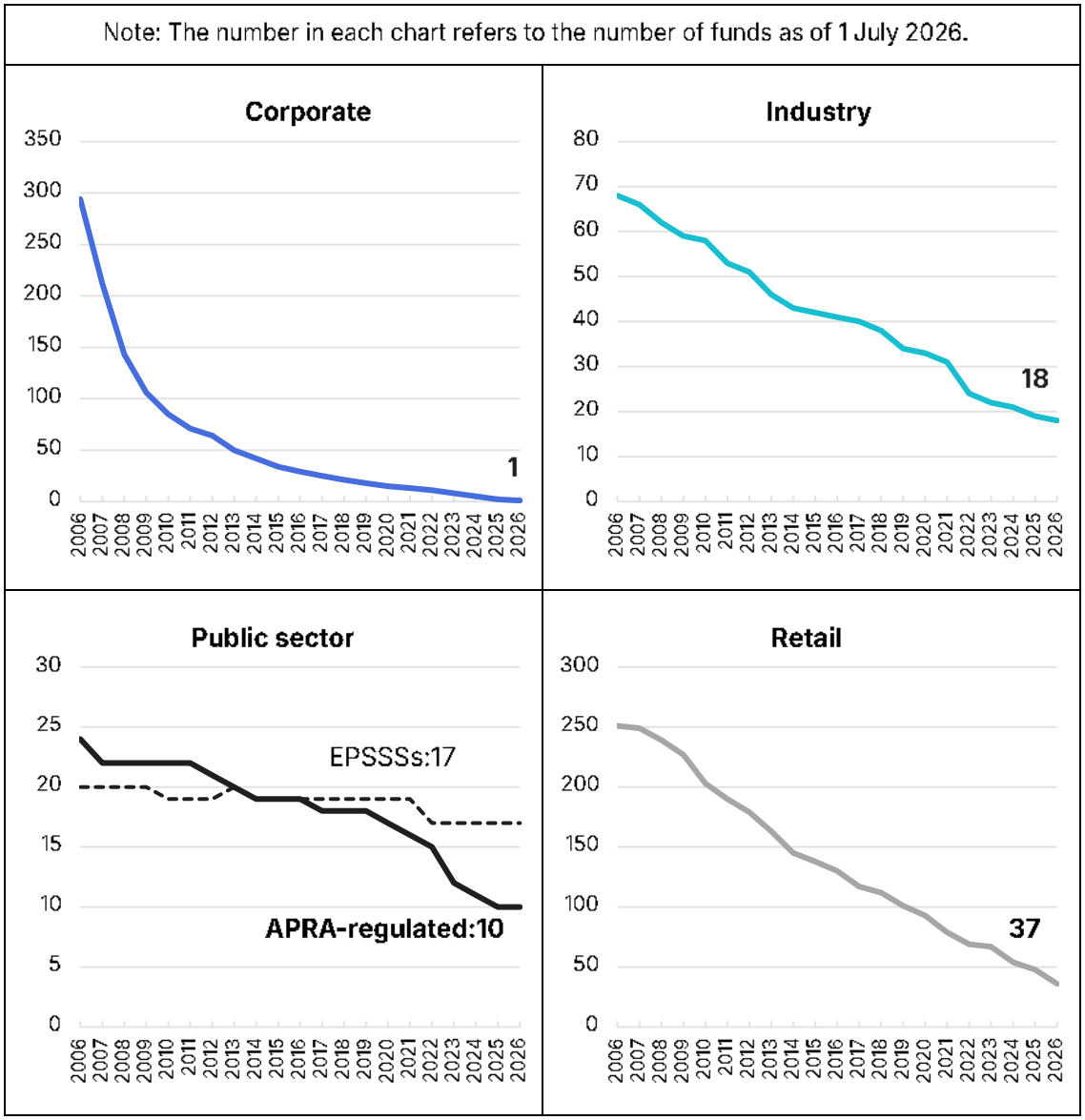
*Total number of institutional funds, including EPSSSs, as of 1 July 2026.



Two decades ago, the number of institutional funds stood at around 650. As of 1 July 2026, the total number of APRA-regulated institutional funds stood at 66, while the number of Exempt Public Sector Superannuation Schemes stood at 17 (for a total of 83 funds). Indeed, over the previous decade – and prior to the recent focus of regulators on mergers among APRA-regulated funds – the number of superannuation funds declined by an average of 8 per cent each year. Only a small number of new funds have entered the market during this period.

For the year to 30 June 2026, the number of superannuation funds fell by 14 per cent (or 13 funds). This was largely due to consolidation of separate superannuation funds *within* retail corporate groups (BT, Mercer, OneSuper and Resolution Life).

Chart 7: Number of institutional funds (end of June each year)



Sources for Charts 6 and 7: APRA, *Quarterly Superannuation Performance*, June 2026; APRA, *Annual Superannuation Bulletin*, June 2025; APRA, *Quarterly Superannuation Fund-level Statistics*, June 2026; and ASFA calculations.

Institutional superannuation funds: Corporate

The number of corporate funds has declined from around 300 as of 30 June 2006 to a single fund as of 1 July 2026 (Chart 7). The sole remaining corporate fund is the *ANZ Australian Staff Superannuation Scheme* (Table 4). The dramatic decrease in the number of corporate funds to around 2008, in large part, reflected the impact of reforms to the RSE licensing regime (see Section 1).

There is also a single, very small fund that serves the employees of a corporate entity (Rexel) but has a retail sector trustee. APRA classifies this as a retail fund. Prior to 1 July 2026, there were five other such funds – however, the members and assets of these funds have since been transferred to OneSuper (a retail fund).

Table 4: Corporate superannuation entities

	Members' benefits ($b)*
ANZ Australian Staff Superannuation Scheme	7.9

Source: APRA, *Quarterly Superannuation Fund-level Statistics*, June 2026; and ASFA.
*Members' benefits: a fund's total obligation to beneficiaries.
Note: Data are as at the end of June 2026.

Institutional superannuation funds: Industry

The number of industry funds has declined by around 75 per cent over the past two decades (Chart 7). As of 1 July 2026, the total number of industry funds stood at 18 (Table 5).

Consolidation over the last two decades has been largely the result of within-sector merger activity, as players have sought to increase scale.

- There are numerous examples of this, including the merger of Tasplan and MTAA Super (rebranded as Spirit Super).
- There are also instances of cross-sector consolidation, such as the merger of Sunsuper (industry) and QSuper (public sector), which was rebranded as Australian Retirement Trust (industry).

Table 5: Industry superannuation entities

	Members' benefits ($b)*
AustralianSuper	437.8
Australian Retirement Trust	366.4
UniSuper	161.2
Hostplus	156.9
HESTA Super Fund	112.1
CBUS Super	111.8
Rest Super	106.4
CareSuper	64.6
Equip Super	38.3
Team Super	24.1
NGS Super	18.1
Prime Super	8.8
BUSSQ	7.7
legalsuper	7.7
FIRST Super	5.8
Australian Food Super	3.7
REI Super	2.7
NESS Super	1.5

Source: APRA, *Quarterly Superannuation Fund-level Statistics*, June 2026; and ASFA.
*Members' benefits: a fund's total obligation to beneficiaries.
Note: Data are as at the end of June 2026, while industry structure is as at 1 July 2026.

Institutional superannuation funds: Public sector

The number of APRA-regulated public sector funds has declined by around 60 per cent over the past two decades (Chart 7). As of 1 July 2026, the total number of APRA-regulated public sector funds stood at 10 (Table 6). In addition, there are 17 public sector funds that are exempt from APRA regulation – that is, *Exempt Public Sector Superannuation Schemes* (Table 7).

Consolidation (in the APRA-regulated segment) over the last two decades reflects both mergers of public sector funds and privatisation of public sector entities – where, with respect to the latter, members have transferred from a closed public fund to a fund in another sector. For example, the privatisation of Telstra was accompanied by the creation of a discrete corporate fund – TelstraSuper (which has since merged with Aware Super).

The headline number of APRA-regulated public sector funds includes five separate funds of the Commonwealth Superannuation Corporation (CSC) – each for a particular cohort of members.

- This includes two closed defined benefit schemes for Commonwealth Government employees and a closed defined benefit scheme for military personnel. For these three funds combined, around 85 per cent of member benefits reflect unfunded superannuation liabilities, which in turn, are almost fully funded by the accumulated investments of the Government's Future Fund.
- CSC also has two (defined contribution) funds that are open to new members – one for government employees, and one for military personnel.

This group of funds also includes an 'insurance only' fund that provides death and total and permanent incapacity benefits for NSW Fire Brigades staff.

Table 6: Public sector superannuation entities
APRA-regulated

	Members' benefits ($b)*
Commonwealth Superannuation Corporation	319.6
PSS (closed to new members)	*120.0*
Military Super (closed to new members)	*99.8*
CSS (closed to new members)	*61.4*
PSS – Accumulation Plan	*34.8*
ADF Super	*3.6*
Aware Super	246.2
Brighter Super	37.8
Vision Super	29.8
Fire and Emergency Services Super Fund (WA)	1.0
NSW Fire Brigades Staff (insurance only)	NA

Source: APRA, *Quarterly Superannuation Fund-level Statistics*, June 2026; and ASFA.
*Members' benefits: a fund's total obligation to beneficiaries.
Note: Data are as at the end of June 2026, while industry structure is as at 1 July 2026.

Exempt public sector superannuation schemes

Public sector funds that are exempt from APRA regulation – that is, *Exempt Public Sector Superannuation Schemes* – largely service former employees of Commonwealth, state and territory governments. Most are closed to new members.

APRA publishes data on only a portion of EPSSSs – that is, those EPSSSs that are required to report to APRA under an agreement between the Commonwealth Government and the relevant state/territory Government. Currently, there are 17 such superannuation schemes (see Table 1 on Page 18).

On a consolidated basis – where separate EPSSSs are combined within larger superannuation entities – Table 7 presents the members' benefits of those superannuation entities.

- CSC, which has five separate funds that do report to APRA (see Table 6), also has six separate superannuation schemes that are exempt from APRA regulation. These comprise closed schemes for public sector employees and closed schemes for defence force personnel.

Table 7: Public sector superannuation entities
Exempt from APRA regulation

	Members' benefits ($b)*
SAS Trustee Corporation (NSW)	58.4
ESSSuper (Victoria)	47.6
GESB (WA)	44.2
Super SA	44.0
Commonwealth Superannuation Corporation	40.0
Retirement Benefits Fund (Tasmania)	8.0
SA Police Super	2.6
ElectricSuper (SA)	1.6
NT Superannuation Office	1.1
SA Metropolitan Fire Service Super Scheme	0.5

Source: Various fund publications and ASFA (for the year ending June 2025).
*Members' benefits: a fund's total obligation to beneficiaries.

EPSSSs that do not report to APRA – and so are not included in the headline figures in Table 1 – largely comprise superannuation schemes that service current and past members of the judiciary, and current and past members of parliaments (state, territory and the Commonwealth). In the case of parliamentary schemes, there is a mix of defined benefit and defined contribution schemes, with the bulk of the former closed to new members.

Institutional superannuation funds: Retail

The number of retail funds has declined by around 85 per cent over the past two decades. As of 1 July 2026, the total number of retail funds stood at 37 (Chart 7).

The structure of the retail sector is more complex than the other sectors. In many cases, a group of discrete APRA-regulated retail funds are part of a single entity – that is, there is a registered licensee for a group of discrete superannuation funds (or registrable superannuation entities). Further, a number of discrete licensees may be part of the same corporate group. This complexity reflects, in part, the outcome of merger activity, where the corporate parent has retained the separation of entities within the larger group.

Table 8: Retail sector superannuation entities, consolidated

Retail group	Number of separate APRA-regulated funds	Members' benefits ($b)*
Insignia Financial	5	221.7
Colonial First State	3	141.3
AMP	2	137.1
Mercer		85.4
BT Panorama Super		85.4
HUB24		61.9
Macquarie		52.0
Netwealth		45.1
Future Super Group	2	14.1
Russell Investments		12.9
Australian Ethical		10.4
Resolution Life Australasia		8.1
OneSuper		8.1
Vanguard		6.2
Praemium SMA		5.6
Perpetual	3	5.5
Centric		4.3
Fiducian		3.2
Acclaim Wealth		2.9
Super Simplifier		1.7
Bendigo		1.6
Mason Stevens		1.4
Wrap Super		0.9
Tidswell		0.8
Challenger		0.4
Rexel (corporate fund with a retail trustee)		*0.01*

Source: APRA, *Quarterly Superannuation Fund-level Statistics*, June 2026; and ASFA.
*Members' benefits: a fund's total obligation to beneficiaries.
Note: Data are as at the end of June 2026, while industry structure is as at 1 July 2026.

Merger and acquisition activity over recent years has altered the ownership structure of the retail sector. Five years ago, each of the major four banks had a fully owned superannuation business. Since then, Insignia (previously IOOF) acquired the superannuation businesses of the National Australia Bank (MLC Wealth) and ANZ (OnePath), while the Commonwealth Bank sold a 55 per cent stake of its superannuation business (CFS) to global investment firm KKR, and Mercer acquired part of Westpac's superannuation business (BT Super).

Table 8 shows retail sector superannuation entities – on a consolidated basis. In terms of large retail corporate groups, the three largest have a total of 10 separate APRA-regulated superannuation funds. Ultimately, the appropriate corporate structure is a matter for a responsible corporate entity (acting in the best financial interests of its members), given the prevailing policy and regulatory settings for the industry.

- Note: data on retail funds in this paper excludes *CCIST Insurance* – an 'insurance only' fund established to provide insurance benefits to employees of participating employers.

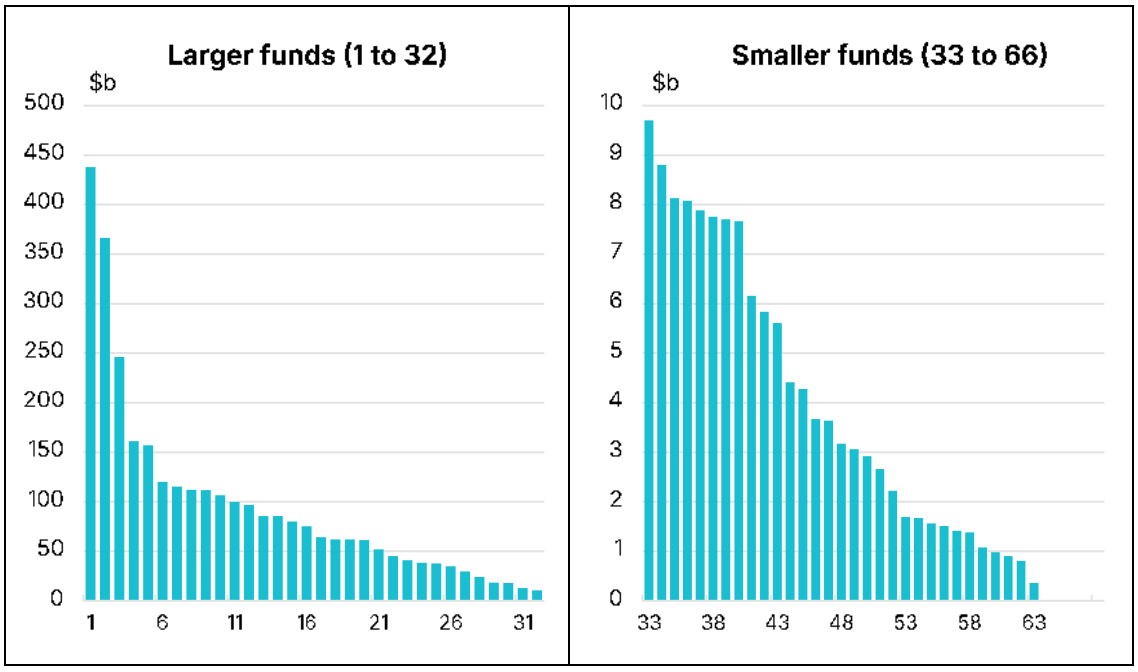
The institutional, APRA-regulated sector

In the institutional, APRA-regulated sector – that is, excluding EPSSSs – there are 66 funds, as of 1 July 2026. Of these, there are a small number of very large funds and a larger number of relatively small funds – evident in the tail in Chart 8. In terms of members' benefits, currently there are:

- three funds with more than $200 billion
- seven funds with between $100 and $200 billion.
- 32 funds with less than $10 billion – of those, 5 with less than $1 billion.

In addition, there are two 'insurance only' funds that have zero member benefits (that is, liabilities to pay entitlements to member beneficiaries).

Chart 8: Institutional APRA-regulated funds, by members' benefits ($billion)*

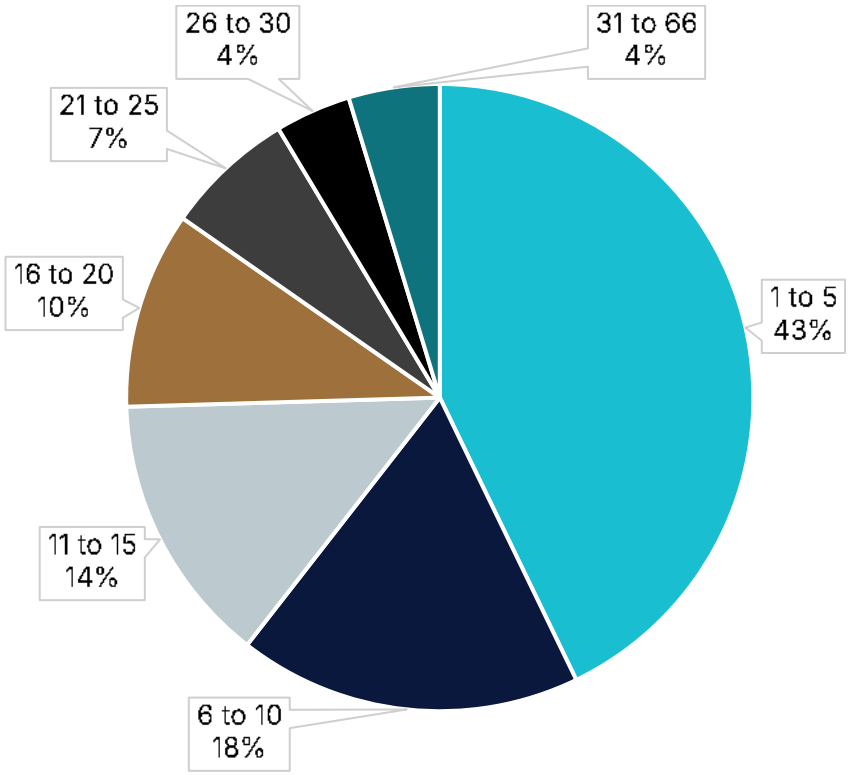


Source: APRA, *Quarterly Superannuation Fund-level Statistics*, June 2026; and ASFA.
*Members' benefits: a fund's total obligation to beneficiaries.

Chart 9 shows the share of members' benefits, by size of fund.

- The 5 largest funds – that is, funds 1 to 5 in Chart 9 – account for 43 per cent of total members' benefits.
- The next largest 5 funds – funds 6 to 10 in Chart 9 – account for 18 per cent of total members' benefits.

Chart 9: Share of members' benefits of institutional APRA-regulated funds* (June 2026)



Source: APRA, *Quarterly Superannuation Fund-level Statistics*, June 2026; and ASFA.
*Members' benefits: a fund's total obligation to beneficiaries.

With respect to *consolidated* entities (where a consolidated entity can comprise multiple superannuation funds – as discussed in the previous section), there are currently 52. In terms of members' benefits, the largest 10 consolidated entities account for 72 per cent of total (institutional APRA-regulated) members' benefits, while the largest 20 consolidated entities account for 94 per cent. Chart 10 shows that this group comprises a mix of entities from key sectors.

- Industry (blue)
- Public sector (black)
- Retail (grey)

Similarly, with respect to member accounts, Chart 11 shows the largest 20 consolidated entities. The largest 10 consolidated entities account for 73 per cent of total (institutional APRA-regulated) member accounts, while the largest 20 consolidated entities account for 93 per cent.

Chart 10: Largest 20 consolidated entities, by members' benefits ($billion)*

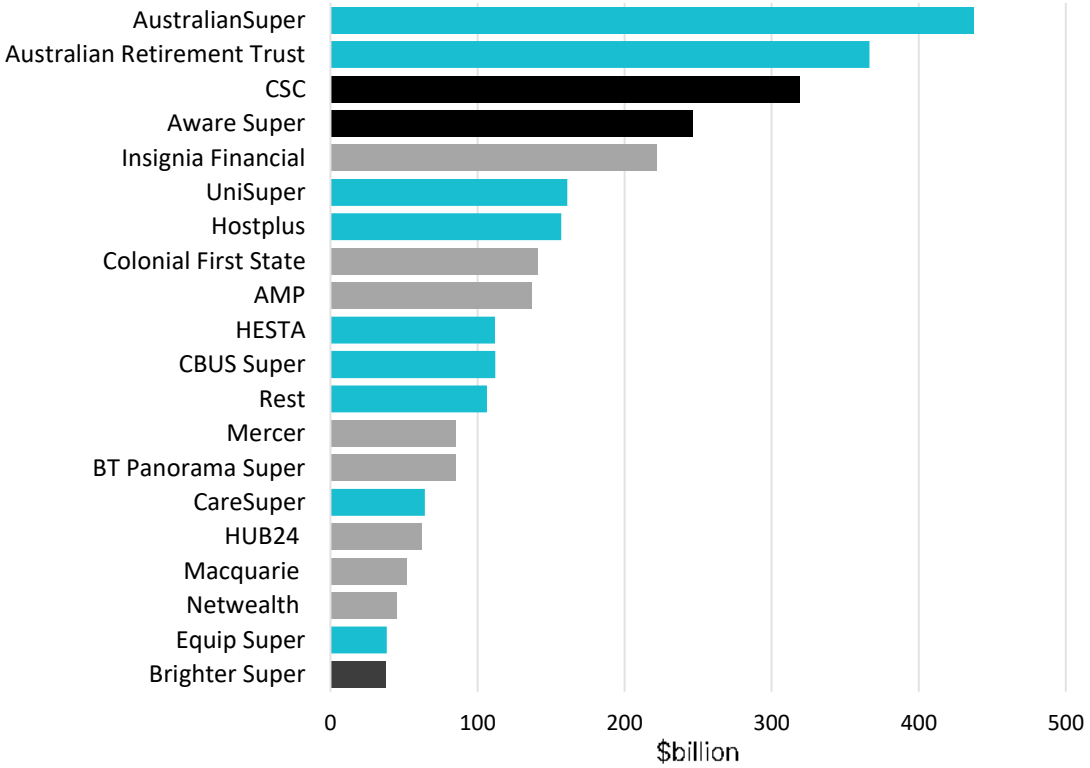
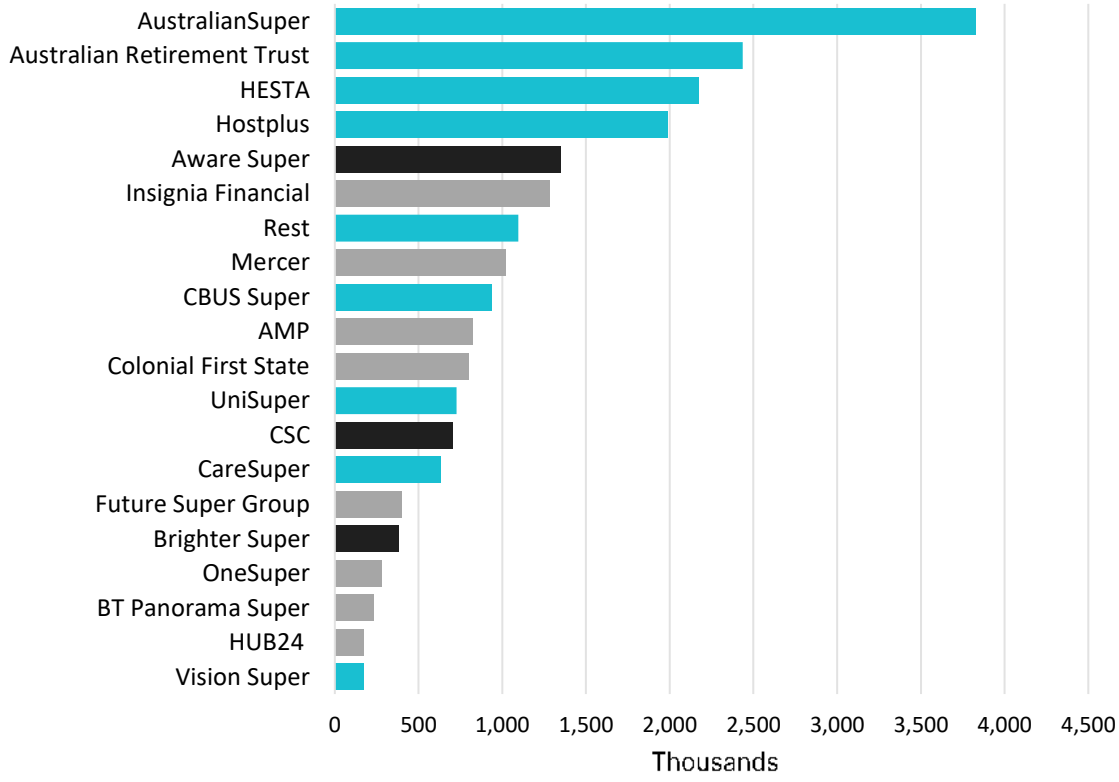


Chart 11: Largest 20 consolidated entities, by member accounts (thousands)



Source for Charts 10 and 11: APRA, *Quarterly Superannuation Fund-level Statistics*, June 2026; and ASFA. *Members' benefits: a fund's total obligation to beneficiaries.

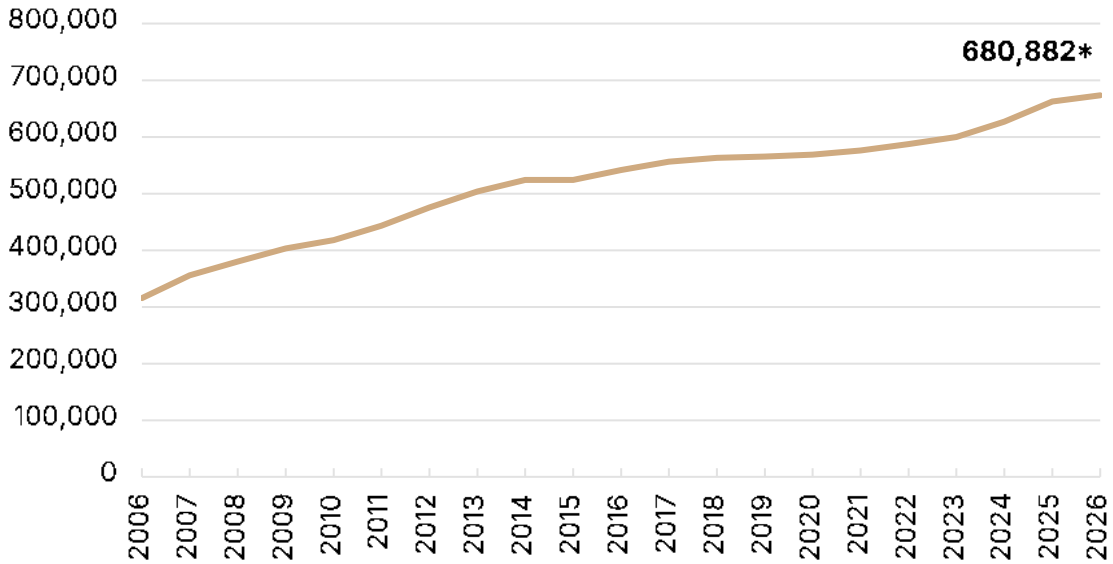
Small funds

The vast majority of small funds (greater than 99 per cent) are SMSFs. The number of SMSFs has more than doubled since 2006 – from around 320,000 to around 680,000 (Chart 12).

There are a number of reasons why some people may prefer an SMSF relative to an institutional fund.

- SMSFs provide members with greater control than is possible, or is perceived to be possible, compared with an institutional fund framework.
- SMSFs are perceived to have lower management fees than institutional funds – in reality, fees on a per asset basis are generally only lower for SMSFs with relatively large balances.
- SMSFs can provide more effective tax management of investment income, including being able to take greater advantage of capital gains tax concessions when a member moves from the accumulation to pension phase.

Chart 12: Number of small funds (end of June each year)



Source: APRA, *Quarterly Superannuation Performance*, June 2026; APRA, *Annual Superannuation Bulletin*, June 2025; APRA; and ASFA calculations.

Total superannuation assets: shares by fund type

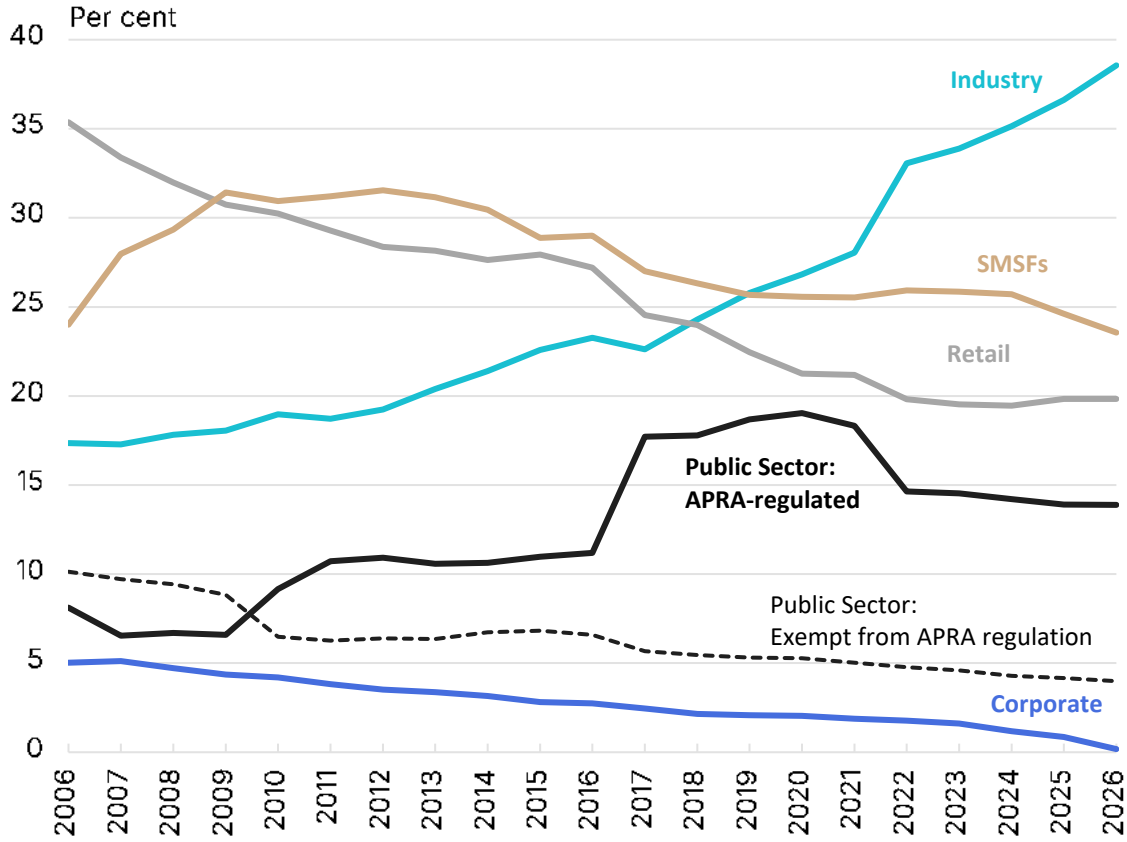
Developments within the different sub-sectors of the superannuation system over the past two decades – as outlined above – are reflected in the shares of total superannuation assets (Chart 13).

Note that for APRA-regulated public sector funds, the sharp rise in the share in 2017 was due to a technical change in the accounting treatment of unfunded superannuation liabilities, while the sharp drop in 2022 reflects the merger of Sunsuper and QSuper, with the new entity – Australian Retirement Trust – classified as an industry fund.

For SMSFs, periods where SMSF assets have risen most strongly correspond to changes to tax settings that made SMSFs relatively attractive compared with institutional funds.

- The most significant rate of growth (13 per cent) in the number of SMSFs occurred in 2007. This coincided with the introduction of Superannuation Simplification measures, which in effect encouraged the making of large contributions of up to $1 million during a limited transitional period.

Chart 13: Share of assets, by fund type (end of June each year)



Source: APRA, *Quarterly Superannuation Performance*, June 2026; APRA, *Annual Superannuation Bulletin*, June 2025; APRA; and ASFA calculations.

Looking ahead

Merger activity will continue in the institutional part of the industry, although the pace will slow from the recent high rates. Particularly given the current number of remaining funds, it is likely that there is a 'speed limit' on orderly and prudent merger activity within a particular period. As noted above, the headline figure for the number of funds understates the degree of effective consolidation in the superannuation industry. While the latest headline figure for the number of institutional APRA-regulated super funds is 66, the effective number of funds lower – on a consolidated basis there are 52 entities.

For SMSFs, future growth in the number of funds will depend in large part on government policy, and how this alters the relative attractiveness of SMSFs compared with institutional funds.

Superannuation products

Around three-quarters of superannuation is held in accumulation-stage, defined contribution accounts – a proportion that will decline over coming decades as Australia's population ages.

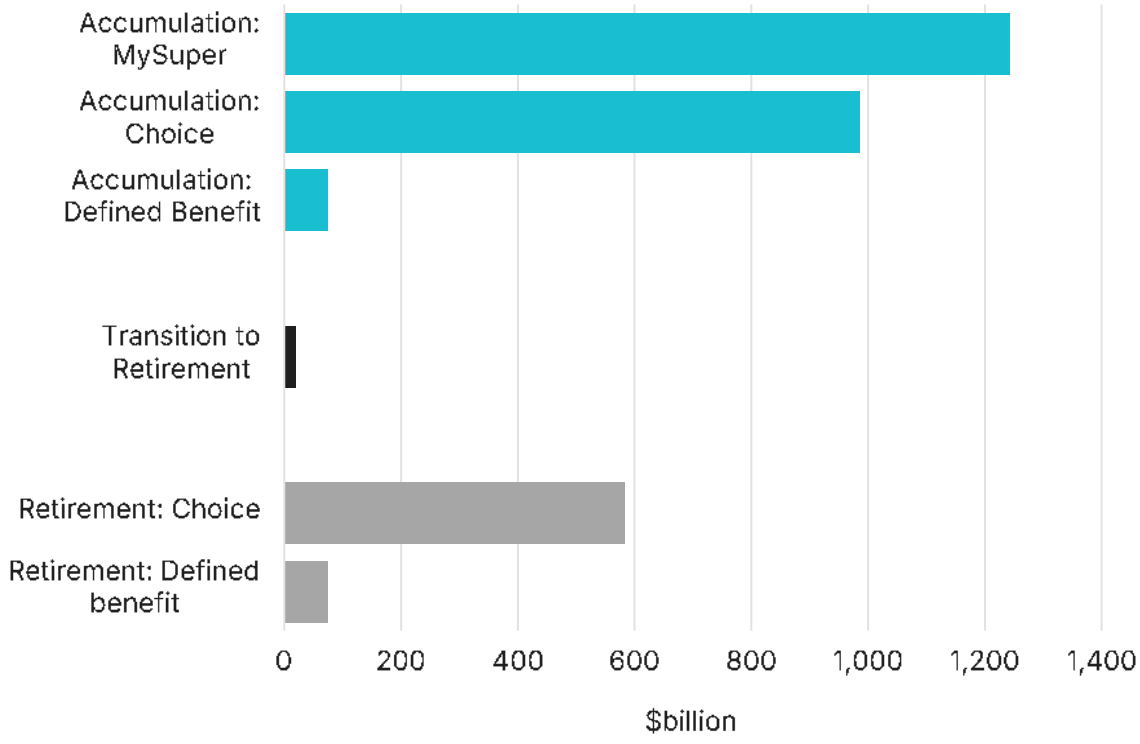
Superannuation products

For institutional APRA-regulated superannuation, Chart 14 disaggregates total member assets by product stage – that is, either accumulation or retirement – and by the type of product.

With respect to product stage, 77 per cent of assets are in accumulation-stage products – the sum of the blue bars in Chart 14 – while retirement-stage products account for 22 per cent (the sum of the grey bars).

- Transition-to-retirement products, which account for just under 1 per cent of total superannuation assets, allow individuals aged 60 to 64 who are still working to access a portion of their superannuation – as an income stream – while reducing their work hours.

Chart 14: Assets of institutional APRA-regulated superannuation, by product (June 2026)



Source: APRA, *Quarterly Superannuation Industry Publication*, June 2026 and ASFA calculations.

The relatively high share of total assets in accumulation-stage products reflects the age profile of superannuation members (Chart 15), where around three-quarters of members are younger than 60.

APRA only publishes the number of member accounts (blue bars in Chart 15). Around 20 per cent of superannuation members have more than one account, where the incidence of multiple accounts varies by age (Chart 16). The black bars in Chart 15 are estimates for the number of members – derived from the multiple accounts data.

Chart 15: Age profile of institutional superannuation, by number of accounts and members (June 2026)

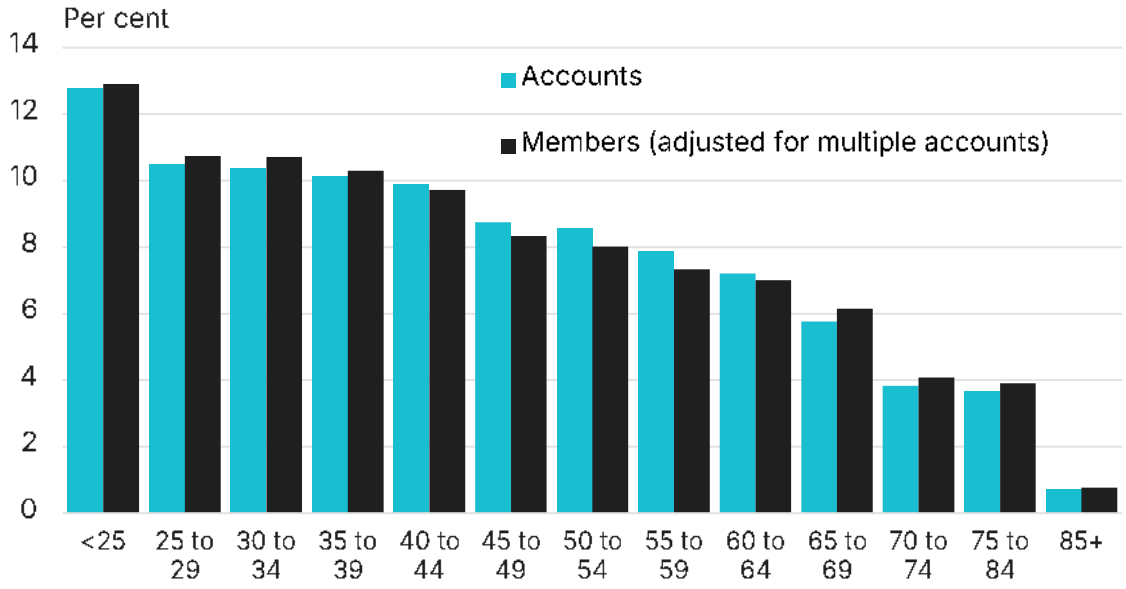
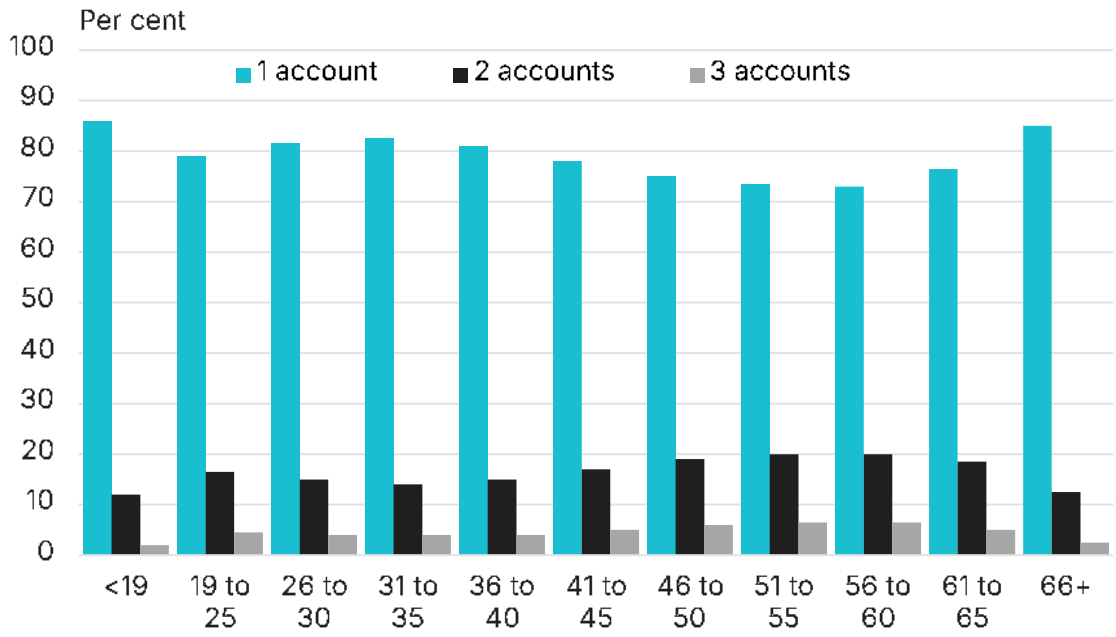


Chart 16: Incidence of multiple superannuation accounts (June 2026)



Source for Charts 15 and 16: APRA, *Quarterly Superannuation Industry Publication*, June 2026; ATO, *Trend towards single accounts*; and ASFA calculations.

The age profile of superannuation members will shift over coming decades – largely driven by the anticipated ageing of Australia's population. As a result, the proportion of assets in the retirement phase will rise.

Looking at accumulation-phase assets in isolation (blue bars in Chart 14), 97 per cent of assets are in defined contribution accounts: 54 per cent in default (MySuper) products, and 43 per cent in choice products. The remainder of accumulation-phase assets, 3 per cent, is in defined benefit products – which are largely closed products of the Commonwealth Superannuation Corporation (CSC – see Page 26 in Section 4).

- Note: these figures relate to the assets of institutional APRA-regulated funds, and so exclude the assets of EPSSSs.

Overall, defined benefit products account for 5 per cent of total assets of institutional APRA-regulated superannuation: 3 per cent of accumulation-phase assets (as noted above), and 11 per cent of retirement-phase assets.

6

Superannuation investments

For the institutional segment of the superannuation system, total investments stand at $3.2 trillion. Over the past decade, the overall allocation to international investments has risen sharply: from around 35 per cent to just over 50 per cent of total investments.

Superannuation investments

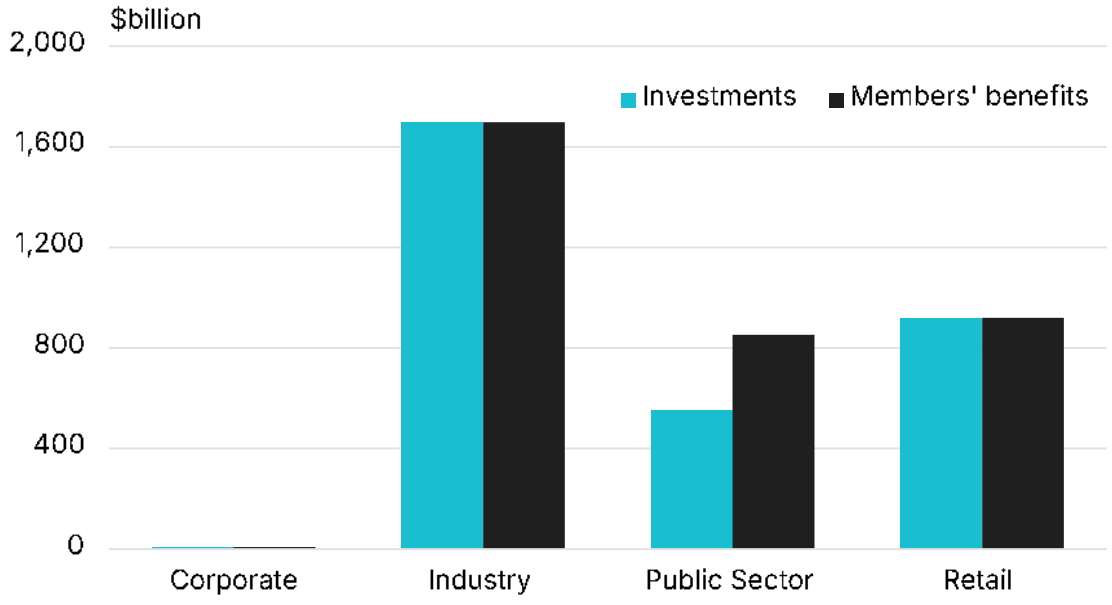
For the institutional segment of the superannuation system (including EPSSSs), total members' benefits currently stand at $3.5 trillion (June 2026), while total investments stand at $3.2 trillion.

The difference ($300 billion) largely reflects unfunded liabilities – that is, that portion of total members' benefits that have accrued to member accounts, but are not backed by investments. The bulk of unfunded liabilities sit in public sector funds.

- In the case of public sector superannuation funds that service employees of the Commonwealth Government and Australian military personnel, combined unfunded liabilities ($250 billion) are almost fully offset by the accumulated investments of the Australian Government's Future Fund – which was established in 2006 to fund such liabilities.

For each of the four main fund types – corporate, industry, public sector and retail – Chart 17 shows the corresponding quantum of total investments and total members' benefits.

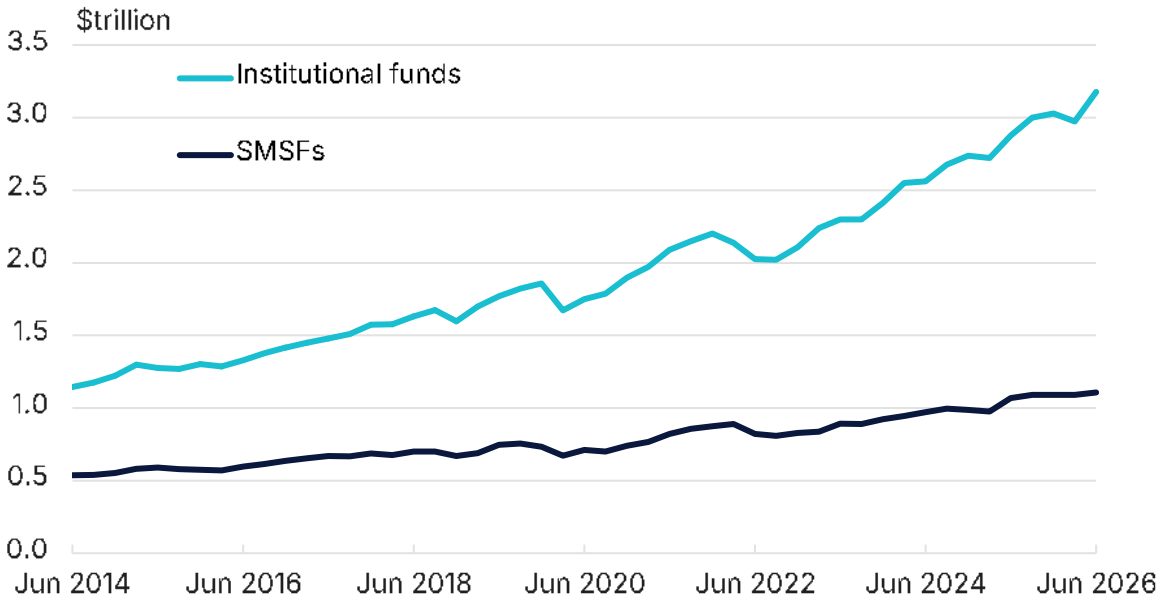
Chart 17: Total investments and members' benefits of institutional superannuation (June 2026)



Source: APRA, *Quarterly Superannuation Industry Publication*, June 2026 and ASFA.

In aggregate, investments of institutional superannuation funds have more than doubled over the past decade – from $1.4 trillion at the end of June 2016 to $3.2 trillion at the end of June 2026 – with an average annual growth rate over that time period of 9 per cent (Chart 18).

Chart 18: Total superannuation investments (June 2026)



Source: APRA, *Quarterly Superannuation Industry Publication*, June 2026; ATO, *Self-managed super fund statistical report*, June 2026; and ASFA calculations.

System-level asset allocation

In terms of fund investments, the overarching legal requirement on the trustee of an institutional superannuation fund is to make investments that are in the best financial interests of the beneficiaries (members) of the fund.

For each investment option, trustees are required – by regulation – to set investment objectives and to formulate a corresponding investment strategy to achieve those objectives. There are numerous, sometimes competing factors that determine ultimate asset allocation at the strategic level, and within asset classes. A non-exhaustive list of factors is below.

- **Diversification**: superannuation funds diversify their investments across and within asset classes to reduce exposure to risks associated with countries, industries, technologies, individual entities (and more).
- **Illiquidity premia**: the illiquidity premium is the additional return that compensates investors for holding assets not readily convertible to cash (or equivalent). Superannuation funds, as investors with long time horizons, are well-suited to hold illiquid assets.
- **Liquidity management**: asset allocation needs to accommodate liquidity/cashflow requirements, and ensure that the fund's liquidity needs can be met at all times. This includes the impact of market downturns on member requests for switching between investment options and for redemptions.
- **Membership profile**: investment preferences can differ across age cohorts. For example, compared with fund members in the accumulation phase, retired

members can have a greater preference for 'defensive' assets such as government debt securities compared with 'growth' assets such as equities.

- **Capital deployment at scale**: Funds have limited resources for assessing and undertaking new investments (whether such functions are internal or external to the fund). While relatively small-scale investment opportunities might stack up on a risk-return basis, they may not be cost-effective.
- **ESG considerations**: A fund's investment objectives can incorporate ESG considerations, where these are consistent with the outcomes the fund seeks to provide members. Related asset allocation strategies – including ESG exclusions, filters and tilts – are guided by these considerations.

To the extent that these factors tend to favour certain assets or asset classes, this will be reflected in funds' investment portfolios. Ultimately, asset-allocation decisions that take account of these factors are reflected at the fund level, and at the system-wide level.

Table 9 shows the high-level asset allocation for the institutional segment of the superannuation system, as at the end of June 2026. Within asset classes, investments are defined as either listed (that is, readily tradable on established markets) or unlisted.

Table 9: Institutional superannuation asset allocation (June 2026)

	$billion	% of total
Cash	137.9	4.3
Listed debt	583.1	18.4
Private debt	46.2	1.5
Listed equity	1,769.9	55.7
Unlisted equity	136.3	4.3
Listed property	77.9	2.5
Unlisted property	123.1	3.9
Listed infrastructure	42.4	1.3
Unlisted infrastructure	214.2	6.7
Alternatives	36.7	1.2
Commodities	3.4	0.1
Total	**3,177.1**	**100.0**

Source: APRA, *Quarterly Superannuation Industry Publication*, June 2026; and ASFA.

System-level asset allocation: international assets

For individual institutional superannuation funds, investment decisions – including the jurisdiction of investments – are made to optimise expected long-run (risk-adjusted) returns for members.

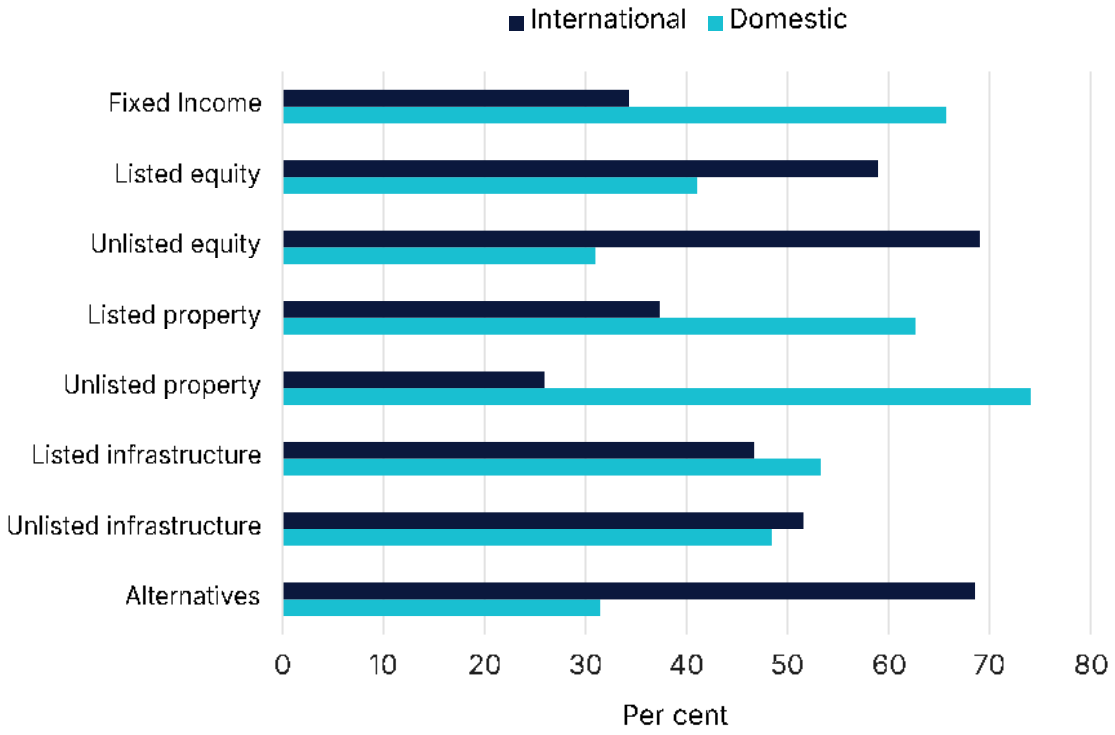
By investing offshore, funds are able to invest in a broader range of assets than is available in Australia. Offshore investments provide members with exposure to other economies, to specific companies and assets, and to industries that are relatively less prevalent in Australia. Broad exposure to offshore investments also provides diversification benefits for portfolios.

For the institutional segment of the superannuation system, the overall allocation to international assets has risen sharply over the last decade: from around 35 per cent in 2016 to just over 50 per cent as of June 2026.

Within each asset class, Chart 19 shows the current percentage allocation between Australian and international assets (for the institutional segment of the superannuation system). The significant variation across asset classes reflects the interaction of:

- the set of investible assets
- varying degrees of knowledge/expertise across the range of asset classes
- the impact of the aforementioned factors that are relevant to asset allocation decisions.

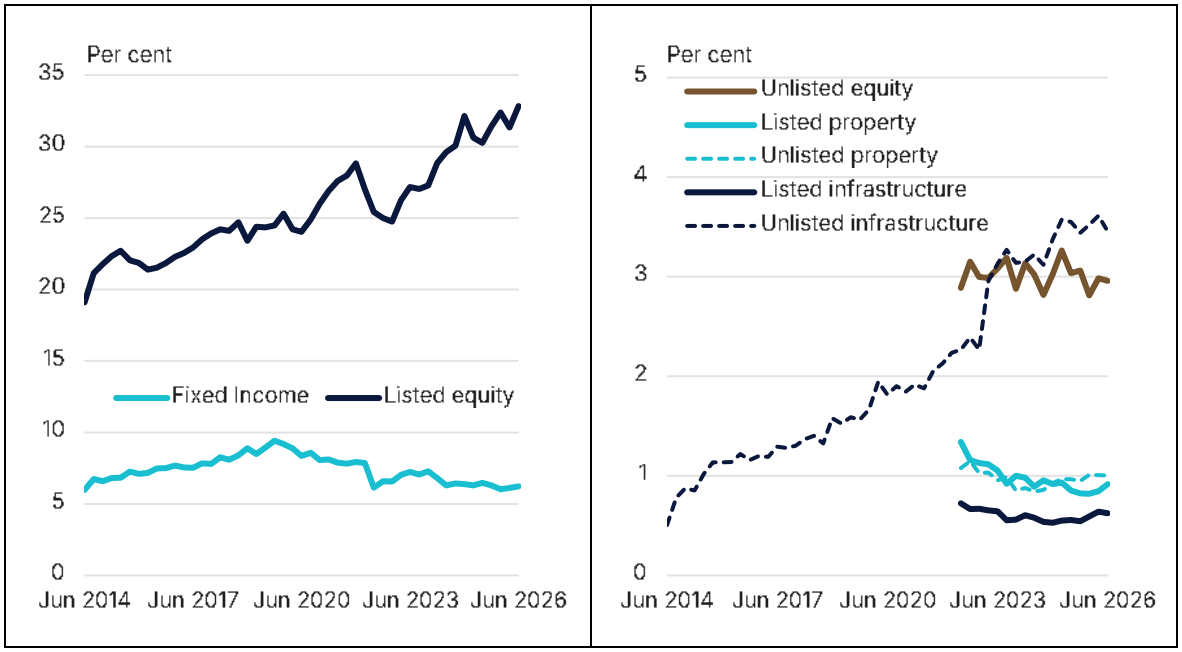
Chart 19: For each asset class, percentage allocation between international and Australian investments, institutional superannuation (June 2026)



Source: APRA, *Quarterly Superannuation Industry Publication*, June 2026; and ASFA.

With respect to the aggregate allocations to international assets, Chart 20 shows trajectories for selected asset classes (where data is available). In percentage terms, allocations have increased substantially for listed equities and for unlisted infrastructure. Note, there is limited data on allocations to most asset classes.

Chart 20: Allocation to international investments, institutional superannuation



Source: APRA, *Quarterly Superannuation Industry Publication*, June 2026; and ASFA calculations.

7

The market for funds' functions

Broadly speaking, the services and products that fund trustees source – whether in-house or outsourced – comprise the wholesale-level supply chain.

These services and products include those that funds require in order to operate (such as administration functions), and those that funds ultimately provide to members (such as insurance and advice). With respect to the latter, service providers – in particular, advice providers – can also interact directly with fund members.

In determining the source of particular functions, fund trustees have a statutory obligation to act in members' best financial interests. As noted earlier, though funds outsource many of their functions, they cannot outsource their responsibility for the performance of these functions.

The major services and products in the supply chain include the following:

- Trustee and legal services
- Fund administration
- Investment management/asset consulting
- Custodial services
- Insurance
- Advice

At each stage of the supply chain, there are numerous providers – which include funds' in-house provision and third-party providers (either from related or unrelated entities). Some entities span different stages of the supply chain. Again, these entities include funds that have in-house functions, and entities that offer a range of services and products to funds.

For some stages of the supply chain, third-party provision can include entities that specialise in providing particular services/products to superannuation funds. This includes administration services, where the market comprises a small number of large entities – that benefit from economies of scale – following a period of consolidation (horizontal integration) between providers.

For other stages of the supply chain, third-party provision is dominated by providers that specialise in particular services/products, but where superannuation funds are just one group of clients. This includes life insurance, where specialist providers offer life insurance (ultimately to retail customers) through a range of channels – including through superannuation funds.

Vertically integrated financial services institutions may have some, or all, of the required functions within the corporate group structure. Funds within a particular group may outsource to another area of the organisation, or to an unrelated entity. By the same token, the group may offer services/products to funds outside of the group. The prime example is investment management services. Funds within

vertically integrated financial services institutions typically outsource investment management to specialist providers both inside and outside of the corporate group.

All this underscores the competitive and dynamic nature of the broader market for superannuation functions. Providers look to gain a presence in, or expand their existing share of, particular stages of the supply chain. Fund trustees are under a statutory obligation to source functions in the best financial interests of members – which guides decisions about insourcing and outsourcing particular functions. This is a key source of competition in provider markets.

The market structure for each stage of the supply chain differs with respect to the degree of in-house/third-party provision.

For each key function, Table 10 provides the system-level disaggregation for expenses related to both in-house and third-party provision – for institutional APRA-regulated superannuation funds.

- Note, for each key function, the figures relate to expenses incurred by superannuation funds, with the exception of insurance policy revenue. Insurance policy revenue is not a fund expense, but rather an amount deducted from member accounts and paid to insurance providers. It is included in Table 10 for completeness.

Table 10: Expenses for APRA-regulated superannuation funds (2024-25)

Percentage disaggregation between in-house and external provision

	In-house	Outsourced		
		Total	*Related party*	*Unrelated party*
Administration				
Administration services (ex. Insurance)	30	70	*15*	*54*
Member services	48	52	*16*	*36*
Asset/investment consultancy	7	93	*42*	*51*
Investment management	31	69	*5*	*64*
Custody	4	96	*1*	*96*
Insurance				
Administration services	49	51	*17*	*34*
Policy revenue*	-	100	*10*	*90*
Advice	9	91	*1*	*90*

Source: APRA, *Annual superannuation Bulletin*, June 2025; and ASFA calculations.
*Not a fund expense, but rather a deduction from member accounts. Included for completeness.

Discussion of the particulars of each function – including the disaggregation between in-house and third-party provision – follows in Sections 8 to 13.

The evolution of each market structure reflects factors such as the presence of economies of scale for services/products, constraints on market entry and exit, particular regulatory requirements and demand from funds for outsourcing particular functions.

Funds' decisions on insourcing and outsourcing also reflect risk mitigation strategies. The increasingly complex regulatory environment for superannuation funds has substantially increased the administrative/compliance burden on superannuation funds, which favours outsourcing. On the other hand, insourcing gives funds greater control.

The fees levied on members cover the cost of fund functions, and find their way to the ultimate providers of those functions. As noted above, large commercial financial services institutions provide a range of services and goods to funds (both related and unrelated), including investment management, custodial, insurance and advice.

Funds' decisions on insourcing and outsourcing are, in part, the result of competitive pressures. In particular, third-party providers are a source of economies of scale for smaller funds, where the scale of operations of third-party providers is far greater than funds can achieve themselves.

The prime example is the use of third-party administrators where considerable economies are achievable through, for instance, the utilisation of a single information technology system. Third-party providers also may allow funds to provide a higher quality of products and services, and a greater range of products and services, to members than otherwise would be the case.

8

Administration services

The market for outsourced administration services is characterised by a small number of large players – reflecting the benefits of scale in the provision of administration services.

The administration functions of superannuation funds are those functions required for the day-to-day running of the fund. Core administrative functions include the following:

- Data management
- Member communications
- Contribution processing and benefit payments
- Call centre operation
- Client accounting
- Insurance premium collection and claim administration
- Statement processing

Superannuation funds can choose to administer some or all of such functions in-house, outsource all administration services to a third-party provider (the full outsourced model), or administer in-house using third-party fund administration software and platforms (the quasi-outsourced model).

With respect to outsourcing, small to medium-sized superannuation funds are more likely to have bundled administration arrangements, while larger funds are more likely to have (or be contemplating) unbundled services. For funds that are part of larger corporate groups, such as retail funds, administrative functions are typically integrated into the operations of the particular corporate group.

With respect to third-party full-service providers, there are significant scale advantages in provision of administration functions. Not surprisingly, the market is characterised by a small number of large players.

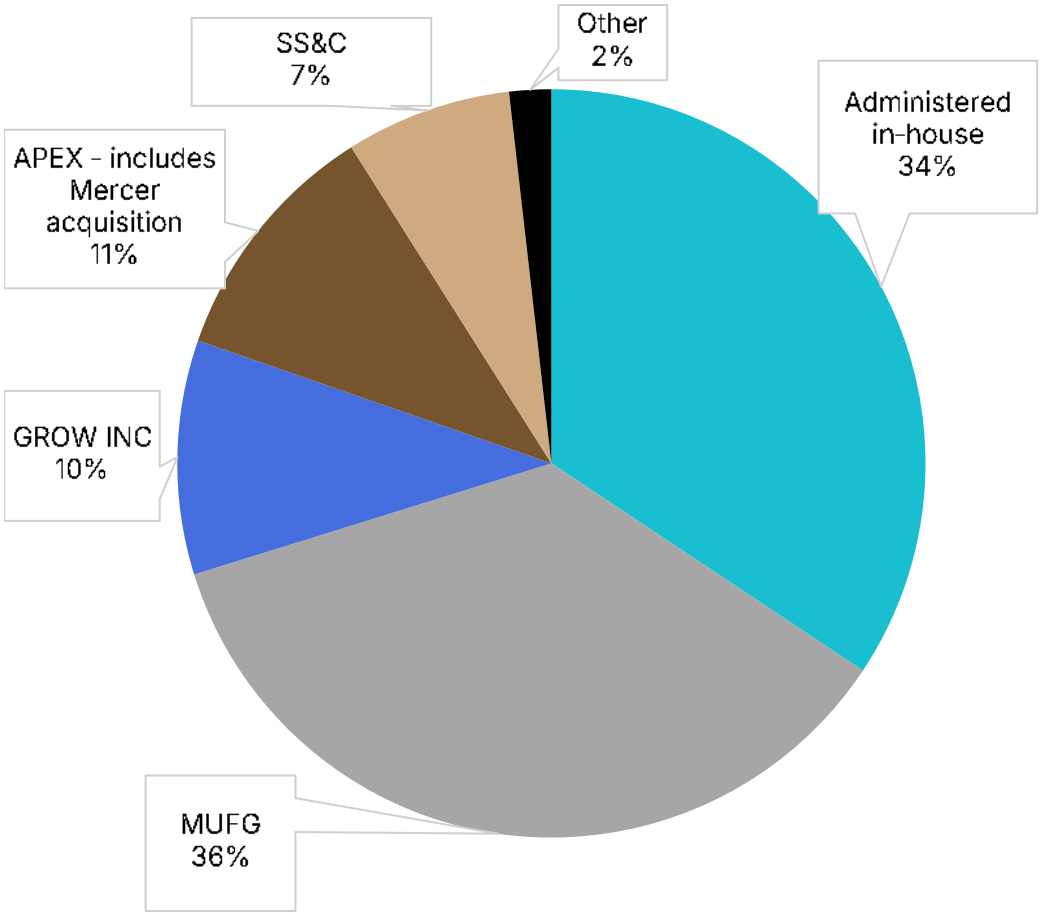
- MUFG Pension & Market Services (formerly Link Group): In 2024, Link Group was acquired by Mitsubishi UFJ Trust & Banking Corporation – a subsidiary of Mitsubishi UFJ Financial Group.
- GROW INC: MUFG has entered into a binding deed to acquire GROW, though the transaction is pending final shareholder, court, and regulatory approvals.
- APEX: This includes the acquisition of Mercer's administration business in early 2026.
    - Mercer (Australia) is an integrated provider of superannuation and wealth management services. Mercer also is an RSE licensee for a superannuation fund.
- SS&C

Based on fund-level disclosure of administration service providers, Chart 21 shows market share – of full-service provision – by the number of member accounts.

In-house administrative functions represent a significant part of the market. Larger industry and public sector funds have in-house provision of some or all of their administrative functions (for example, UniSuper). As noted above, funds that are part of large commercial financial services groups typically source administrative services from within the group (Insignia being the major exception).

Chart 21: Provision of administrative services, by number of member accounts (June 2026)*

Based on fund-level disclosure of administration service providers



Source: Fund disclosures (material service providers); APRA, *Quarterly Superannuation Fund-level Statistics*, June 2026; and ASFA calculations.
* Note: the market shares relate to where overall administration functions are materially outsourced – they do not account for where funds undertake most administration functions internally, but may outsource particular components.

With respect to the quasi-outsourced model, there are a number of players in the market. Typically, third-party providers supply the platform for core administration services, while the superannuation fund administers the operation of the platform using its own staff. Providers of third-party IT administration platforms include Bravura Solutions. Other providers of administration-related services include SuperChoice (largely a clearing house and data/payments technology provider) and Tech Mahindra (IT services and systems integration).

With respect to superannuation fund expenses that relate to administration services and member services, Table 11 shows the total for institutional APRA-regulated superannuation funds for 2024-25.

- For total administration services, 67 per cent of expenses relate to outsourced service providers – whether related or unrelated parties (16 per cent and 52 per cent respectively).
- For account administration expenses – the largest sub-component – 78 per cent of expenses relate to outsourced service providers, with 16 per cent outsourced to related parties and 62 per cent outsourced to unrelated parties.
- For total member services, 52 per cent of expenses relate to outsourced service providers, with 16 per cent outsourced to related parties and 36 per cent outsourced to unrelated parties.

Note that the data in Table 11 and Chart 21 suggest a similar degree of outsourcing of administration functions.

Table 11: Total administration and member service expenses (2024-25)
Institutional APRA-regulated superannuation funds

$million	**In-house**	**Outsourced**			**Total**
		Total	*Related party*	*Unrelated party*	
Administration services					
Account administration	183	648	*136*	*512*	831
Insurance administration	98	103	*35*	*68*	201
Member communication	36	64	*15*	*50*	100
Complaints and feedback	39	44	*22*	*21*	83
Other	117	108	*18*	*91*	225
Total	472	968	*226*	*742*	1,440
Member services					
Call centre services	111	183	*62*	*121*	294
Member wrap platform	40	80	*26*	*54*	120
Member education	38	10	*4*	*6*	48
Websites and digital tools	114	140	*29*	*111*	254
Research and data analytics	16	7	*1*	*6*	23
Other	172	115	*46*	*69*	287
Total	490	536	*168*	*368*	1,026

Source: APRA, *Annual superannuation Bulletin*, June 2025; and ASFA calculations.

9

Asset and investment consultancy

The majority of corporate, industry and public sector superannuation funds outsource their asset consultancy services. In contrast, retail super funds tend to rely on in-house provision.

Asset consultancy services include a broad range of investment-related functions, excluding specific investment management services (see Section 10).

For each superannuation fund, the specific nature and type of services contracted from an asset consultancy will be typically determined by the fund's investment committee. Typical services can include the following:

- Formulation of investment philosophy and objectives.
- For investment options, the design of strategic asset allocations to meet performance objectives.
- Recommended investment strategies and managers for specific asset classes.
- Monitoring performance of investment options and investment managers.

For any fund, the manner by which asset consultancy services are integrated ranges from an 'advisory model', where the asset consultant provides advice and recommendations, to an 'implemented model', where the asset consultant makes decisions on behalf of the fund trustee.

With respect to all-profit-to-member superannuation funds (that is, corporate, industry and public sector funds combined), the bulk outsource asset consultancy to external parties – where funds can engage more than one service provider. There are, however, exceptions – such as Aware Super – which utilise in-house asset consultancy functions.

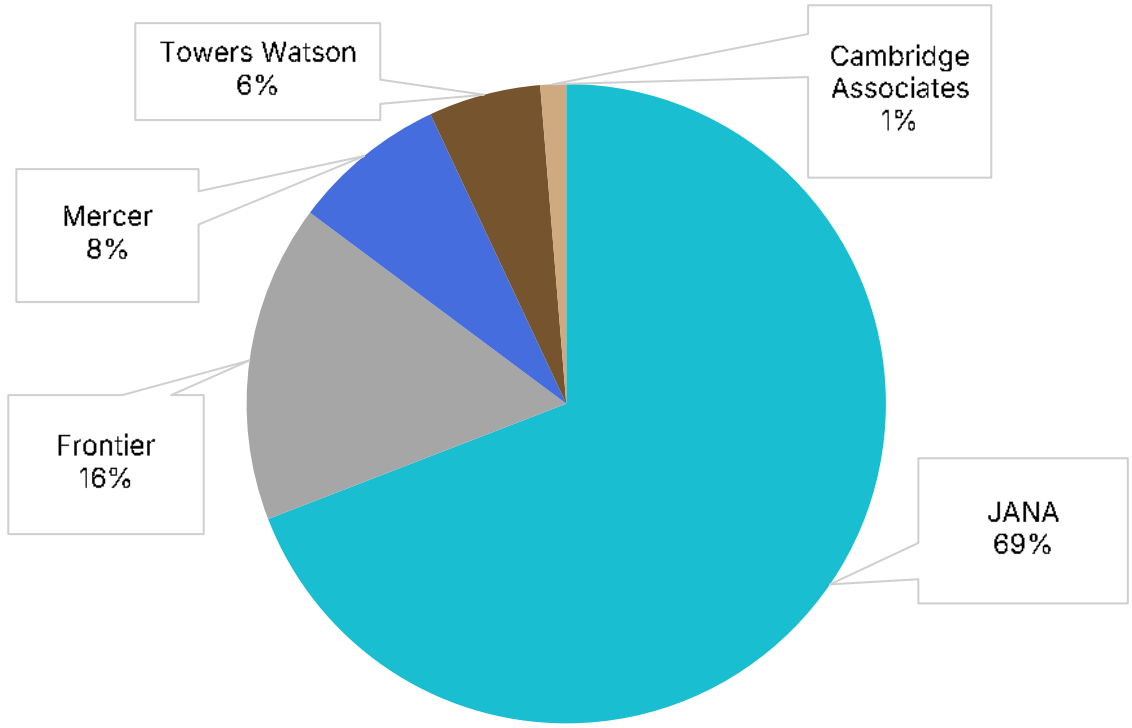
For all-profit-to-member superannuation funds, the key providers of asset consultancy services include:

- JANA – an Australian-based investment consultancy, which was founded in 1987.
- Frontier Advisors – an Australian-based investment consultancy, which was founded in 1994.
- Mercer (Australia) – an integrated provider of superannuation and wealth management services. Mercer (Australia) also is an RSE licensee for a superannuation fund. Mercer (Australia) is a subsidiary of a US-based public Marsh.
- Towers Watson Australia – a subsidiary of London-based financial services institution, Willis Towers Watson.

For those all-profit-to-member funds that disclose their external providers, Chart 22 shows market share by the quantum of fund investments.

Chart 22: Asset consultancy providers for all-profit-to-member funds, by fund investments (June 2026)

Based on fund-level disclosure of asset consultant providers



Source: Fund disclosures (material service providers); APRA, *Quarterly Superannuation Fund-level Statistics*, June 2026; and ASFA calculations.

For retail superannuation funds, use of external asset consultancy providers is typically less prevalent. Vertically integrated financial services institutions have many of the functions that are provided by external asset consultants.

10

Investment management

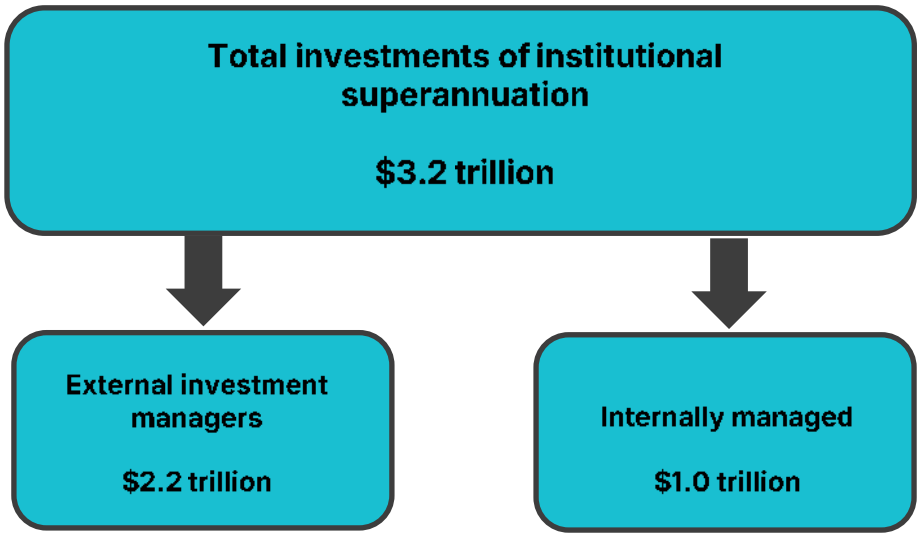
The Australian wholesale investment management market serves a broad range of local investors – with superannuation funds the largest group of institutional clients.

The trustees of Australian superannuation funds have myriad choices with respect to investment management.

- Most major Australian financial institutions offer investment management services either directly or through a subsidiary. There are also a large number of boutique investment managers.
- Foreign institutions offer investment management services in Australia, via Australian-based branches and subsidiaries, and trustees also invest directly with foreign-based investment managers.
- In addition, fund trustees have the option to invest some or all of the assets of the fund directly.

The investments of institutional superannuation (including EPSSSs) totalled $3.2 trillion in June 2026 (Figure 3). Of that, ASFA estimates that around $2.2 trillion (or around two-thirds), is placed with unrelated external investment managers, including Australian-based branches and subsidiaries of foreign institutions, and to a lesser degree foreign-based investment managers. The remainder is managed internally.

Figure 3: Funds management for superannuation (June 2026)



Source: ABS and ASFA calculations.

There are a large number of providers of wholesale investment management services in Australia. Research undertaken by Deloitte Access Economics suggests that there are around 150 funds-management companies in Australia. Fund managers vary from small, boutique outfits to large, specialised multinational organisations, as well as locally based, vertically integrated financial institutions.

Broadly speaking, the two groups of users of fund managers in Australia are:

- Institutions – largely domestic superannuation funds, insurance companies and government entities.
- Individuals that meet the definition of sophisticated investor.

The wholesale market is dominated by a few large entities, with the 10 largest funds-management companies accounting for around half of total funds under management. The largest players in the domestic market include local subsidiaries and branches of large global wealth management institutions, and investment management arms of Australian financial institutions.

While the composition of the group of the largest funds-management companies tends to be fairly stable over time, there is much more dynamism among smaller, boutique investment fund managers.

Typically, individual superannuation funds will use the services of more than one investment manager, where different investment managers are selected to invest in particular asset classes, or with respect to a particular investment mandate. This is a significant source of competition in the investment management industry.

Over the last decade, (typically) the larger industry superannuation funds have internalised some investment management functions. AustralianSuper, Australian Retirement Trust, Aware Super, CBUS Super and UniSuper are among the biggest superannuation funds that internally manage a large proportion of their investments. With respect to asset classes, Australian equities account for the largest share of superannuation assets being internally managed, followed by cash, international equities and Australian bonds.

11

Custodial services

Custodians provide a range of services to superannuation funds and the broader financial system. Following significant consolidation over the past few decades, large global custodians now dominate the local market.

The services provided by custodians to superannuation funds, and to other types of financial institutions, pertain largely to the safekeeping of assets and the production of information flows.

There is no strict legal requirement for superannuation trustees to appoint a custodian. However, in practice, the overwhelming majority of trustees do appoint custodians, and APRA has endorsed this as 'best practice'.

The services provided by custodians have evolved over recent years:

- Core roles include those related to managing the rights attached to financial assets – securities registration, collection of investment income (dividends and interest), settlement of transactions and trade confirmation.
- Custodians also will typically be responsible for a variety of what can best be characterised as informational services – such as portfolio valuation and periodic reporting to fund trustees.
- Other services custodians provide to trustees include undertaking foreign exchange transactions, facilitating securities lending and borrowing, and arranging proxy voting.

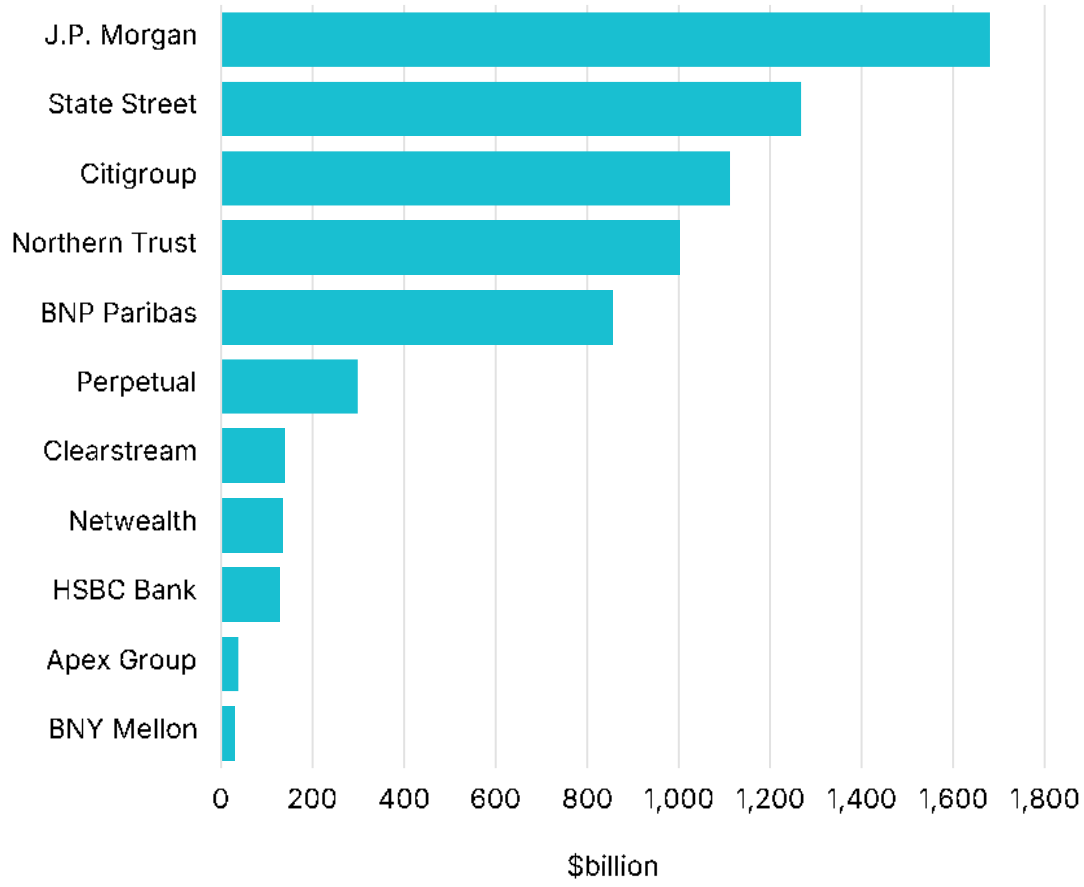
There has been significant consolidation in custodial services over the past few decades. With respect to custodial services for the financial system at large, local institutions have withdrawn from providing third-party custodial services (though some of these have retained in-house custodial functions). As a result, it is the large global custodians that dominate the local market.

- NAB Asset Servicing – which was last domestically owned custodian in Australia – wound down its operations in FY2024-25.

With respect to the broader financial system, as of June 2026 the three largest service providers accounted for approximately 60 per cent of the market (Chart 23), while the five largest accounted for around 90 per cent.

- Note, the data in Chart 23 is for total assets of Australian investors under custody (that is, both Australian and international assets), so it is broader than the assets of Australian superannuation funds under custody.

Chart 23: Total Australian-investor assets under custody (June 2026)



Source: Australian Custodial Services Association and ASFA.
Note: This is for total Australian investor assets under custody, so is broader than for Australian superannuation assets.

12

Insurance

The market for insurance – which is provided to superannuation members via their superannuation fund – is concentrated and dominated by large international financial institutions.

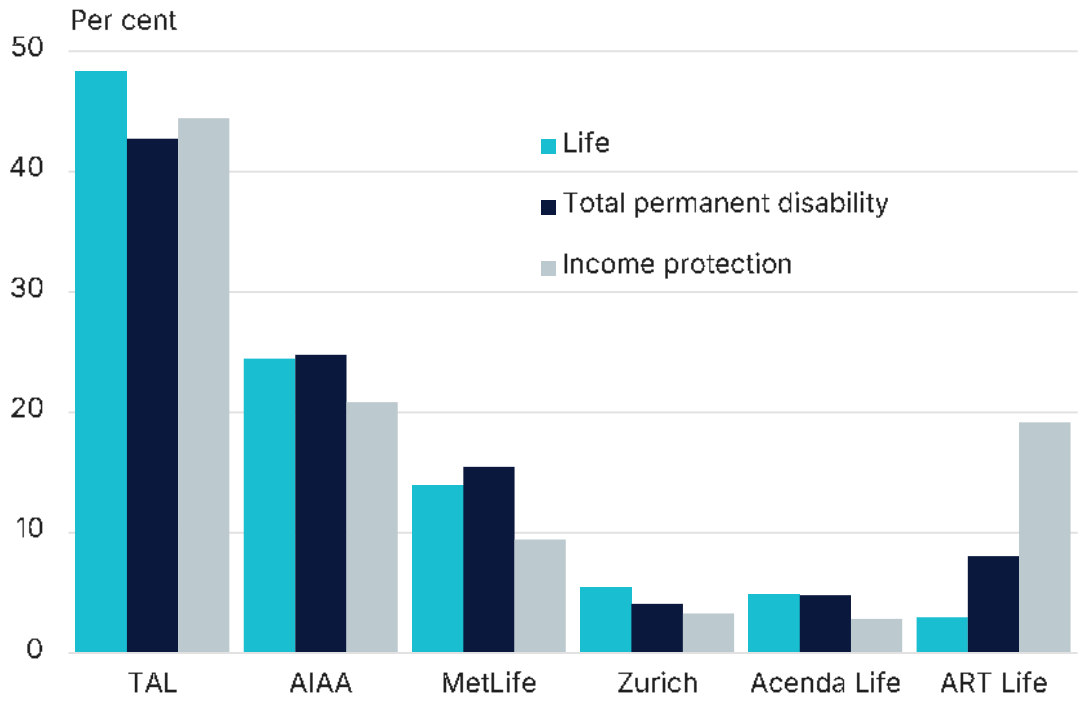
Institutional superannuation funds typically offer members insurance cover for disablement and/or death (hereafter, collectively referred to as life insurance).

- With respect to MySuper accounts, fund trustees can only provide insurance cover on an opt-in basis for people under 25 (unless working in a dangerous occupation) and on accounts with a balance less than $6,000.

The Australian market for life insurance comprises two main segments – life insurance sold directly to the public (retail) and life insurance intermediated via superannuation funds. The latter generally is provided as group insurance, where a single contract covers an entire group of people within a fund.

Overall, the Australian life insurance market comprises around 15 companies that directly write life insurance. Among these are a small number of large providers, and a larger number of smaller players – some of which service specialist markets. The major players in the Australian life insurance market are international financial institutions.

Chart 24: Providers of group life insurance, by share of total premium revenue (June 2026)



Source: APRA, *Life Insurance Claims and Disputes Data*, June 2026; and ASFA.

With respect to group insurance through superannuation, the market is more concentrated – with only 6 key players. The top three providers (all foreign entities) account for around 80 per cent of total premium revenue from the three key forms of insurance that are generally offered through superannuation (Chart 24).

For retail superannuation funds, insurance is often – but not always – provided by a related corporate entity. Some of Australia's large commercial financial services institutions have life insurance arms within the broader corporate group. It is therefore unsurprising that trustees within these organisations often source life insurance services from within the same corporate group – noting that fund trustees have a statutory obligation to consider members' best interests in selecting insurance.

For industry, corporate and public sector funds, life insurance is almost exclusively provided to members via external providers. A major exception is Australian Retirement Trust. In 2015, it (then QSuper) established a wholly owned registered life company that provides life insurance to members: formerly QInsure, now ART Life.

13

Advice

Most superannuation funds provide at least some advice options for their members. However, the provision of advice through superannuation is just part of a larger advice market – where other channels include specialised advisory firms, and to a lesser degree banks and insurance companies.

Personal advice is financial product advice that takes account of at least one aspect of the client's personal financial circumstances. General advice is all other financial product advice. If *scalable* advice is scaled according to a client's needs, then by definition it cannot be general advice.

- Financial product advice includes a recommendation – even an implied recommendation – about a financial product.

Scaled advice is financial advice where the subject matter of the advice has been 'scaled down' and tailored to particular (and sometimes singular) personal financial circumstances of a client, at the instigation of the client.

- Scaled advice is not holistic financial advice that takes into account all of the client's relevant personal circumstances.

Superannuation trustees and financial advisers can provide scaled advice on key "intra-fund" advice issues such as:

- Insurance in the client's existing superannuation fund.
- Choice of investment options in the client's existing superannuation fund.
- The client's ability to access their superannuation early – for example, due to severe financial hardship.
- How to best contribute to superannuation, having regard to such matters as the client's age, salary, and issues relating to before-tax and after-tax contributions.

Intra-fund advice generally refers to limited/scaled personal advice that a superannuation trustee can provide to a member about their superannuation account without an additional fee being charged to the individual member. The cost is typically covered by the collective administration fees paid by all members of the fund.

Accordingly, intra-fund advice is not a type of advice. Rather, it refers to the cross-charging mechanism, which can apply to both general and personal advice. Trustees commonly outsource the provision of intra-fund advice (sometimes to a related party), with the fund covering the costs.

While intra-fund advice does take account of a member's personal circumstances, the advice cannot relate to financial products outside the superannuation fund.

Legislation does not provide guidance on the types of personal advice that are permissible as intra-fund advice, but does specify the types of personal advice that

cannot be cross-charged as intra-fund advice. For example, intra-fund advice cannot cover advice on whether a member should consolidate their superannuation holdings into one account.

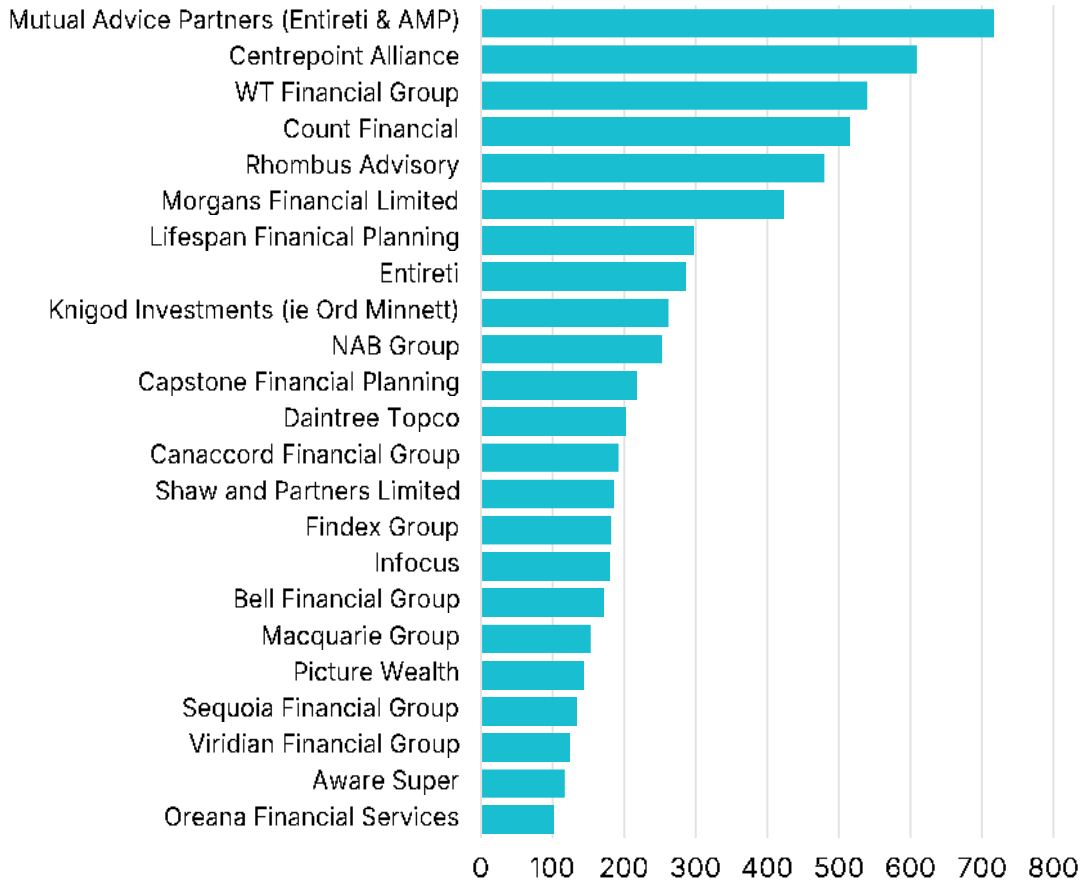
The advice market

Provision of advice through superannuation funds is part of a larger advice market. Australians can obtain advice on financial products through a number of channels, including superannuation funds, banks, dealer groups and insurance companies.

Overall, ASIC data shows that as of June 2026 there were approximately 15,600 persons licensed to provide personal advice in Australia, though not all of these are active advisers. These advisers are aligned with around 1,870 separate corporate entities, from single advisers to large specialised advisory firms. The number of licensed financial advisers has decreased over the last decade, from around 25,000.

Historically, 'dealer groups' were the distribution arms of financial institutions for financial planning services. However, increasingly, dealer groups provide services, especially licensing, for individual financial planners or other entities. In a number of cases, a single large corporate entity controls a number of separate dealer groups – often the result of acquisition activity.

Chart 25: Number of licensed advisers, by controlling entity (June 2026)



Source: ASIC Financial Advisers Dataset (11 June 2026), and ASFA.

The market structure has changed markedly over the last decade. For many years, Australia's big retail banks and AMP dominated the advice market. Following significant merger activity over recent years, Chart 25 shows the largest consolidated entities with 100 or more advisers.

Notwithstanding significant industry consolidation in recent years, there are still a large number (around 90) of mid-size operators in the market with between 20 and 100 advisers.

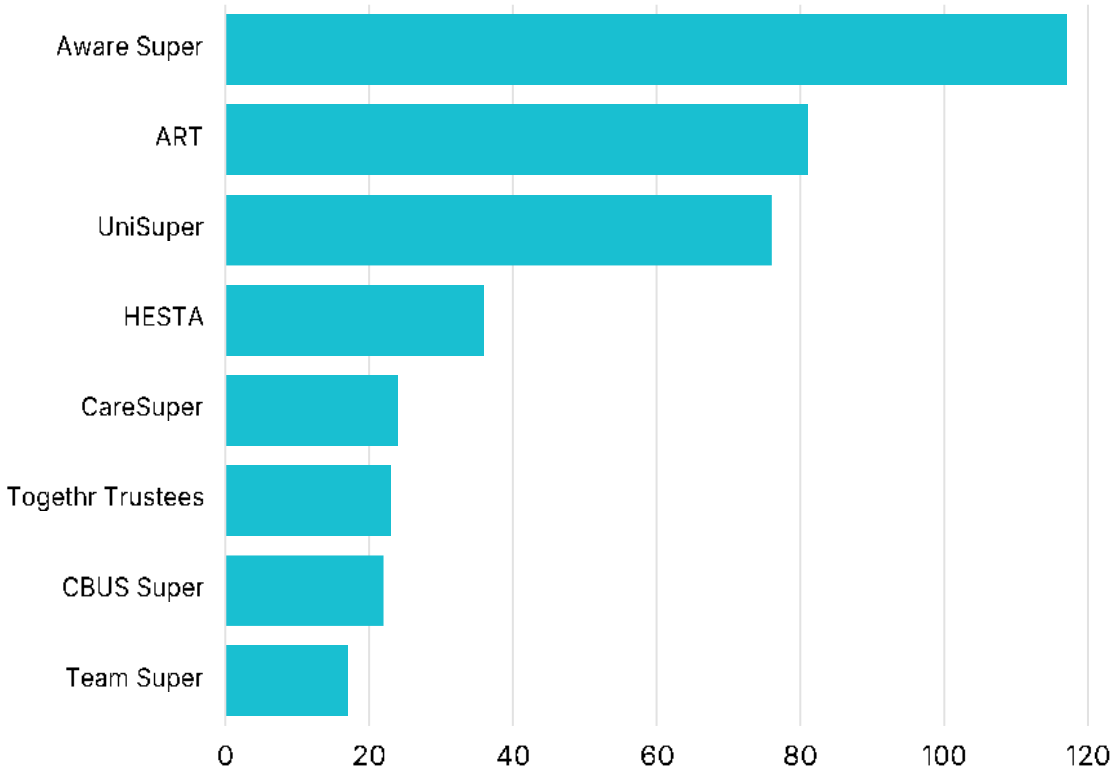
In providing advice services to members, the superannuation industry engages a subset of the total universe of financial advisers. Approximately 90 per cent of advisers licensed to provide personal advice can provide advice on superannuation products. However, only a small proportion of these would be directly employed by a superannuation fund.

For superannuation funds, there are a number of ways that trustees can structure their advice capacity, through a combination of in-house and outsourced advisers.

With respect to the retail sector, the large commercial financial services institutions can have significant networks of financial advisers (often comprising multiple dealer groups). These organisations provide advice services to fund members from multiple funds.

Some of Australia's largest industry and public sector superannuation funds have significant in-house advice capacity. For a sample of large industry and public sector funds, Chart 26 shows the number of advisers that are licensed with particular funds.

Chart 26: Number of licensed advisers, by entity (June 2026)



Source: ASIC Financial Advisers Dataset (11 June 2026), and ASFA.

In another form of in-house advice, some funds directly employ advisers that are actually licensed with other organisations. However, the extent of this practice is difficult to determine as it is not captured in the ASIC data.

There are a range of third-party providers in the market, which provide a range of services to fund trustees, and where advice services represent just one of those services. Perpetual has around 70 licensed advisers, Mercer has around 35 licensed advisers and Mitsubishi UFJ Financial Group has approximately 45 licensed advisers. Industry Fund Services is a source of outsourced advice (and other services) for industry funds and has just under 100 licensed advisers.

Some superannuation funds have combinations of the above models. For example, some funds outsource the provision of comprehensive advice to their members but retain intra-fund advice services in-house.