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21 June 2013

The Treasury  
Attention: Charter Group  
Langton Crescent  
PARKES ACT 2600

Dear Sir/ Madam

## **Discussion Paper: Charter of Superannuation Adequacy and Sustainability and Council of Superannuation Custodians**

CPA Australia represents the diverse interests of more than 144,000 members in 127 countries. Our vision is to make CPA Australia the global accountancy designation for strategic business leaders. We welcome the opportunity to provide feedback on the proposed Charter of Superannuation Adequacy and Sustainability and Council of Superannuation Custodians to serve as guardians of the Charter.

Our submission has been prepared with the assistance of CPA Australia's Retirement Savings Centre of Excellence (CoE). The CoE is a member based committee that includes leading experts from the superannuation industry. Our superannuation experts work across the whole of the superannuation industry ranging from some of the largest industry, corporate and retail funds through to self-managed superannuation funds.

In order to build a more sustainable superannuation system that meets the needs of Australians, CPA Australia believes the focus should be on ensuring the system meets the core principles of being simple, sustainable and sufficient. And given both Australia's ageing population, and in light of research conducted by CPA Australia that demonstrates the current system is both unsustainable and at serious risk of failing to meet its original policy intent, we consider a more pressing objective should be to examine Australia's retirement savings policy as part of a broader national savings policy review.

Once this review has been conducted and a national framework implemented to ensure a simple, sustainable and sufficient superannuation and savings system, then consideration could be given to the proposed Council of Superannuation Custodians and its Charter. Principles of assessment and appropriate measures could then be established to ensure the system continues to achieve these core principles.

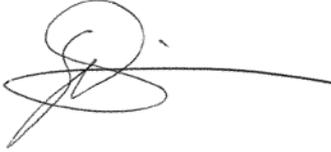
Notwithstanding the above, CPA Australia believes that the proposed panel to act as guardians for the proposed Charter has the potential to positively influence policy outcomes for the superannuation system. However, we question if this measure is in fact necessary either at this time, or at all. Arguably this role could be performed by an existing body such as the Department of the Treasury.

Further, should the government pursue this proposal it must ensure that it includes members from outside of the superannuation industry on the panel. This would help to ensure that potential or perceived conflicts of interest are adequately addressed. This would also help ensure the panel has a true understanding what Australians really need for an adequate retirement.

If the panel approach is pursued we believe it should be an advisory panel providing input to governments similar to the role of the current Board of Taxation.

If you have any questions regarding the submission, please do not hesitate to contact me via email on [keddie.waller@cpaaustralia.com.au](mailto:keddie.waller@cpaaustralia.com.au) or 03 9606 9816.

Yours sincerely

A handwritten signature in black ink, consisting of a large, stylized 'S' followed by a horizontal line extending to the right.

**Stuart Dignam**  
**General Manager, External Positioning**  
**CPA Australia**