

**Answer to question on notice and in writing:**

**HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS**

**AUSTRALIA'S FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS:  
SUPERANNUATION SECTOR**

**APRA-S11QW:**

APRA has indicated that it does not plan to impose capital requirements on super funds. As capital is the main way that a trustee is protected from becoming insolvent, what does APRA plan to do to ensure that trustees minimise the risk of insolvency?

**Answer:**

An industry-wide requirement for superannuation trustees to hold capital is a policy matter for Government.

APRA is considering requirements regarding the prudent management of financial resources, including fund reserves and capital held by RSE licensees.

Refer to APRA's current consultation on strengthening crisis preparedness, including draft *Prudential Standard CPS 190 Financial Contingency Planning* and draft *Prudential Standard CPS 900 Resolution Planning*, and the discussion paper on strengthening financial resilience in superannuation for information about APRA's plans.