



26 September 2017

Committee Secretariat
Senate Standing Committees on Economics
PO Box 6100
Parliament House
Canberra ACT 2600

By email: economics.sen@aph.gov.au

Dear Committee Secretariat

**Treasury Laws Amendment (Improving Accountability and Member Outcomes
in Superannuation Measures No. 1) Bill 2017**

ANZ welcomes the opportunity to provide feedback in relation to the *Treasury Laws Amendment (Improving Accountability and Member Outcomes in Superannuation Measures No. 1) Bill 2017*.

ANZ supports the objective of the legislation, including the proposed obligation for a registrable superannuation entity (RSE) to hold an Annual Members' Meeting (AMM) in order to provide fund members with an appropriate forum to ask questions about all areas of the fund's performance and operations.

We wish to raise, however, an issue relating to the AMM obligation under proposed section 29PA(4) which sets out the obligation for an actuary of an RSE to attend an AMM.

ANZ is concerned that, as currently drafted, the obligation may mean all defined benefit plan actuaries would need to attend the AMM. Currently, ANZ's masterfund has 28 defined benefit plans with 15 different sub-plan actuaries. We believe requiring, for example, 15 separate actuaries to attend the AMM would be costly and not necessary to achieve the proposed policy objective. It is likely that other industry participants would be in a similar position and hold the same concerns.

We respectfully recommend that only one actuary of the RSE licensee should be required to be present at the AMM. The appropriate actuary to attend the meeting should be selected by the Trustee and be required to address questions by members without unnecessarily restricting the quality or scope of the forum.

A drafting solution for achieving the above recommendation could be to amend the wording at sections 29P(2)(d) to read:

"a person who has been an actuary of the registrable superannuation entity during the year of income of the entity" (as opposed to 'any person' – our emphasis).

*

No changes would be required to section 29PA (4), however, it would also be helpful for the Explanatory Memorandum to clarify that only one actuarial representative need attend the AMM, and that the Trustee is responsible for selecting an appropriate actuarial representative.

We believe that this technical amendment to the Bill and Explanatory Memorandum would give RSE licensees appropriate flexibility, whilst still maintaining the objective of the AMM provisions for fund members.

If you have any questions relating to this matter, please do not hesitate to contact me on [REDACTED]

Yours sincerely



Adam Siddique
Senior Manager, Government & Regulatory Affairs
ANZ Wealth