



27 April 2016

Superannuation
Productivity Commission
Locked Bag 2, Collins St East
Melbourne VIC 8003

Dear Sir/Madam

**Superannuation Efficiency and Competitiveness
Productivity Commission Issues Paper**

Thank you for the opportunity to provide the attached submission in response to the Productivity Commission's Issues Paper.

APRA welcomes the Productivity Commission study to develop criteria to assess the efficiency and competitiveness of the superannuation system. An efficient and competitive superannuation system should lead to enhanced retirement outcomes for members.

As noted in APRA's submission to the Financial System Inquiry, given the varying needs and retirement objectives of individual members, there is no single "best" outcome or approach that would be expected to deliver appropriate net retirement outcomes for all members across the superannuation system as a whole. An appropriately broad assessment therefore necessarily involves both qualitative and quantitative assessment approaches and measures, which is consistent with the broad approach proposed by the Productivity Commission for development of assessment criteria.

APRA notes that it is challenging to undertake meaningful comparisons of RSE licensees, funds and products offered within the superannuation system for a range of reasons. These include deficiencies in the quality and consistency of available data, as well as the complexity of structures and arrangements within the superannuation system.

The attached submission provides APRA's perspective on several key issues relevant to the Issues Paper, as well as some brief background on the superannuation system and prudential framework.

We are happy to answer any questions you may have in relation to this submission.

Yours sincerely,



Helen Rowell
APRA Member