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Funds welcome QLD legislation to support new national super fund

Two major superannuation funds have welcomed Queensland Government legislation that will support the creation of a new national superannuation fund headquartered in Queensland.

The QSuper Chair, Don Luke, and the Sunsuper Chair, Andrew Fraser, said the legislation was an important step in the intended merger of QSuper and Sunsuper to form a fund with assets of more than \$200 billion and more than two million members.

Both organisations signed a Heads of Agreement to work towards a merger in March this year.

The legislation introduced today by the Queensland Treasurer, Hon Cameron Dick, gives QSuper the ability to pursue the merger while continuing to be the preferred fund for Queensland Government employees.

QSuper is a \$120 billion fund with 600,000 members and Sunsuper is a \$90 billion fund with 1.4 million members. The funds have been working with the Queensland Government on the steps required to create the fund, which remains subject to final regulatory approvals and decisions by each board of trustees.

The merged fund will be based in Brisbane.

Mr Luke and Mr Fraser said the merger was intended to advance the financial interests of the memberships of each fund.

“We also intend to deliver fee reductions which we will detail to members once the approvals and authorisations necessary for the merger are finalised. A merger of this scale will create efficiencies as well as new product and service opportunities which will be in the best financial interests of our members,” the Chairs said.

“We have worked to satisfy the various regulatory needs, established a leadership structure and are advancing to becoming one fund which will be ambitious in how it services members and invests on their behalf.

“The merged fund will be a globally significant institution open to all Australians.

“The Queensland Government has been supportive of our ambitions, recognising both the benefits for its own staff, who are our members, and the broader community. Our proposed structure retains a public sector division for government employees.

“Defined benefit payments, available to QSuper members who joined the fund before 2008, continue to be protected under the legislation.”

Mr Luke will be the Chair of the new fund. Its Chief Executive Officer will be Bernard Reilly, current CEO of Sunsuper. Mr Fraser will remain on the board of the new fund.

The legislation introduced in the Queensland Parliament will be subject to committee processes and the usual legislative scrutiny over the coming months.



ENDS

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