

16 October 2009

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Mr J Cooper  
Chairman  
Super System Review  
GPO Box 9827  
MELBOURNE VIC 3001

Dear Mr Cooper

## **AUSTRALIANSUPER SUBMISSION TO SUPER SYSTEM REVIEW PHASE 1 – GOVERNANCE**

AustralianSuper is pleased to provide this submission to the Super System Review in relation to Phase 1 – Governance, of the broader review into the governance, efficiency, structure and operation of the nation's superannuation system.

AustralianSuper is a 1.4 million member multi-industry superannuation fund with approximately \$30 billion in members' funds. AustralianSuper operates as a 'profit-for-members' fund. Attachment 1 is a brief profile of the Fund. The fund's website is [www.australiansuper.com](http://www.australiansuper.com)

AustralianSuper is a member of a number of organisations that are making contributions to the Review including: ACSI, AIST, ASFA, IFF, and ISN. We have participated in the development of the submissions of some of those organisations. AustralianSuper is making this brief submission in our own right to highlight the fund's views on a limited number of issues, which centre on the role of the trustee and its role in serving the best interests of members.

The structure of the submission is:

- Introduction
- General observations
- Particular matters raised in the Issues Paper.

The key point of this submission is to highlight AustralianSuper's support for the equal representation structure of superannuation funds based on our conviction that it provides the best governance model to deliver high quality outcomes for members.

### **Introduction**

As a matter of principle AustralianSuper supports the notion that the industry should address any shortcomings in the system to improve outcomes for members. However – in particular in the context of superannuation being legislatively mandated, (nearly) universal, and tax-advantaged – we believe there is a clear role for Government to act where market failure is evident or competitive forces have not optimised results for consumers. In this context we support Government action to lift governance standards where they are compromising the delivery of high quality service and performance to members.

The Issues Paper does not set out a preferred governance model for superannuation funds nor a series of characteristics that could be expected to be observed in such a model. However, the Issues Paper does note the overall focus of the review as being "...achieving an outcome that is in the best interests of members and which maximises the retirement incomes of Australians." (p5 of Phase 1 Issues Paper).



This focus is absolutely consistent with the operations and objective of AustralianSuper. The objective of the AustralianSuper trustee of maximising the retirement outcomes of our members is unencumbered by any other factor, and rests on the purity of the 'profits-for-members' model, and the scale of our operations.

The core components of a good governance model for superannuation funds that is most likely to achieve the objectives highlighted in the Issues Paper and noted above (meeting the best interests of members, and maximising retirement incomes) are:

- (i) Expressly stated and exclusive objective of operating in members' best interests.
- (ii) Appropriate delineation between trustee directors, and management and staff.
- (iii) Structures that: (a) minimise conflicts of interest, and where they do exist, (b) ensure they are appropriately managed in the best interests of members.
- (iv) Appropriately reflect the informed views of members.
- (v) Importantly, achieve high quality outcomes for members.

### **General Observations**

- (i) **Performance**  
There have been a number of studies conducted, including by APRA (APRA Working Paper – Superannuation Fund Governance, Trustee Policies and Practices. July 2008), attesting to the strong performance of superannuation funds that operate under the 'profits-for-members' and equal representation structure. These studies have highlighted the strong absolute performance of such funds, but more importantly in the context of a search for an optimum governance model, have pointed to the stronger relative performance generated by this structure compared to the trustee model observed in the retail sector. The preponderance of superannuation funds governed under the equal representation model at the top of investment performance tables over the last decade is another demonstration of the strong results produced under this system.

- (ii) **Any concerns?**  
If the Super System Review is aware of instances of deficient governance of superannuation funds operating under the equal representation model, we would suggest that this is an organisational failure, not a systemic failure. The examples of good, indeed excellent performance and governance under the equal representation model are numerous. If instances of poor practices are identified they should be regarded for what they are – aberrations – and addressed accordingly.

- (iii) **Alternative board models**  
There has been speculation in the industry about other models that may apply if the existing equal representation structures were to be replaced. The most commonly canvassed model involves one-third each of member representatives; employer representatives; and independent representatives.

This model may well be appropriate in particular cases but it would be a massive leap of faith – without any theoretical or intellectual basis – to mandate or otherwise favour this model in place of the extraordinarily successful equal representation model.

AustralianSuper strongly opposes any move to change the existing equal representation structure.

- (iv) **Stakeholder involvement**  
The basis of the equal representation model is that representatives of the two key stakeholders of the system – members and employers – have a greater direct interest in the outcomes of the operation of a superannuation fund from a member's perspective than any other party. With members' best interests being the guiding principle in the consideration of all issues, these two parties are ideally placed to nominate appropriately qualified candidates to act as Directors on trustee boards.

## Particular matters raised in the Issues Paper

### 5.2.2 Trustee knowledge, skills and training

At Attachment 2 is a very brief biography of the Directors of the AustralianSuper trustee board. This board comprises Directors who variously are or have been: Chairs of listed companies; Chairs of major statutory corporations; Chief Executives of listed companies; Chief Executives of major Federal and State statutory authorities and departments; Directly elected national union officials, senior executives of listed companies; and managers of major organisations with multi-million dollar budgets. Almost all of the Directors have tertiary qualifications, many with post-graduate qualifications - each places a high priority on their ongoing training and education.

AustralianSuper also draws on additional expertise to strengthen the fund's performance. The fund's Investment Committee comprises a number of Directors plus 2 external persons and an Alternate Director - all of whom have extensive investment experience and expertise. The Audit, Compliance and Risk Management Committee has amongst its membership an external person who is an expert on audit and risk issues.

The AustralianSuper Directors individually and in particular collectively boast impressive credentials to govern the fund. However, a strong structure and quality people represent a necessary but not sufficient condition to demonstrate good governance. The other condition that must apply is strong performance. AustralianSuper's strong investment and other performance (the fund receives the highest ratings provided by Chant West, Heron Partnership, Selecting Super, and SuperRatings) demonstrates that the Fund is well governed and produces strong results for members.

At the core of our success lies the equal representation model with sponsoring organisations that treat seriously their responsibility and nominate high calibre people to the Board.

### 5.2.10 Fund consolidation

AustralianSuper does not support, as raised by the Issues Paper, "...trustees of small funds being obliged to take steps to merge the fund in the pursuit of economies of scale in the long-term interests of members."

This is because not every "large" fund operates more efficiently in the interests of members' interests than every "small" fund. There are many studies and live examples that show the benefits that scale can provide for members, but each case needs to be assessed on its merits.

AustralianSuper supports all funds reviewing their operations to determine the extent to which they are serving their members' best interests with the Fund in its current form. Consistent with their obligation to act in their members' best interests, funds should merge with another or otherwise restructure where are not able to deliver members' best interests.

This obligation should apply to all funds.

### 5.4.1 Accountability to members

AustralianSuper is extremely conscious of our responsibility to members and being accountable to them. We employ a team of 40 staff who visit workplaces throughout Australia to meet with; provide assistance and education to members; and receive feedback from members. The AustralianSuper Call Centre receives around 900,000 calls from members each year.

Additionally, the AustralianSuper website receives around 2.5 million visits per year. The vast majority of these are members seeking information about the fund. Our research demonstrates that members see the website as a very valuable information tool.

The Issues Papers states that "members lack an annual general meeting equivalent" and asks "Should larger funds host, for example, online AGMs?".

AustralianSuper has conducted annual meetings for members in Melbourne and Sydney for 6 years. All Directors and senior management attend these meetings. Members receive a briefing on the activities of the fund over the last 12 months and a lengthy period is set aside for members to ask questions. At the conclusion of the meeting members are invited to remain and speak personally with Directors and management.

In recognition that many members cannot physically attend such meetings, the meetings are also webcast live. Members participating through the webcast are able to see and hear the proceedings of the meeting and are able to submit questions that are answered during the meeting.

The webcasting of the Member Meetings are part of a program of webcasts that AustralianSuper is conducting. We conduct a series of webcasts on particular topics that attract significant member participation. The webcasts are then posted on the fund's website to be later viewed by other members (and others).

AustralianSuper has been able to use the scale of the fund to develop a range of opportunities for members to directly interact with us and to provide their feedback. These accountability mechanisms facilitate a stronger member experience and provide valuable feedback for the fund.

All of these activities demonstrate AustralianSuper's strong relationship with members and a commitment to be as accountable as possible to them.

## Summary

The purpose of this submission is to emphasise AustralianSuper's support for the equal representation model of trustee governance. The calibre of Directors on the AustralianSuper board reflects the commitment of the sponsoring organisations to appoint Directors with extensive experience and expertise. Importantly, the performance of the fund has been strong and reflects the governance structure and the exclusive focus on maximising members' interests. The scale of the fund's operations has been used to develop a range of accountability and feedback mechanisms which reinforce the member focus of the fund.

We would be pleased to provide any further information that is required.

Regards



**IAN SILK**  
Chief Executive



## Would you be better off with AustralianSuper?

As one of Australia's largest industry funds, our strength, security and stability mean great retirement outcomes for our 1.4 million members.

Research has shown that you'll be better off with AustralianSuper. We've provided greater benefits to members than the average industry fund and the average master trust (see the graph to the right).

So wherever you work and whatever you do, you're welcome to join us and benefit.

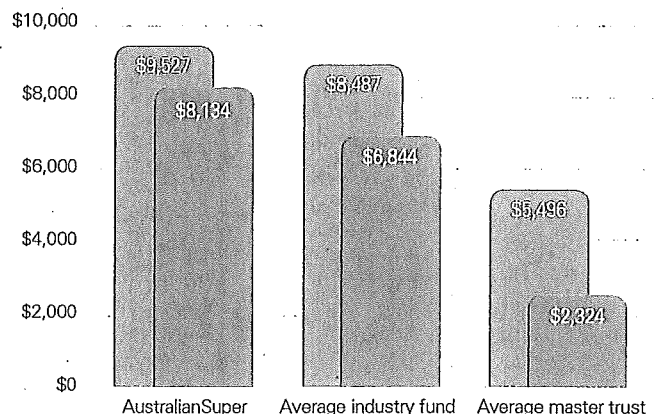
- Low fees
- A fund run only to benefit members
- Strong, long-term investment returns
- A wide range of investment options
- Great value insurance to protect you and your family
- Education and communication programs
- Commission-free financial planning advice
- Access to low cost banking and health insurance

### The real impact of fees

A fund like AustralianSuper – with higher investment returns and lower fees – will save you more.

This graph shows the difference AustralianSuper can make. Over five years, invested in a balanced investment option, AustralianSuper provides the greatest benefit.

### Earnings – fees = more retirement money



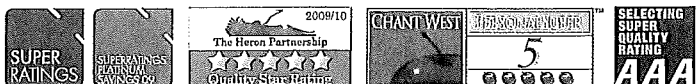
- The grey columns show the impact of investment returns – higher returns mean higher savings.
- While the orange columns show savings after fund fees have been deducted – this is the real amount in a member's account.

Assumptions: \$20,000 starting balance, \$50,000 annual salary, 3.5% wage increase, 9% Superannuation Guarantee contributions, balanced investment option, five years to 30 June 2009. Source: SuperRatings Pty Ltd.

### Facts and figures

At 30 June 2009, AustralianSuper looked after the super of one in ten working Australians – that is over 1.4 million members and \$26 billion in super savings.

We also help over 110,000 Australian businesses manage their super obligations across almost every industry in Australia.



See the back cover for information about these ratings.

'AustralianSuper's size and stability are important to me'

Maureen Gruppillo  
AustralianSuper member



## Strong, long-term investment returns

Super is a long-term investment for most people. That's why we're committed to providing members with strong, long-term returns.



For the latest investment performance information, please visit [www.australiansuper.com/performance](http://www.australiansuper.com/performance)

### How our investment options have performed

At 30 June 2009	One year %		Five years % pa		Ten years % pa	
	A'Super	B'mark	A'Super	B'mark	A'Super	B'mark
<b>PreMixed options</b>						
High Growth	-17.37	-15.71	4.36	3.35	5.07	4.95
Balanced	-13.30	-12.69	5.28	4.24	5.99	5.40
Sustainable Balanced	-8.34	-12.69	4.08	4.24	N/A	N/A
Conservative Balanced	-10.24	-9.26	N/A	N/A	N/A	N/A
Stable	-3.01	-3.44	5.27	4.33	N/A	N/A
Capital Guaranteed	4.41	8.64	4.78	5.54	4.72	5.53
<b>DIY Mix options</b>						
Australian Shares	-16.96	-18.18	7.35	5.62	N/A	N/A
International Shares	-14.76	-15.10	-0.66	-2.50	N/A	N/A
Australian Sustainable Shares	0.29	-18.61	5.41	5.19	N/A	N/A
International Sustainable Shares	-13.58	-13.78	-3.79	-3.18	N/A	N/A
Property	-15.41	-11.59	5.98	8.28	7.43	8.78
Australian Fixed Interest	7.99	8.86	4.67	4.89	N/A	N/A
Diversified Fixed Interest	4.57	9.11	4.81	5.53	5.62	5.56
International Fixed Interest	-4.55	9.44	3.78	6.26	N/A	N/A
Cash	6.00	4.62	5.33	5.10	N/A	N/A

The returns quoted are net of fees and tax (all investment charges and taxes are deducted before the interest is applied). The figures are rolling returns as at 30 June 2009. In calculating historical returns, combined ARF and STA returns (asset-weighted where possible) have been used where both funds previously offered equivalent investment options. Where only one of the merging funds previously offered an option, the returns for that option have been used. Please refer to the *Product Disclosure Statement* (PDS) or [www.australiansuper.com](http://www.australiansuper.com) for benchmark details. Investment returns are not guaranteed as all investments carry some risk. Past performance gives no indication of future returns.

## Low fees

AustralianSuper works hard to keep fees and charges low by using our size and financial strength to get the best deal with our investment managers and service providers.

We also charge fewer fees than many other funds and our fees are generally lower, which helps your super grow faster.

Type of fee	Amount
Establishment fee	Nil
Contribution fee	Nil
Administration fee	\$1.50 a week
Investment management fee (for 12 months to 30 June 2009)	From 0.09% to 1.08% pa (depending on your investment option)
Member protection fee	0.06% pa
Withdrawal fee	\$35
Investment switching fee	Nil – PreMixed and DIY Mix options

## Run only to benefit members

As an industry super fund, AustralianSuper is run only to benefit members. We do not pay commissions to financial advisers or dividends to shareholders – our sole purpose is to maximise our members' retirement savings.

Our fees are set at a level to cover the costs of operation, not to make profits for others. That can make a lifetime of difference to your super savings when you reach retirement.



## Wide range of investment options

AustralianSuper recognises that everyone has different financial goals. That's why we've given you a choice of 16 investment options.

### Your investment options

Members can choose to invest in one or more of six PreMixed and nine DIY Mix investment options. Eligible members may also choose to invest in the ASX 200 Shares investment option.

#### PreMixed options

These options provide ready-made portfolios, spread across a range of asset classes, which meet specific investment objectives:

- High Growth
- Balanced (the default option if no choice is made)
- Sustainable Balanced
- Conservative Balanced
- Stable
- Capital Guaranteed

#### DIY Mix options

Create your own portfolio by combining a range of single asset class options in the proportions you choose:

- Australian Shares
- International Shares
- Australian Sustainable Shares
- International Sustainable Shares
- Property
- Australian Fixed Interest
- International Fixed Interest
- Diversified Fixed Interest
- Cash

#### ASX 200 Shares option

Eligible members can invest in any one, or combination, of the top 200 shares listed on the Australian Stock Exchange and receive the benefits of dividends (where available) and capital movement. Conditions apply.

## Insurance you can afford

You can protect you and your family with affordable insurance cover via AustralianSuper. Our size allows us to negotiate special bulk prices with our insurers, so you pay much less than you would on your own.

Members can cover themselves for Death, Total & Permanent Disablement (TPD) and Income Protection. Default cover is three units of Death and TPD cover at a total cost of \$3 per week provided you are in active employment as at the date cover commences.

Members can also apply to have their cover and premiums matched to their occupational rating. This may result in a higher benefit or lower premiums for members in low risk or professional occupations as shown in the summary below.

Age	Default Death and TPD benefits		
	Standard	Low risk	Professional
30	\$125,100	\$227,400	\$252,600
35	\$110,400	\$196,200	\$218,100
40	\$94,800	\$177,000	\$196,800
45	\$67,200	\$127,200	\$141,300
50	\$45,900	\$87,600	\$97,200
55	\$24,600	\$50,400	\$56,100
60	\$15,900	\$27,600	\$30,600

Insurance with AustralianSuper gives you:

- **24 hour a day, 7 day a week cover:** not just when you're at work
- **flexibility:** apply for the level of cover you want or choose cover based on the cost you're willing to pay. Plus, you can apply to change your cover as your needs change down the track.

For more information on the insurance options, please visit [www.australiansuper.com/insurance](http://www.australiansuper.com/insurance)



# Additional member benefits

AustralianSuper members enjoy access to a range of other value-added products and services.



## Convenience of MemberOnline

A great way to look after your account. View and update your account details online.



## Retirement and financial planning seminars

Free retirement and financial planning seminars are held regularly for members nationwide.



## Low-cost banking

All members can access affordable bank products including home and personal loans, credit cards and savings accounts through ME Bank.



## Non-super Investments

Members can also access a range of low-cost, non super savings products via ME Investment Funds.



## Affordable health insurance

Access to low-cost health insurance is available through Super Members Health Plan.



## Financial advice when you need it

Members can call us to speak to a qualified financial adviser for guidance on specific topics – at no cost.  
For full financial advice, Industry Fund Financial Planning provides members with a free initial consultation and work on a fee-for-service basis.

AustralianSuper does not recommend, endorse or accept responsibility for products or services provided by third parties. Terms and conditions apply – these should be obtained from the relevant third-party organisation. AustralianSuper does not accept liability for any loss or damage caused by the products and services provided by these third parties. AustralianSuper may invest in these third parties but does not receive any commissions from these organisations as a result of members using their products and services.



For more information visit [www.australiansuper.com/ExtraBenefits](http://www.australiansuper.com/ExtraBenefits)

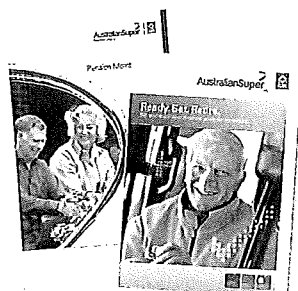
## An award-winning pension for your retirement

The AustralianSuper Pension provides for those who are approaching retirement or who are permanently retired, and is an 'account-based' pension.

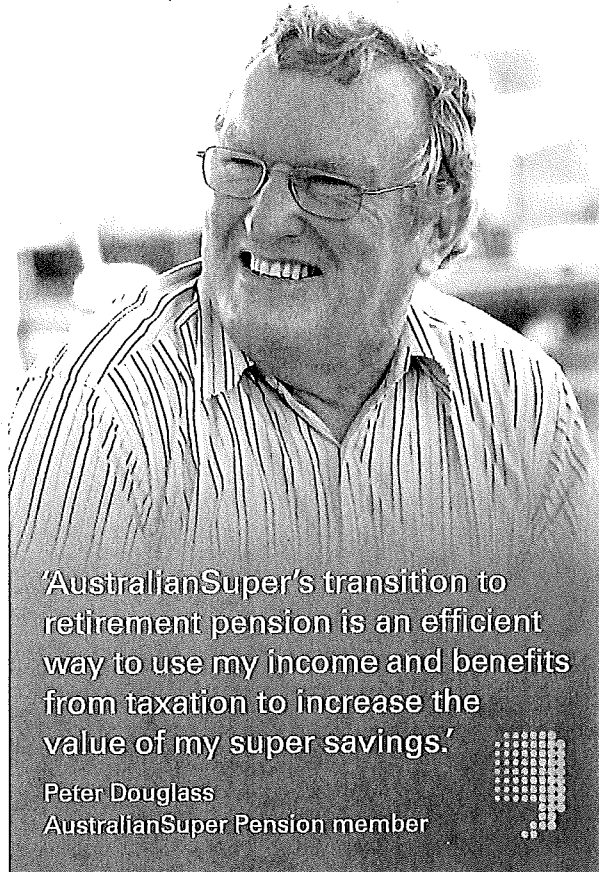
It is flexible and simple to join, offering:

- low fees
- PreMixed and DIY Mix investment options
- transition to retirement option
- tax-free investment earnings
- tax-free pension payments for those aged 60 or over
- online account access
- flexible payment options
- payments made to your bank account
- dedicated customer service centre.

If you're close to retirement and want to know more about retirement planning or transitioning into retirement call our team on 1300 789 932 to talk about your plans or request our handy retirement planning guide *Ready. Set. Retire.*



*Ready. Set. Retire.* and the *Pension Member Guide* are also available on our website at [www.australiansuper.com/RetireHelp](http://www.australiansuper.com/RetireHelp)



'AustralianSuper's transition to retirement pension is an efficient way to use my income and benefits from taxation to increase the value of my super savings.'

Peter Douglass  
AustralianSuper Pension member



# Compare AustralianSuper



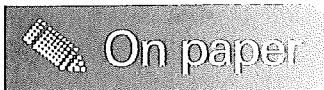
Compare AustralianSuper's benefits and services with more than 100 other funds using the Chant West Super AppleCheck.



This online comparison tool will give you a comprehensive report on the super funds you are comparing including:

- product overview
- investment options
- member services, and
- fees and costs
- insurance options
- Chant West ratings.

For more information go to [www.australiansuper.com/compare](http://www.australiansuper.com/compare)



Use the worksheet below to compare AustralianSuper features, performance and costs with another super fund.

	AustralianSuper	Other fund ( <i>insert name of other fund</i> )		
<b>Fees</b>				
Establishment fee	Nil			
Contribution fee	Nil			
Account keeping fee	Nil			
Administration fee	\$1.50 per week			
Withdrawal fee	\$35 per withdrawal			
Termination fee	Nil			
Asset fee	Nil			
Investment management fee (for the 12 months to 30 June 2009)	0.09% to 1.08% pa depending on investment option; 0.84% pa for the Balanced option			
Investment switching fee	<ul style="list-style-type: none"> <li>• ASX 200 Shares investment option only: \$39 annual fee plus brokerage costs</li> <li>• All other options: nil</li> </ul>			
Commissions to financial advisers	Nil			
Member protection fee (for the 12 months to 30 June 2009)	0.06% pa			
Example of annual fees and costs for a balanced investment option <small>Super funds are required by law to provide this information to their members. You will find it in the PDS which you can get from your fund.</small>	If you put in \$5,000 during a year and your balance was \$50,000, then for that year you would be charged fees of \$528.			
Insurance premiums (weekly)	<ul style="list-style-type: none"> <li>• Death: \$0.57 per unit</li> <li>• Death and TPD: \$1 per unit</li> <li>• Income Protection: depends on your age, occupation and waiting period</li> </ul>			
<b>Investment choice</b>				
Pre-mixed and asset-based investment options	Yes, 6 PreMixed and 9 DIY Mix options			
ASX or share trading options	Yes, ASX 200 Shares investment option			
Flexibility to switch options	Yes, as often as weekly: <ul style="list-style-type: none"> <li>• PreMixed and DIY Mix: free of charge</li> <li>• ASX 200: brokerage fee applies</li> </ul>			
<b>Performance to 30 June 2009</b>				
Investment option	One year %	Five years % pa	One year %	Five years % pa
High Growth (higher risk option)	-17.37	4.36		
Balanced (medium risk option)	-13.30	5.28		
Capital Guaranteed (lower risk option)	4.41	4.78		

Continued on back cover...

In calculating historical returns for AustralianSuper, where only one of the merging funds (ARF or STA) previously offered an option equivalent to that offered in the new product suite, the returns of that option have been used. Where both funds offered an equivalent option, the returns have been asset weighted across both options on a monthly basis where possible. Investment returns are not guaranteed as all investments carry some risk. Past performance gives no indication of future returns. \*Based on the fees and costs as shown above. Other fees may apply, refer to the PDS for details. Investment-related costs and member protection costs used in this example are based on costs for 2008/09. Actual costs will vary from year to year.

'I feel confident having my money with AustralianSuper'

Sandro Manusco  
AustralianSuper member



Worksheet continued...

	AustralianSuper	Other fund ( <i>insert name of other fund</i> )
<b>Insurance options</b>		
Type of cover	<ul style="list-style-type: none"> <li>• Death: up to \$2 million cover, ends at age 70</li> <li>• TPD: up to \$2 million cover, ends at age 65</li> <li>• Income Protection: up to 85% cover (75% salary + 10% super), various waiting periods, ends age 65</li> </ul>	
Occupational ratings	Yes, standard, low risk or professional	
Unitised and fixed cover	Yes, both available. Level of cover per unit depends on age and occupational rating	
<b>Extra services</b>		
Full service website	Yes	
Online access to your account	Yes	
Seminars and workplace visits	Yes, free financial planning and retirement seminars for members. Relationship Managers available to visit your workplace. We also have a range of online presentations you can view whenever you like. Go to <a href="http://www.australiansuper.com/webcast">www.australiansuper.com/webcast</a>	
Financial advice	Yes, commission-free provided by Industry Fund Financial Planning*	
Low-cost financial products	Yes, includes access to low-cost home loans, credit cards and banking products, and a range of non-super investments*	
Call centre	Yes, 8 am to 8 pm (EST) weekdays, cost of a local call	
Regular communications	Yes, including statements, newsletters and educational brochures	
Payment options	Cheque, direct debit, BPAY®, Postbillpay® or payroll deduction with your employer's agreement	

For more information about AustralianSuper please call us on 1300 300 273 or visit [www.australiansuper.com](http://www.australiansuper.com)

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Chant West has given and has not withdrawn its written consent to the inclusion of the references to Chant West and the inclusion of the PersonalSuper™ Ratings logo or rating in the form and context in which they are included. Chant West has not authorised or caused the issue of this information and does not make, or purport to make, any statement in this information, other than as noted above.

Go to [www.australiansuper.com/ratings](http://www.australiansuper.com/ratings) for details on the Heron Partnership's rating of AustralianSuper.

Important information: AustralianSuper prepared this document in September 2009. This document is of a general nature and does not take into account your personal objectives, situation or needs. When comparing AustralianSuper to other funds, you should refer to the relevant PDS for definitions of fees and information on when they apply. Before making a decision about AustralianSuper you should consider your financial requirements and read our PDS available by contacting us. Statements made by AustralianSuper members in this brochure have been reproduced with the members' consent, and this consent has not been withdrawn as at the date of this publication. Industry Super Fund logo used with permission of Industry Fund Services. This consent had not been withdrawn at the date of publication

\* AustralianSuper does not recommend, endorse or accept responsibility for products or services provided by third parties. Terms and conditions apply – these should be obtained from the relevant third-party organisation. AustralianSuper does not accept liability for any loss or damage caused by the products and services provided by third parties. AustralianSuper may invest in these third parties but does not receive any commissions from these organisations as a result of members using their products and services.

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**AustralianSuper Trustee**

2009

The AustralianSuper Trustee Board is made up of six member representatives, six employer representatives and one independent director.

**Elana Rubin - Chair**



Elana Rubin is a Member Director nominated by the ACTU. She was the Chair of ARF from 1994 to 1997, and Executive Director - Investments of ARF from 1997 to 2006. Elana is currently the Chair of the Victorian Rail Track Corporation and the Victorian WorkCover Authority; and is a non executive Director of the Industry Superannuation Property Trust, TOWER Australia Ltd, the Transport Accident Commission and SecondBite. Elana has a Bachelor of Arts (Hons), Master of Arts, Graduate Diploma in Applied Finance and Investment, is a Fellow of the Australian Institute of Company Directors and Fellow of the Australian Institute of Management.

**Cath Bowtell**



Cath Bowtell is a Member Director nominated by the Australian Council of Trade Unions (ACTU). She is a Senior Industrial Officer with the ACTU, with responsibility for superannuation policy. She coordinates the ACTU's response to laws affecting work, retirement incomes, and corporations law, as well as the ACTU's women's policy. Cath was a Director of ARF from 2001 and is also a Director of the Australian Government Employees Superannuation Scheme.

**Brian Daley**



Brian Daley is a Member Director nominated by the Liquor, Hospitality and Miscellaneous Union (LHMU). He is currently the National President of the LHMU. Brian has had a long-serving career in the superannuation industry. He has been a Director of Industry Fund Services and Host Plus Pty Ltd and played a critical part as a representative of the ACTU to the Federal Government Summit, which developed the Superannuation Guarantee Contribution. He was also a representative of the ACTU on the Social Security Taskforce into Retirement Incomes.

**Lucio Di Bartolomeo**



Lucio Di Bartolomeo is an Employer Director nominated by the Ai Group. Lucio is a Non-Executive Director of Downer EDI, Reliance Rail, Macquarie Generation, Australian Rail Track Corporation, and Chairman of Parklands Foundation. He was previously the Managing Director of ADI Limited. Lucio is also the NSW State President of the Ai Group.

### **Bernie Fraser**



Bernie Fraser has been an Independent Director of both ARF and STA and is now an Independent Director of AustralianSuper. Bernie has an extensive background in finance, having held the position of Governor of the Reserve Bank of Australia from 1989 to 1996, Secretary to the Treasury from 1984 to 1989 and Director of National Energy Office from 1981 to 1984. He currently holds directorships with Members Equity Bank and CBUS and was formerly the Chairman of the Government Superannuation Office of Victoria. He has received Honorary Doctorates from the University of New England and Charles Sturt University. He is also an honorary Professor of Economics at the University of Canberra.

### **Paul Howes**



Paul Howes is a Member Director nominated by the Australian Workers' Union (AWU). He is currently the National Secretary of the AWU and has previously held roles as the AWU's National Vice President, National Organiser, National Media Officer and as an Organiser in the NSW Branch of the Union as well as being a researcher with Unions NSW. Paul is the Vice President of the Australian Council of Trade Unions and serves on a number of Government boards.

### **John Ingram**



John Ingram is an Employer Director nominated by the Australian Industry Group (AI Group). John currently holds positions as the Chairman of Watty Ltd, Chairman of Nick Scali Ltd, non-executive Director of the United Group Ltd, and non-executive Director of Savcor Ltd. John has previously held roles as a non-executive Director of the Rinker Group Ltd, a Director of the Victor Chang Cardiac Research Institute, and was the Managing Director of the Crane Group Ltd.

### **Jeff Lawrence**



Jeff Lawrence is a Member Director nominated by the Australian Council of Trade Unions (ACTU). He is currently the Secretary of the ACTU and has served the union movement for more than 30 years. Jeff's prior experience includes heading the Liquor, Hospitality and Miscellaneous Union (LHMU) and he has worked as a senior member of the ACTU Executive. Jeff has qualifications in Arts/Law (Hons) from the University of Sydney.

### **Dave Oliver**



Dave Oliver is a Member Director nominated by the Australian Manufacturing Workers' Union (AMWU). He is currently the National Secretary of the AMWU and has worked with the Union for more than 20 years. Other roles with the AMWU have included State Secretary of the Victorian Branch, State Organiser of the NSW Branch, and Assistant National Secretary. Dave established and is currently a Director of the National Entitlement Security Trust (NEST), the first Industry Trust Fund with national coverage established to provide protection and portability of workers entitlements. He is currently on the Executive of the Australian Council of Trade Unions (ACTU) and is an ALP Delegate to State and National Conference.

### **Heather Ridout**



Heather Ridout is an Employer Director nominated by the Australian Industry Group (Ai Group). She is the Chief Executive of the Ai Group, a position she has held since 2004 following 25 years of service to the organisation and its predecessor, the Metal Trades Industry Association (MTIA). Heather is a leading figure in the public policy debate and is a member of a number of policy-setting and consultative groups including Skills Australia, the Business Advisory Group on Workplace Relations, Infrastructure Australia and the Henry Review of Taxation. Heather has a Bachelor of Economics (Hons) degree from the University of Sydney.

### **Dr Walter Uhlenbruch AO, CLJ**



Walter Uhlenbruch AO is an Employer Director nominated by the Ai Group. He has a PhD in business administration and management, with a special interest in international trade and trade barriers. He has worked for Hella in Australia and Asia Pacific, and is Honorary Chairman of Hellas' Regional Headquarters for Asia Pacific. Walter has been involved in the Australian Manufacturing Council, National Investment Council and the Australian Automotive Aftermarket Association. He has served as National President of the Committee for Economic Development of Australia, the Federation of Automotive Products Manufacturers and the Society of Automotive Engineers Australasia. He is also an Adjunct Professor at the Industrial Research Institute Swinburne (IRIS) and a member of the board of the Monash Institute for the Study of Global Movements. In 1991 he was appointed a Member, and in 2005, an Officer in the General Division of the Order of Australia. In 2001 he was made an Honorary Citizen of the Northern Chinese City of Changchun and in 2002 he was inducted into the Victorian Manufacturing Hall of Fame.

### **Alison Terry**



Alison Terry is an Employer Director nominated by the Ai Group, bringing expertise in government relations, legal and regulatory exposures and financial management to the AustralianSuper Board. She was GM Holden's Executive Director of Corporate Affairs from 2001 to 2008, Director of Government Relations and Public Policy from 1999 to 2001 and General Counsel from 1991 to 1997. Alison has a Bachelor of Economics and Law (Hons) and a Graduate Diploma of Business (Accounting) and currently holds positions on the Boards of Chifley Business School and ETM Search & Selection, and on the Finance Committee of the Australian National University.

### **Grahame Willis**



Grahame Willis is an Employer Director nominated by the Ai Group. He is the Executive Director of Finance, Administration and Superannuation at Ai Group with whom he has been employed for 42 years. He has had extensive experience in general management, financial management, legal issues and superannuation. In his present position with the Ai Group, he is responsible for the national financial, legal and corporate management of the organisation and its subsidiaries, including management of the investment portfolio and staff superannuation fund. In 1997 Grahame received the Trustee of the Year Award at the Conference of Major Superannuation Funds.