



24 September 2025

Senator Dave Sharma | Chair
Senate Standing Committee on Finance and Public Administration
References Committee
PO Box 6100
Parliament House
Canberra ACT 2600

Margaret Cole, Deputy Chair

Melbourne
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Dear Chair

Inquiry into the operation and appropriateness of the superannuation and pension schemes for current and former members of the Australian Defence Force

APRA welcomes the opportunity to contribute to the Committee's inquiry into superannuation and pension schemes for current and former Australian Defence Force members. To assist the Committee, this submission outlines APRA's role as the prudential regulator, particularly in relation to superannuation and the funds referred to in the Committee's terms of reference.

About APRA

APRA is an independent statutory authority established under the *Australian Prudential Regulation Act 1998* (APRA Act). APRA is responsible for the prudential regulation and supervision of financial institutions and for promoting financial system stability in Australia. APRA also serves as Australia's resolution authority and the data collection agency for the financial system. As Australia's prudential regulator, APRA oversees all superannuation funds (excluding self-managed superannuation funds and exempt public sector superannuation schemes), insurers (life, general and private health) and authorised deposit-taking institutions (banks and credit unions) operating in Australia.

APRA's role in the superannuation sector

APRA's primary role in relation to superannuation is to drive trustees to deliver better outcomes for members, while ensuring the prudential soundness and safety of the sector. We are a supervision-led regulator with a risk-based, forward-looking and outcomes-focused approach. APRA promulgates, supervises to, and enforces prudential standards, including those relating to strategic management, risk management, governance and investment governance. APRA also has a role in enforcing certain legislative obligations on trustees.

While APRA regulates many superannuation funds, there are some that do not fall within APRA's remit. Some of the defence schemes noted in the terms of reference are not APRA-regulated as they are classified as exempt public sector superannuation schemes (EPSSS).¹ EPSSS are regulated and supervised by Commonwealth, State or Territory Governments. For statutory purposes, a number of these schemes report to APRA under an agreement between the Commonwealth, State and Territory Governments. These schemes are exempt from prudential supervision unless they have opted to be supervised by APRA.

¹ Schedule 1AA of the [Superannuation Industry \(Supervision\) Regulations 1994](#) lists EPSSS.

To assist the Committee, Annex A outlines APRA's oversight of the Military Superannuation Benefits Scheme (MSBS), the Commonwealth Superannuation Corporation (CSC) and other pension schemes mentioned in the Terms of Reference. APRA-regulated superannuation funds are referred to as registerable superannuation entity licensees (RSEs). A full list of RSEs is available on the APRA website.²

APRA recognises the importance of the issues the Committee is exploring for the Australian community and looks forward to assisting the Committee with its work on this Inquiry.

Yours sincerely

A handwritten signature in blue ink that reads "Margaret Cole". The signature is written in a cursive, flowing style.

² Register of trustees available at: www.apra.gov.au/register-of-superannuation-institutions

Annex A

The Inquiry's Terms of Reference refer to both registerable superannuation entities (superannuation funds) such as MSBS and RSE licensees (i.e. trustees) such as the CSC. Table 1 sets out APRA's oversight of the funds / schemes referred to in the terms of reference.

Table 1 Details of trustee and funds referred to in the Inquiry's *terms of reference*³

No	Trustee	Fund / scheme	APRA regulated?
1	CSC	Australian Defence Force Superannuation (ADF Super)	Yes
2	CSC	Commonwealth Superannuation Scheme (CSS)	Yes
3	CSC	Military Superannuation and Benefits Scheme (MilitarySuper)	Yes
4	CSC	Public Sector Superannuation Scheme (PSS)	Yes
5	CSC	Public Sector Superannuation Accumulation Plan (PSSap)	Yes
6	CSC	Australian Defence Force Cover (ADF Cover)	No (EPSSS)
7	CSC	Defence Forces Retirement Benefits Scheme (DFRB)	No (EPSSS)
8	CSC	Defence Force Retirement and Death Benefits Scheme (DFRDB)	No (EPSSS)
9	CSC	Defence Force (Superannuation) (Productivity Benefit) Scheme (DFSPB)	No (EPSSS)
10	CSC	Papua New Guinea Scheme (PNG Scheme)	No (EPSSS)
11	CSC	1922 Scheme	No (EPSSS)

³ List of schemes under CSC's management available at: www.finance.gov.au/government/superannuation/arrangements-australian-government-employees-and-statutory-office-holders/governance-superannuation.