



5 December 2013

Head of Secretariat
Financial System Inquiry
The Treasury
Langton Crescent
PARKES ACT 2600
Email: fsi@treasury.gov.au

Dear Madam/Sir,

FINANCIAL SYSTEM INQUIRY – DRAFT TERMS OF REFERENCE

The Self Managed Superannuation Funds Professionals' Association of Australia (SPAA) welcomes the opportunity to make a submission in response to the consultation on the Financial System Inquiry draft terms of reference.

SPAA supports the Government's intent to have a broad inquiry into Australia's financial system that will assess the efficiency, competitiveness, flexibility and stability of the system. We believe that the draft terms of reference are sufficiently broad and flexible to allow the inquiry to meet its goals and include all sectors of the financial system, including superannuation.

SPAA looks forward to contributing to the inquiry, especially as to how the self managed superannuation fund (SMSF) sector fits into the financial system and how it contributes to Australia's economic growth and wellbeing. The SMSF sector has undergone substantial change and growth since the 1997 Wallis Report. Since the Wallis Report, the SMSF sector has grown from 138,000 "excluded funds" with \$26 billion of assets to its current size of approximately 517,000 SMSFs with \$532 billion of assets. This substantial change and its impact on superannuation and the financial system will be the focus of SPAA's response to the inquiry.

Yours sincerely,

Andrea Slattery
Managing Director/CEO
SMSF Professionals' Association of Australia Limited