



20 May 2015

To all RSE licensees

## PUBLICATION OF SUPERANNUATION STATISTICS AND CONFIDENTIALITY OF SUPERANNUATION DATA

On 14 November 2013, APRA released a discussion paper on proposed changes to its superannuation statistical publications and confidentiality of superannuation data submitted to APRA<sup>1</sup>.

In the discussion paper, APRA proposed to revise its *Quarterly Superannuation Performance Statistics* publication and introduce a *Quarterly MySuper Statistics* report. APRA also proposed to determine most, but not all, of the relevant data submitted under the *Financial Sector (Collection of Data) Act 2001* (FSCOD Act) by registrable superannuation entity (RSE) licensees non-confidential and publicly accessible, and sought feedback on the publication of superannuation statistics for industry segments.

On 1 October 2014, APRA released a response to the consultation<sup>2</sup>, following consideration of the submissions received on the discussion paper. In the response to submissions, APRA indicated that it would implement improvements to the *Quarterly Superannuation Performance Statistics* publication and release further data over time as and when it is determined non-confidential. APRA also indicated that it would expand the interim *Quarterly MySuper Statistics* report to include additional data items over time.

On 27 November 2014, APRA released a second response to the consultation<sup>3</sup>, outlining additional enhancements to the *Quarterly Superannuation Performance Statistics* publication and *Quarterly MySuper Statistics* report, including APRA's intention to publish statistics by industry segment. APRA also outlined plans to release as much non-confidential superannuation data as is feasible using its existing technology (i.e. PDFs and Excel) while in the process of implementing a new data dissemination tool.

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<sup>1</sup> <http://www.apra.gov.au/Super/Publications/Pages/Publication-super-statistics-confidentiality-super-data.aspx>

<sup>2</sup> <http://www.apra.gov.au/Super/Documents/1410-Stats-QRTLY-Pubs-Response-Submissions-October-2014.pdf>

<sup>3</sup> <http://www.apra.gov.au/Super/Publications/Documents/1411-Letter-Publication-of-Superannuation-Statistics.pdf>

This letter outlines APRA's further response to the consultation, with APRA now having made a decision on the confidentiality of almost all data proposed to be determined non-confidential in the November 2013 discussion paper. The letter also summarises the next steps in relation to consultation on APRA's annual superannuation statistical publications.

### **Confidentiality of data**

The November 2013 discussion paper sought feedback on APRA's proposal to determine all MySuper product data, and most data at the fund and trustee-level, to be non-confidential.

Under section 348A of the *Superannuation Industry (Supervision) Act 1993* (SIS Act), APRA is required to publish quarterly information about fees charged, costs incurred and net returns of each MySuper product, including large employer products and material goodwill products. As APRA is required to publish these data, the publication is for the purposes of the SIS Act and consistent with the secrecy provision in the *Australian Prudential Regulation Authority Act 1998* (APRA Act) without the need for any further determination by APRA. The data that APRA is required to publish under Section 348A of the SIS Act are listed in Appendix A.

Section 57 of the APRA Act provides that APRA may, by legislative instrument, determine that data submitted to it by superannuation entities under section 13 of the FSCOD Act contains or does not contain confidential information. APRA may determine data to be non-confidential if "APRA considers that the benefit to the public from the disclosure of [the data] outweighs any detriment to commercial interests that the disclosure may cause".

### *Representations received on the discussion paper*

Submissions on the discussion paper generally supported the principles behind APRA's proposals to determine data non-confidential, with a few submissions indicating that it would be desirable to make most of the data accessible by determining it non-confidential. Most submissions supported APRA's proposals that specific data items not be determined non-confidential; some indicated that making a limited number of further data items non-confidential would also potentially cause detriment to commercial interests of RSE licensees.

Some submissions suggested that a second round of consultation would be necessary to properly consider and gauge the effect of determining data to be non-confidential. Following its initial consideration of submissions, APRA invited the industry bodies and other entities that had made submissions to make additional representations to clarify their submissions, particularly in relation to proposed disclosures in institution-level and product-level publications. APRA also met with industry representatives and other stakeholders to discuss its proposals and obtain further feedback. Following this additional consultation, further representations from industry were received in May and June 2014.

Some of the submissions also suggested that particular data should not be determined non-confidential to protect individual privacy. As outlined in the discussion paper, a determination that data are non-confidential does not affect APRA's obligations under the *Privacy Act 1998* (Privacy Act). The Privacy Act requires that where APRA has possession or control of a record that contains personal information, it shall not disclose that information to a person, body or agency (other than the individual concerned) except under specific circumstances. In the case of superannuation data, this applies to RSE information where information specific to an individual could be discovered. APRA does not intend to disseminate RSE data where information specific to an individual can be determined and will continue to apply privacy protection measures to ensure that such information cannot be derived from APRA's published statistics.

To adhere to the requirements of the Privacy Act, APRA uses the framework developed by the National Statistical Service (NSS). The NSS, which is a community of government agencies led by the Australian Bureau of Statistics, prescribes a process for managing the risk of releasing private data. APRA follows the NSS policies and procedures to identify and manage privacy risks to ensure an individual's privacy is not breached. APRA already masks data in publications to ensure that identifiable information about individuals is not released publicly and cannot be derived from data that are released. APRA will continue to apply these privacy protection measures.

#### *October 2014 response*

As outlined in the October 2014 response to submissions, having considered all of the feedback on data confidentiality, APRA implemented a phased approach to the determination of data to be non-confidential and hence the publication of non-confidential data.

In October 2014, APRA published data on MySuper fees, costs and net returns and determined additional MySuper product and institution-level data to be non-confidential where RSE licensees and representative associations raised no objection to a non-confidentiality determination for these data items on the grounds of commercial detriment, or indicated that publication would not be detrimental to their commercial interests. The data that APRA determined non-confidential under section 57 of the APRA Act and published in October 2014 are listed in Appendix B.

#### *May 2015 response*

In its October 2014 response, APRA indicated that it would weigh up the public benefit and commercial detriment of the remaining data proposed to be non-confidential in the November 2013 discussion paper. Following further consideration of all feedback provided to date, APRA has now made a decision about the confidentiality of the remaining data, other than a small number of data items on which further consultation will be undertaken.

In the November 2013 discussion paper, APRA did not propose to make certain data non-confidential on the basis that disclosure may have adverse prudential consequences which would outweigh any benefits of disclosure. The data proposed not to be determined non-confidential included data relating to the Vested Benefits Index (VBI), Operational Risk Financial Requirement (ORFR) (for a limited period) and financial or other commercial data relating to service providers.

In addition, APRA has decided to not determine non-confidential other data that may enable derivation of the ORFR, such as the detail of reserve movements. APRA has also not determined non-confidential data reported on *SRF 161.0 Self-Insurance*, *SRF 250.0 Acquired Insurance*, *SRF 331.0 Services* and *SRF 535.0 Securities Lending*, consistent with APRA's stated position in the discussion paper not to disclose commercial data relating to service providers.

APRA has determined additional data to be non-confidential, as set out in Appendix C. This decision was made on the basis that the public benefit from disclosure clearly outweighs any detriment to commercial interests that the disclosure may cause.

Where it was not clear on current evidence that the public benefit of disclosure outweighs commercial detriment that disclosure may cause as identified by the representations made in submissions, APRA has made no determination on the confidentiality of the data at this time. In particular, APRA has not determined non-confidential certain data reported in respect to defined benefit funds and sub-funds. APRA has also not determined non-confidential particular data pertaining to investment holdings and the breakdown of movements in directly and indirectly held investments.

For these data, APRA will continue to apply confidentiality protection measures for industry-level publications to ensure that confidential information relating to an individual institution cannot be derived from APRA's published statistics.

APRA will undertake further consultation regarding the disclosure of certain data reported on *SRF 540.0 Fees* before making a decision about the data's confidentiality. The form includes data relating to fees paid, including activity fees paid as well as information on fee rebates and fee discounts. The consultation on the confidentiality of these data items will be undertaken as part of the consultation on the annual superannuation publications that is scheduled to be released in May 2015.

### **Annual superannuation statistical publications**

As indicated in the November 2014 response to submissions, APRA will consult RSE licensees and other interested parties on draft annual superannuation statistical publications and reports. APRA intends to release this consultation in May 2015. APRA will separately consider and consult on the publication of select investment option data following the commencement of reporting of this data.

APRA will release an interim June 2014 edition of the *Superannuation Fund-level Profiles and Financial Performance* on 20 May 2015. As noted in the November response to submissions, APRA is not proposing to publish June 2014 editions of the *Annual Superannuation Bulletin* or the *Superannuation Fund-level Rates of Return*. Most of the data that would be published in an *Annual Superannuation Bulletin* and the *Superannuation Fund-level Rates of Return* publication has already been released in APRA's interim editions of the *Quarterly Superannuation Performance Statistics* publication or will be published in the interim *Superannuation Fund-level Profiles and Financial Performance* publication.

### Next steps

APRA appreciates the feedback provided to date by industry and other stakeholders. We welcome feedback on the revised publications as they are released. We would also encourage industry and other stakeholders to continue to review the information that is published for accuracy and consistency, so that the quality of the data collection and publications is enhanced over time.

Yours sincerely



Helen Rowell  
Member

## Appendix A - Data that APRA is required to publish under S348A of the SIS Act

- SRS 702.0 Investment Performance (selected data items)
  - 1. Investment fees, costs and taxes
  - 2. Administration fees, costs and taxes
  - 3. Advice fees, costs and taxes
  - 4. Net investment return - quarterly (non-cumulative)
  - 5. Net investment return - year to date
  - 6. Net return - dollar value
  - 7. Net return - percentage value
  - 8. Representative member fees and costs
  - 9. Representative member fees, costs and taxes
- SRS 703.0 Fees Disclosed (all data items)

**Appendix B - Data that APRA determined non-confidential under S57 of the APRA Act (October 2014)**

- SRF 001.0 Profile and Structure (selected data items)
  - 1. RSE licensee ownership
  - 2. RSE licensee profit status
  - 3. Board structure
  - 4. Membership base
  - 5. Defined benefit RSE
  - 6. MySuper product and lifecycle stages
- SRF 410.0 Accrued Default Amounts (all data items)
- SRF 533.0 Asset Allocation (selected data items)
  - Strategic asset allocation
    - 1.1 Asset class type
    - 1.2 Asset domicile type
    - 1.3 Asset listing type
    - 1.4 Benchmark asset allocation
    - 1.5 If applicable, lower end of asset allocation range
    - 1.6 If applicable, upper end of asset allocation range
    - 1.7 If applicable, currency hedging ratio
- SRF 602.0 Wind-up (all data items)
- SRF 700.0 Product Dashboard (all data items)
- SRF 702.0 Investment Performance
  - 10. Start date of reporting period for new investment options only
- SRF 710.0 Conditions of Release (all data items)

**Appendix C - Data that APRA determined non-confidential under S57 of the APRA Act (May 2015)**

- SRF 160.0 Defined Benefit Matters
  - 1.5 Date of defined benefits measures
  - 2. Shortfall limit
  - 3.1 Long term investment return assumption
  - 3.2 Long term wage growth assumption
  - 3.3 Long term consumer price index assumption
  - 3.4 Date of actuarial projection assumptions
  - 4.2 Date of weighted average term calculation
  - 5.1 Current effective date of funding and solvency certificate
  - 5.2 Have any notifiable events occurred?
  - 5.3 Date of benefit certificate
  - 6. Age segmentation
  - 7.1 Defined benefit interests only (column 1 member accounts only)
  - 7.2 Defined contribution interests only (column 1 member accounts only)
  - 7.3 Both defined benefit interests and defined contribution interests (column 1 member accounts only)
  - 7.4 Total (column 1 member accounts only)
    - 7.4.1 *of which are*: Defined benefit pensions (column 1 member accounts only)
- SRF 160.1 Defined Benefit Member Flows
  - 2.1 Total employer-sponsors
  - 2.2 Employer-sponsors on a contribution holiday
  - 2.7 Is participation of any employer-sponsor limited?
  - 3.1 Benefit payments made
  - 3.2 Benefit payments made in accordance with actual recommendations?
  - 4.2 Total reserves
- SRF 320.0 Statement of Financial Position
  - 1. Total receivables
    - 1.1. *of which*: Contributions receivable
  - 2. Investments
  - 3. Securities purchased under agreements to resell and securities borrowed
  - 4. Derivative assets
  - 5. Current tax assets
  - 6. Deferred tax assets
  - 7. Goodwill
  - 8. Reinsurance assets
  - 9. Property, plant and equipment
  - 10. Other assets
    - 10.1 Description of other assets
  - 11. Total assets
  - 12. Total payables
    - 12.1 Benefits payable
    - 12.2 Other payable
  - 13. Borrowings
    - 13.1 Description of borrowings
    - 13.2 *of which*: Secured borrowings against assets of the RSE
  - 14. Derivative liabilities

- 15. Securities sold under agreements to repurchase and securities loaned
- 16. Current tax liabilities
- 17. Deferred tax liabilities
- 18. Insurance liabilities
- 19. Other liabilities
- 19.1 Description of other liabilities
- 20. Total liabilities
- 21. Net assets available for members' benefits
- 22.2 Total reserves
- 23. Total liability for members' benefits
- 23.1 Defined contribution members' benefits
- 23.2 Defined benefit members' benefits
- 23.3 Unallocated contributions
- 24. Surplus/deficit in net assets
- 25.1 Net assets available for members' benefits as at 30 June
- 25.2 Notional balance as at 30 June
- 25.3 Unaudited net assets available for members' benefits as at 30 June
- SRF 320.1 Statement of Financial Position
- SRF 330.0 Statement of Financial Performance
- SRF 330.1 Statement of Financial Performance
- SRF 330.2 Statement of Financial Performance
- SRF 520.0 Responsible Persons Information
  - 1.1 Existing director, executive officer and senior manager employment information
  - 1.2 New director, executive officer and senior manager employment information
  - 2.1 Existing RSE auditor
  - 2.2 New RSE auditor
  - 3.1 Existing RSE actuary
  - 3.2 New RSE actuary
  - 5.1 Registered address of the entity
  - 5.2 Postal address of the entity
- SRF 530.0 Investments
  - 1.1 Total investments
    - 1.1.1 *of which*: individually managed mandates
  - 2. Directly held investments (all columns except column 3 asset listing type)
    - 2.1 Total directly held investments
  - 3. Indirectly held investments (all columns except column 5 asset listing type)
    - 3.1 Total indirectly held investments
  - 6. Hedge fund investments (all columns except column 4 value)
- SRF 530.1 Investments and Investment Flows
  - 1.1 Total investments
    - 1.1.1. *of which*: Individually managed
    - 1.1.2. *of which*: Leased assets
  - 2. Directly held investments (all columns except column 3 asset listing type)
    - 2.1 Total directly held investments
  - 3. Indirectly held investments (all columns except column 3 asset listing type)
    - 3.1 Total indirectly held investments

- 4. Indirectly held investments by vehicle
  - 4.1 Total indirectly held investments
  - 5.1 Total movements in directly held investments
  - 6.1 Total movements in indirectly held investments
- SRF 531.0 Investments Flows
  - 1.1 Total movements in directly held investments
  - 2.1 Total movements in indirectly held investments
- SRF 533.0 Asset Allocation
  - 2. Directly held and indirectly held investments
  - 2.1 Total investments
  - 2.2 Total assets
  - 3.1 Total investment flows
- SRF 540.0 Fees
  - 1. Fees paid (all columns except column 2 source of payment)
  - 3. Activity fees (all columns except column 3 source of payment)
- SRF 600.0 Profile and structure (RSE licensee)
- SRF 601.0 Profile and Structure (RSE)
  - 1. In-house assets held by the RSE
  - 1.1 In-house assets for which the entity has an exemption from APRA
  - 2. Value of assets held in respect of standard employer-sponsored business
  - 3. Standard employer-sponsor details column 1 Name and column 2 ABN
  - 5. MySuper products
  - 6.1 How many investment options are offered?
  - 8. PST investor information
- SRF 610.0 Membership Profile
- SRF 610.1 Changes in Membership Profile
- SRF 610.2 Membership Profile

Data reported under superseded reporting standards:

- SRF 100.0 Statement of Financial Performance (2005)
- SRF 110.0 Statement of Financial Position (2005)
- SRF 110.1 Selected Disclosure of Investments (2005)
- SRF 210.1 Selected Disclosure of Investments (2005)
- SRF 260.0 Trustee Statement (2005)