Disclaimer and Copyright

While APRA endeavours to ensure the quality of this publication, it does not accept any responsibility for the accuracy, completeness or currency of the material included in this publication and will not be liable for any loss or damage arising out of any use of, or reliance on, this publication.

© Australian Prudential Regulation Authority (APRA)

This work is licensed under the Creative Commons Attribution 3.0 Australia Licence (CCBY 3.0). This licence allows you to copy, distribute and adapt this work, provided you attribute the work and do not suggest that APRA endorses you or your work. To view a full copy of the terms of this licence, visit https://creativecommons.org/licenses/by/3.0/au/
Industry overview

Total superannuation industry assets were $2.9 trillion as at 30 June 2020. Of this total, $1.9 trillion was held by APRA-regulated superannuation entities and $0.7 trillion was held by self-managed superannuation funds (SMSFs), which are regulated by the ATO. The remaining $210 billion comprised exempt public sector superannuation schemes ($147 billion) and the balance of life office statutory funds ($63 billion).

At 30 June 2020, small funds which include SMSFs, small APRA funds and single-member approved deposit funds accounted for 25.6 per cent of total assets. Retail funds held 20.7 per cent of total assets, industry funds held 26.0 per cent, public sector funds held 23.6 per cent and corporate funds held 2.0 per cent.

Over the five years from June 2015 to June 2020, total superannuation industry assets increased by 44.0 per cent from $2.0 trillion to $2.9 trillion. Over this period, APRA-regulated assets increased by 56.1 per cent from $1.2 trillion to $1.9 trillion and SMSF assets increased by 29.0 per cent from $569 billion to $733 billion. (Chart 1)

Over the five years from June 2015 to June 2020, the number of SMSFs grew by 11.2 per cent from 533 thousand to 593 thousand, and the number of APRA-regulated funds decreased by 28.5 per cent from 2,517 to 1,800. The decrease of 717 APRA-regulated funds over this period comprised 89 entities with more than four members and 628 small APRA funds. (Chart 2)

At 30 June 2020 there were 107 APRA-regulated RSE licensees responsible for managing 170 funds with more than four members. These funds had 22.5 million member accounts.

There were 845 directorships on boards of APRA-regulated trustees at 30 June 2020, with females accounting for 37.4 per cent and males accounting for 62.6 per cent of directorships. The average board size was 8 directors at 30 June 2020, with average director remuneration of $57,796 per annum.
Entities with more than four members

The comments and charts below refer to APRA-regulated entities with more than four members including exempt public sector superannuation schemes.

Performance
The annual rate of return for the year ended June 2020 was -0.9 per cent. The five year average annualised rate of return to June 2020 was 5.3 per cent and the ten year average annualised rate of return to June 2020 was 6.9 per cent.

Contributions and benefit payments
There was $121.0 billion of contributions and $99.9 billion of total benefit payments for the year ended June 2020. Lump sum benefit payments were 59.0 per cent of total benefit payments ($58.9 billion) and pension benefit payments were 41.0 per cent of total benefit payments ($40.9 billion) for the year ended 30 June 2020. Lump sum benefit payments exceeded pension benefit payments for the year ending June 2020 due to payments made under the Early Release Scheme, which came into effect on 20 April 2020.

Inward benefit transfers exceeded outward benefit transfers by $2.9 billion for the year ended 30 June 2020 due primarily to transfers received by funds from the Australian Tax Office (ATO) as a result of Protecting Your Superannuation Package (PYSP) reforms.

Net contribution flows for the year ended 30 June 2020 were $23.7 billion.

Fees
Fees paid totalled $8.5 billion for the year ended 30 June 2020, with 91 per cent of fees paid by members and the remaining balance largely paid by employer sponsors or from reserves.

Administration fees in the year ended 30 June 2020 totalled $3.6 billion, insurance fees totalled $0.1 billion, investment fees totalled $2.9 billion, advice fees totalled $0.9 billion and activity fees totalled $0.7 billion. The remaining fees paid comprised switching fees, exit fees and other fees.

Service provider expenses
Expenses paid to service providers totalled $7.3 billion for the year ended 30 June 2020, with 74 per cent ($5.5 billion) paid to external service providers and 26 per cent ($1.9 billion) paid to internal service providers.

Membership
Members’ benefits increased by 0.3 per cent over the year to 30 June 2020, from $2,018.3 billion to $2,023.9 billion. The number of member accounts decreased by 11.7 per cent over the year ended 30 June 2020, from 26.4 million to 23.3 million driven, to a significant extent, by sweeps of inactive low-balance accounts the ATO under the PYSP reforms. The average account balance at

---

1 Member benefits transferred by funds to the ATO are not treated as outward benefit transfers but member benefits transferred from the ATO to funds (to be reunited with existing member accounts) are treated as inward benefit transfers. This difference in treatment is the main reason for the mismatch between inward benefit transfers and outward benefit transfers during the year ended June 2020.
30 June 2020 was $86,903. The average account balance was $77,479 for females and $95,257 for males.

Over the five years from June 2015 to June 2020, the number of member accounts decreased by 19.5 per cent, from 28.9 million to 23.3 million. Over the five years from June 2015 to June 2020, members’ benefits increased by 35.7 per cent from $1,491.4 billion to $2,023.9 billion. (Chart 3)

At June 2020, members aged 50 years and over held 67.5 per cent of members’ benefits ($1,365.3 billion) and 35.4 per cent of member accounts (8.3 million). At June 2020, members aged under 50 years held 32.1 per cent of members’ benefits ($650.4 billion) and 64.3 per cent of member accounts (15.0 million). (Chart 4)

The number of member accounts covered by life insurance decreased by 32.7 per cent over the year to June 2020 from 15.0 million accounts to 10.1 million accounts. The number of member accounts covered by total and permanent disability insurance decreased by 32.7 per cent over the year to June 2020 from 13.2 million accounts to 8.9 million accounts. These reductions were primarily the result of the PYSP and Putting Members’ Interest First (PMIF) reforms.
MySuper products

Overview
There were 88 MySuper products offered by 74 RSEs and with total assets of $745.2 billion at 30 June 2020, representing 38.6 per cent of assets held by APRA-regulated superannuation entities. Over the year to 30 June 2020 there was a 1.5 per cent decrease in total assets in MySuper products.

There were 74 Generic MySuper products with total assets of $719.0 billion and 12 Large Employer MySuper products with total assets of $11.8 billion at 30 June 2020.

Contributions and benefit payments
Total members’ benefits flows into MySuper products for the year ended 30 June 2020 were $114.0 billion, including $49.3 billion from employer contributions and $7.0 billion from member contributions.

Total members’ benefits flows out of MySuper products for the year ended 30 June 2020 were $79.8 billion, including benefit payments of $26.8 billion. Net member benefit flows for the year ended 30 June 2020 were $34.2 billion.

Fees
Fees paid from MySuper products totalled $2.7 billion for the year ended 30 June 2020, with 85.3 per cent of fees paid by members and the remaining balance largely paid from reserves.

Insurance fees in the year ended 30 June 2020 totalled $58 million, administration fees totalled $1.6 billion and investment fees totalled $1.0 billion. The remaining fees paid comprised activity fees, advice fees, exit fees and other fees.

Membership
Members’ benefits in MySuper products decreased by 5.0 per cent over the year to 30 June 2020, from $718.9 billion to $683.1 billion. Members’ benefits in MySuper products were 34 per cent of total fund members’ benefits at 30 June 2020 (for entities with more than four members).

The number of MySuper member accounts decreased by 7.3 per cent over the year to 30 June 2020, from 15.2 million to 14.1 million due primarily to the PYSP reforms. MySuper member accounts were 60 per cent of total fund member accounts at 30 June 2020 (among entities with more than four members).

The average MySuper account balance increased by 2.4 per cent over the year to 30 June 2020, from $47,338 to $48,496. At 30 June 2020 the average MySuper account balance was $44,745 for females and $52,224 for males.