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***Re: Consultation on the publication of annual superannuation statistics and confidentiality of superannuation data***

Thank you for the opportunity to comment on the publication of annual superannuation statistics and the confidentiality of superannuation data.

**Introduction**

ISA is a longstanding supporter of APRA's role in collecting, publishing and analysing superannuation industry data. The superannuation industry is the second largest part of the financial sector and is predicted to have assets that exceed those of Australia's banking system within the next 20 years. Because superannuation is compulsory, and attracts significant tax concessions, the industry should be subject to the highest level of transparency and reporting. This is critical to support analysis of whether the industry is achieving retirement income policy objectives and enable consumers, employers, independent commentators, Government and academics to assess performance.

ISA welcomes APRA's decision to continue to release annual superannuation statistics at industry, fund and My Super product or option levels.

**Data dissemination tool**

ISA notes that APRA is not yet in a position to make release data and statistics in the form of a new data dissemination database. In this context we support APRA's proposal to continue to release data in the existing PDF and excel formats. ISA would welcome the opportunity to participate in further consultation processes or provide any other assistance that would be useful as APRA progresses the development of its new data dissemination tool.

**Segmentation of data**

ISA welcomes the decision to continue to publish superannuation based on established fund type, regulatory type and benefit structure segmentation.

**Draft publications and reports**

ISA has reviewed the draft Annual Superannuation Supplementary Statistics publication and report and the proposed Annual Fund-level superannuation statistics report published on the APRA website. We do not have any comments on these drafts.

## Fees

The proposed Annual Fund-level Superannuation Statistics report and Annual MySuper supplementary Statistics report will contain statistics about the fees charged and costs incurred at fund level and for individual MySuper products and options.

This fees and costs information will be drawn from APRA Reporting Form SRF 540 *Fees*.

Separately to this process, we note that APRA is proposing to amend *Reporting Standard SRS 702.0 Investment Performance* and *Reporting and Reporting Standard SRS 703.0 Fees Disclosed* to support alignment between the information RSE licensees are required to disclose in Product Disclosure Statements (PDSs) under *the Corporations Regulations*, as modified by ASIC, and the information required to be reported under APRA's reporting standards.

Simultaneously, ASIC is currently consulting on amendments to its modifications to fee disclosure in Class Order 14/1252 and Regulatory Guide 97 *Disclosing fees and costs in PDSs and periodic statements*. ISA has significant concerns about ASIC's proposals, which will not further, but instead undermine, the policy objectives of fee transparency and consistency. ISA has made a submission to ASIC to this effect, and is continuing to engage with ASIC on this issue.

ISA met with Carolyn Morris of APRA on Wednesday 17 June 2015 to discuss these concerns and the interaction of fee disclosure under the *Corporations Regulations* as administered by ASIC and APRA's superannuation reporting standards. We subsequently lodged a submission with APRA's consultation on SRS 702.0 and SRS 703.0 outlining our concerns in detail.

ISA does not support changes to APRA reporting standards to align the information reported to APRA with information RSE licensees are required to disclose in PDSs under the *Corporations Regulations*, as modified by ASIC. Instead, APRA should rely on its existing look-through approach which enables it to obtain a far more accurate picture of superannuation fees than ASIC's proposals would achieve.

## Confidentiality

ISA is a longstanding supporter of APRA categorising as much of the data it collects as non-confidential as possible. As part of this consultation process, APRA is seeking feedback on whether specific data relating to fees and conditions of release not yet determined to be non-confidential should be treated as confidential.

ISA's view is that there are no valid grounds to argue that data relating to fees paid by source of payment, information on fee rebates and fee discounts should be treated as confidential.

ISA's view is that any commercial detriment suffered by an industry participant as a result of publication of this information would be outweighed by the benefits to competition of the publication of comprehensive fee data. We support APRA's proposal to determine that this data is non-confidential and be included in the proposed fund-level and MySuper product-level annual superannuation statistical reports.

Similarly, ISA's view is that there are no valid grounds to argue that information about lump sum benefit payments should be treated as confidential.

Please contact [REDACTED] on [REDACTED] if you have any questions about this submission.

Yours sincerely



Robbie Campo,  
Deputy Chief Executive