



17 April 2015

Mr Pat Brennan  
General Manager, Policy Development  
Policy, Statistics and International Division  
Australian Prudential Regulation Authority  
GPO Box 9836  
SYDNEY NSW 2001

**CPA Australia Ltd**  
ABN 64 008 392 452  
Level 20, 28 Freshwater Place  
Southbank VIC 3006  
Australia  
GPO Box 2820  
Melbourne VIC 3001  
Australia  
**Phone** 1300 737 373  
**Outside Aust** +613 9606 9677  
**Website** cpaustralia.com.au

**By email:** [superannuation.policy@apra.gov.au](mailto:superannuation.policy@apra.gov.au)

Dear Mr Brennan

**Consultation on superannuation data collection for the Australian Bureau of Statistics (ABS)**

CPA Australia represents the diverse interests of more than 150,000 members in 120 countries, including more than 25,000 members working in senior leadership positions. Our vision is to make CPA Australia the global accountancy designation for strategic business leaders.

Against this background we provide this submission in response to the consultation on superannuation data collection for the ABS.

We acknowledge that much of the data the ABS collects and publishes has a significant positive influence on policy development and in informing the markets. However, we regularly receive member feedback complaining of the burden that completing ABS forms imposes on business.

Both we and our members are therefore concerned over the burden and cost on superannuation funds, and therefore their members, of providing the additional data proposed by the ABS reporting standard. Further, we are of the opinion that the cost of complying with the standard is likely to outweigh any benefits this data may generate to the broader economy.

As a trustee, the primary responsibility of a Registrable Superannuation Entity (RSE) licensee is to act in the best interest of their members. Preparing and providing financial and other information to APRA to satisfy prudential reporting requirements can serve the members' interest as it helps to ensure the integrity of the superannuation system. However, there is no obvious benefit to members or superannuation funds from the proposed additional ABS reporting.

Despite the modifications to the proposed reporting requirements outlined in the ABS letter of 1 April 2015, the additional requirements, whether they are added to existing reporting standards or contained in new standards, will still require funds to effectively compile a second set of financial information to meet the proposed ABS reporting requirements in addition to the financial information compiled and provided to meet the current requirements of the APRA reporting standards.

This additional information will form part of the APRA reporting standards that will require RSE licensees to ensure appropriate quality control procedures are applied to this information similar to those applied to information currently provided through APRA reporting standards. For example, the requirement to provide an estimate of non-resident benefits will require the same amount of work as providing the actual information since the directors of the RSE licensee have fiduciary and risk-management responsibilities to prepare the data with the same level of care and accuracy. This will impose additional costs to superannuation funds, which will ultimately have a detrimental effect on member benefits.

It is CPA Australia's view that contrary to the assertion made in the Consultation Paper, the proposed reporting requirements will impose an additional red-tape burden on RSE licensees. This does not appear to align with the Government's drive to reduce red-tape for business.

For the reasons stated above, CPA Australia does not believe these additional reporting requirements should be imposed on superannuation funds. Instead, APRA should align its reporting requirements with international taxonomies and work with the ABS to develop a single set of reporting standards that meet the requirements of both agencies so that superannuation funds only have to prepare financial information once and there is no additional burden on funds.

If APRA and the ABS wish to proceed, it is our recommendation that a regulatory impact statement that ascertains the costs and benefits of the proposal be prepared and be subject to additional consultation before any decision to implement the proposal is made.

If you have any questions regarding this submission, please do not hesitate to contact Michael Davison, senior policy adviser - superannuation on (02) 6267 8552 or [michael.davison@cpaaustralia.com.au](mailto:michael.davison@cpaaustralia.com.au) .

Yours faithfully

A handwritten signature in black ink, appearing to read 'Paul Drum', with a stylized flourish at the end.

Paul Drum FCPA  
Head of Policy