

2 June 2026

General Manager
Branch 4
Life, Private Health Insurance and Superannuation Division
Australian Prudential Regulation Authority
GPO Box 9836 SYDNEY NSW 2001

Email: RetirementDataConsultation@apra.gov.au

Dear Sir/Madam,

Consultation: Implementation of the Government's Retirement Reporting Framework

The Actuaries Institute (**Institute**) welcomes the opportunity to provide feedback on APRA's consultation paper '*Proposed superannuation data collection to implement the Government's Retirement Reporting Framework*' (**Consultation**).

The Institute is the peak professional body for actuaries in Australia. Our members work in a wide range of fields, including superannuation and retirement incomes. The Institute has a longstanding commitment to contribute to public policy discussions where our members have relevant expertise.

This submission is guided by the Institute's [Public Policy Principles](#), which state that policy measures and regulatory change should promote public wellbeing, consider impacts on equity, be evidence-based, and support effectively regulated systems.

Overall Feedback

We support the overarching objective of the Retirement Reporting Framework (**Framework**) of enhancing transparency and strengthening the assessment of retirement outcomes provided by superannuation funds. Actuaries play an important role in the design, monitoring and evaluation of retirement income strategies, and we welcome initiatives that support more evidence-based decision-making.

We support the proposed member-level cohort reporting. It is necessary to assess retirement outcomes and provides insight into how trustees are helping members navigate the Retirement Income Covenant objectives of income adequacy, income sustainability and risk management, including longevity and sequencing risks. This is an important step toward member-centric reporting in retirement.

We acknowledge that greater granularity will increase cost, data complexity and the risk of misinterpretation, and that an appropriate balance must be struck between regulatory burden and meaningful insight. We support the proportionate balance taken by the proposed Framework. In our

view, APRA's proposed data collection is well directed and will provide greater insight than introducing product level retirement assessments such as an annual performance test for retirement products.

Our submission focuses on strengthening alignment with member outcomes, improving consistency across products, and addressing key technical and data challenges.

Interpretation of the Data and Supervisory Use

The proposed Framework will improve transparency and support better assessment of retirement outcomes. However, many reported measures will be influenced by member characteristics and external factors outside trustees' control, so their value will depend not only on what is collected, but also on how the data is interpreted and applied. The Framework should therefore be used to support risk identification, spotlight better practices, target supervisory review and for monitoring over time, rather than simple fund comparisons or league-table style use, given member-level cohort analysis will often be more meaningful than whole-of-fund averages where member characteristics materially affect outcomes.

Importantly, reported metrics should be accompanied by clear guidance on how they should be interpreted in the context of the Retirement Income Covenant, including their use in assessing trustee performance, identifying emerging risks, and monitoring outcomes over time. For example, the prevalence of a particular product type may be informative but should not in itself be treated as evidence of better or worse retirement outcomes. Further, any supervisory assessment should consider whether the relevant cohort is receiving adequate and sustainable income and managing risks such as longevity and sequencing risk, alongside fund design, member preferences, member demographics, and other contextual factors.

Technical Refinements

The Institute has identified three technical refinements that would improve the clarity, consistency and practical implementation of the Framework.

1. Retirement status indicator

The proposed Framework may implicitly prescribe a definition of "retirement", even though the Retirement Income Covenant allows trustees discretion in determining what constitutes retirement. This potential inconsistency should be clarified in implementation. We would welcome clarification from APRA that the definition of "retirement" is not prescribed and is used only to support consistency in regulatory reporting across funds.

In addition, the current proposed approach may introduce noise into the data by classifying members as retired when they have only made a small lump-sum withdrawal from their accumulation account (for example, to fund a holiday or pay household bills). It may also create inter-year inconsistencies, because classification relies on lump sum withdrawals from accumulation accounts. For example:

- a member withdrawing a small amount of lump sum after reaching preservation age may be classified as "retired" in one year; or
- the same member may not be classified as "retired" in subsequent years if no retirement income stream is established and no further lump sum withdrawals are made from the accumulation account.

We acknowledge the benefits of tracking the extent to which lump sum withdrawals are made from accumulation accounts when members move into retirement. In our view, this objective could be met

by associating the definition of “retired during the reporting period” with making a full lump sum withdrawal, with the following benefits:

- addressing the issues associated with small lump-sum withdrawals driven by liquidity needs;
- reducing inter-year inconsistencies;
- still allowing data to be collected on how much money is leaving the superannuation system, alongside the number of people retired during the reporting period;
- having minimal impact on implementation of the Framework, as it would require only a change to the definition of the retirement indicator, without redesigning the proposed reporting tables; and
- having minimal impact from an operational perspective for funds.

We recommend that, for reporting purposes, “retired during the reporting year” be defined as either: (i) commencement of an account-based pension or innovative retirement income stream product; or (ii) a full lump-sum withdrawal from an accumulation account, that is, cashing out and leaving the superannuation system. For (ii) the definition could also incorporate a materiality threshold to capture larger lump sum withdrawals e.g., those people who withdraw more from their accumulation account than the equivalent legislated minimum rate applicable to account-based pensions in that year might reasonably be regarded as retired in that year. APRA should weigh up the accuracy benefits of including a materiality threshold against the increase in complexity.

2. Balance utilisation for deceased members

For deceased members, accurate commencement retirement balances are unlikely to be available, particularly where retirement occurred decades earlier. Even where the data is available, pension rebooting behaviours, such as moving additional superannuation savings into the pension phase, further complicate the interpretation of commencement balances.

Further, reporting commencement balances for account-based pensions presents practical challenges because of historical mergers, successor fund transfers, legacy data limitations and system constraints. In these cases, receiving funds may hold only the transferred balance, not the original commencement balance or purchase price.

We recommend that:

- APRA permits the use of proxy measures, such as balance at a defined prior point (e.g. where not feasible, funds be permitted to report the balance as of 1 July 2022 which aligns with the start of the Retirement Income Covenant and represents 5 years before the first collection period). When combined with drawdown data, this will continue to support analysis of income utilisation and sustainability; and
- APRA considers data limitations and provides guidance on acceptable estimation methodologies.

3. Reporting for innovative retirement income stream (IRIS) products

A gap in the current Framework proposal is the inconsistent treatment of reporting requirements across account-based pensions and innovative retirement income stream (IRIS) products. For example, both drawdown and investment strategy information for account-based pensions are collected through the combination of existing reporting standards and the proposed retirement reporting standards. By contrast, only income benefit payments are proposed to be reported for IRIS products.

New forms of IRIS products are emerging that allow both drawdown choice and investment choice (e.g. MLC Retirement Boost, AMP North Lifetime and some in development). Given the proposed implementation timeline, we consider that the proposed retirement reporting standards should be forward looking and demonstrate product consistency. In addition, there is interdependency between investment strategy and drawdown behaviour.

We recommend that similar reporting on drawdown behaviour and investment strategy be extended to IRIS products where product features permit this. In practice, this could be implemented as follows:

- investment strategy can be captured at risk-band level using growth asset exposure bands (e.g. risk categories from either SuperRatings or Chant West); or
- definitions of growth and defensive assets can be aligned with PDS disclosures or existing APRA methodologies.

This recommendation does not extend to other reporting standards outside the scope of this Consultation.

Implementation Considerations

Implementation feasibility is likely to be a key concern across the industry, given system constraints, dependence on administrators and service providers, the uplift required in data governance, and uncertainty around final definitions.

To support implementation, we recommend that APRA provides detailed example reporting tables in the finalised standards, including mock-ups for SRF 607 and SRF 611, to reduce implementation cost and the risk of errors.

Privacy and Publication

The Institute notes the importance of safeguarding member privacy, particularly for older cohorts (e.g. those aged 85+) and small or highly segmented populations. There is also a risk that publicly released data could be misinterpreted without appropriate context. Interpretations from the public reporting of this data will be a significant issue as views are likely to evolve over time.

We support the use of minimum aggregation thresholds to reduce the risk of re-identification, together with careful consideration of publication formats and accompanying explanatory material.

If you would like to discuss any aspect of this submission, please contact the Institute via [REDACTED]
or [REDACTED]

Yours sincerely

[REDACTED]
Chief Executive Officer