FINANCIAL ADVICE ASSOCIATION AUSTRALIA

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Via email: RetirementDataConsultation@apra.gov.au

Dear Mr Douglas,

Final consultation: Implementation of the Government's Retirement Reporting Framework – revised draft reporting standards

The Financial Advice Association of Australia[1] (FAAA) welcomes the opportunity to comment on APRA's revised draft reporting standards, updated Technical Paper and new Reporting Practice Guide, released on 10 September 2026, as part of the implementation of the Government's Retirement Reporting Framework (the Framework).

This submission builds on the FAAA's June 2026 submission and focuses on the aspects of the Framework most relevant to the financial advice profession. We support APRA's proposed refinements and welcome the continued focus on measuring retirement outcomes. Our recommendations are aimed at ensuring the Framework provides meaningful insights into members' access to and use of personal financial advice, supports consistent and comparable reporting, and continues to evolve to better capture the factors that contribute to positive retirement outcomes.

1. Importance of retaining and enhancing Indicator 3

The FAAA continues to support Indicators 3, 3.1 and 3.2, which measure member access to, and take-up of, personal financial advice. With Australia's superannuation system holding approximately $4.5 trillion in assets and more than 2.5 million Australians expected to retire over the next decade, access to personal financial advice is critical to helping members navigate complex retirement decisions, including retirement income strategies, longevity risk, sequencing risk, and Age Pension interactions.

The current design of Indicator 3 uses a simple "Yes/No" construct, with trustees reporting "Yes" only where members can access advice through an in-house capability or a genuine referral arrangement. APRA's clarification that merely listing advisers on a website is insufficient, remains an important

[1] The Financial Advice Association of Australia (FAAA) is the largest association representing the financial advice profession in Australia, with approximately 10,000 members. It was formed in 2023 following the merger of the two leading financial planning/advice bodies in Australia – the Financial Planning Association (FPA) and the Association of Financial Advisers (AFA).

safeguard, ensuring the indicator measures meaningful access, rather than passive signposting and preserving its value as a comparative measure across funds.

The FAAA also continues to see merit in segmenting Indicator 3 by whether a member is still receiving employer contributions. Members aged 60 and over who remain in the workforce face distinct retirement and contribution decisions and are a cohort for whom advice is particularly valuable. As trustees already hold this information, such segmentation could provide useful insights into advice availability and utilisation at key retirement transition points.

Recommendation 1: Retain indicators 3, 3.1 and 3.2 and their existing reporting requirements. APRA should also consider segmenting Indicator 3 by employer contribution status.

2. Publication design and interpretation of advice data

On its own, Indicator 3 provides only a partial picture of the advice support available to members. While it shows whether members can access personal financial advice through their fund, it does not indicate the extent to which those services are being used or whether member demand for advice is being met. Publishing Indicator 3 alongside the intra-fund advice and member-deducted advice indicators would provide a more complete picture of both the availability and utilisation of personal financial advice. Additional contextual information, such as the volume of advice provided and the proportion of member advice requests that are fulfilled, could further assist in understanding members' ability to access advice when needed.

Recommendation 2: Publish Indicators 3, 3.1 and 3.2 together, accompanied by appropriate contextual information and explanatory material.

3. The distinction between intra-fund advice and member-deducted personal advice

We welcome APRA's decision to retain the member cohorts based on "intra-fund advice" and "member-deducted personal advice" in the revised package, a distinction we raised in our 3 June 2026 submission. We continue to regard this distinction as essential, as it separates advice the fund provides about a member's interest in the fund, from advice provided by a financial adviser of the member's own choosing. These are materially different forms of support, differing in scope, funding mechanism, and relationship to the member's broader financial circumstances. Defining the cohorts by reference to how the advice is funded gives industry a clear and consistent basis for producing comparable data.

4. The Reporting Practice Guide should address advice scenarios

We support the development of the Reporting Practice Guide. Guidance on common retirement advice scenarios is a practical way to reduce interpretation risk and improve consistency in reporting without introducing additional prescription into the standards themselves. Given the diversity of advice delivery models across the market, the Guide should address common advice scenarios and include worked examples covering the application of the advice indicators. This could include clarification on what constitutes a referral arrangement sufficient to support a “Yes” response to Indicator 3, as distinct from simply providing a list of advisers. It should also clarify the treatment of digital, hybrid and telephone-based advice models. Clarification in these areas would promote more consistent reporting outcomes, while accommodating the range of advice delivery models currently in use.

Recommendation 3: Expand the Reporting Practice Guide to address common advice scenarios and include worked examples covering the advice indicators, including referral arrangements and digital, hybrid and telephone-based advice models.

5. Measuring member wellbeing

Superannuation funds have traditionally prioritised the growth and retention of funds under management. The Framework presents an opportunity to broaden this focus by encouraging greater attention to members' experiences and outcomes in retirement. Incorporating measures of member wellbeing and satisfaction would complement the Framework's objective of assessing retirement outcomes and provide a stronger incentive for trustees to consider whether members are achieving positive retirement experiences, rather than focusing solely on balance retention.

Consideration would need to be given to how such information could be incorporated into a reporting framework. One potential approach would be to build on the Retirement Income Covenant by requiring trustees to report on measures of member satisfaction with their access to financial advice options and the impact of that advice on their overall wellbeing. We frame this as an objective to develop for the future in order to enable the published measures to extend beyond members' satisfaction with their fund alone. As retirees progressively draw down their savings, a fund-specific measure may not provide a complete picture of how individuals are experiencing retirement more broadly.

Recommendation 4: As a longer-term objective, APRA should consider incorporating measures of member wellbeing and satisfaction into the Framework, potentially through the Retirement Income Covenant, with a focus on retirement experiences and outcomes beyond members' interactions with their fund.

Conclusion

The FAAA supports APRA's continued refinement of the Retirement Reporting Framework and welcomes the changes made in response to consultation. Retaining meaningful advice indicators, supporting consistent reporting through practical guidance, and continuing to evolve the Framework over time will enhance its value as a measure of retirement outcomes.

If you have any questions about our feedback, please do not hesitate to contact me on [redacted] or [redacted]

Yours sincerely,

[redacted]

[redacted]
General Manager Policy, Advocacy and Standards
Financial Advice Association Australia (FAAA)