

9 July 2015

Manager
Superannuation Statistics
Australian Prudential Regulation Authority
GPO Box 9836
SYDNEY NSW 2001

Email: statistics@apra.gov.au

Dear Sir/Madam,

Re: Discussion paper: Publication of annual superannuation statistics and confidentiality of superannuation data

The Australian Institute of Superannuation Trustees is a national not-for-profit organisation whose membership consists of the trustee directors and staff of industry, corporate and public-sector funds.

As the principal advocate and peak representative body for the \$600 billion not-for-profit superannuation sector, AIST plays a key role in policy development and is a leading provider of research.

AIST provides professional training, consulting services and support for trustees and fund staff to help them meet the challenges of managing superannuation funds and advancing the interests of their fund members. Each year, AIST hosts the Conference of Major Superannuation Funds (CMSF), in addition to numerous other industry conferences and events.

In brief:

AIST supports the non-confidentiality of fields contained in SRF 540.0 and 710.0 in the interests of a transparent and competitive industry. AIST also supports the proposals contained in this discussion paper to provide new formats and reports containing superannuation statistics annually, as well as the availability of a data dissemination tool which would be updated frequently.

AIST welcomes this discussion paper from APRA. We have taken an active involvement in these measures ever since the recommendations that were implemented as part of the Stronger Super reforms. AIST considers that the purpose of publicly released statistics should be to:

1. Facilitate and encourage analysis of whether the superannuation industry is achieving retirement income policy objectives over the medium to long term, and

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2. Contribute to enhanced transparency, accountability and understanding of the superannuation industry.

Accordingly, AIST wants to assess the proposals and answer the issues raised in the discussion paper by reference to these criteria. However, we also want to identify any commercial or administrative impediments that may outweigh the public interest of disclosure.

In the case of this submission, we wish to make clear our broad support for the recommendations made in the paper, and see no major commercial or administrative impediments to their implementation.

Proposed format of annual superannuation statistics

AIST wishes to provide our full support to APRA for the proposed data dissemination tool which APRA proposes to provide as a third format for the publication of statistics. We note that the superannuation industry has benefited from the existing statistics provided in .XLS/.XLSX formats and the ability to extract figures and manipulate using spreadsheet or database tools.

We believe that the addition of a robust and durable data dissemination tool will be of better use to professionals who prefer point and click functionality to the comparatively less user-friendly environment of a spreadsheet program. In addition, we note that the provision of this tool as a web-based service will ensure that data issues related to out of date spreadsheets or errors would be greatly minimised.

We look forward to the availability of this tool.

Segmentation of superannuation statistics

AIST continues to support the multi-layered approach to segmentation as proposed in this discussion paper, although we note that with time has come the inevitable drift between categories by funds which have no easy classification.

AIST is aware of two similar funds located in New South Wales and Victoria, with almost identical histories and member-bases, yet one is classified as a public sector fund and the other is classified as an industry fund. For end users, this example shows that classification is not easy.

In our submission of January 2013, AIST recommended that a better way of segmenting the industry would be for APRA to formally segment funds into three categories: not-for-profit, for-profit and SMSF types (recognising that the ATO has responsibility for regulating SMSFs).

This segmentation removes the inconsistencies that we have highlighted, and ensures that the actual, practical segmentation of the industry is represented in the published statistics. We also consider that this would be both relevant and useful to a variety of audience groups.

Additional data proposed non-confidential

AIST supports full disclosure in the interests of members of superannuation funds, and believes that APRA's reasoning regarding what is considered to be confidential and non-confidential to be sound. Therefore we submit that no other information should be determined to be confidential.

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AIST supports the availability of an efficient and transparent financial services industry. To this end, we support the proposal for all additional data fields currently contained within *SRF 540.0 Fees* and *SRF 710.0 Conditions of Release* to be made non-confidential.

If you have any further questions regarding this submission, please contact Richard Webb, Policy & Regulatory Analyst on 03 8677 3835 or at rwebb@aist.asn.au.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Tom Garcia', is written over a light blue horizontal line.

Tom Garcia
Chief Executive Officer