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Retirement Reporting Framework: Submission by Super Consumers Australia

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Super Consumers Australia is the people's advocate in the superannuation sector. Super Consumers Australia advances and protects the interests of people on low and middle incomes in Australia's superannuation system. It was founded in 2013 and received funding for the first time in 2018.

Table of Contents

Introduction

Super Consumers Australia welcomes the consultation on a Retirement Reporting Framework and the Government's focus on improving the retirement phase of the superannuation system.

A well-designed reporting framework is an essential ingredient to ensure that adequate information about retirement offerings and member outcomes is available. However, we believe that the retirement phase of the superannuation system urgently needs consumer safeguards and solutions that are currently missing. In this submission we provide details on these proposals and responses to the consultation questions.

Summary of Recommendations

Recommendation 1: The Government should incorporate safeguards and consumer-facing solutions (a comparison tool and an independent guidance and advice service) alongside a reporting framework to ensure the data that is reported to regulators helps consumers.

Recommendation 2: The Government should introduce mandatory minimum requirements for default retirement products.

Recommendation 3: The Government should extend the annual performance test to account-based pension products.

Recommendation 4: The Government should fund an independent retirement product comparison tool through ASIC's Moneysmart website using data collected by APRA.

Recommendation 5: The Government should establish an independent, one-stop-shop service that people can turn to for free advice and guidance modelled on the United Kingdom Money and Pensions Service.

Recommendation 6: The Government should task an independent agency to connect up and promote the existing suite of government services through a single portal.

Recommendation 7: The Government should include additional metrics on fund offerings:

- Does the fund provide higher drawdown rates than MDR as an opt-out setting for ABPs?
- Does the fund have a minimum account balance to open an ABP? (Y/N) If so, what is the amount?
- What percentage of accumulation accounts held by members aged 60+ are below this amount (and have always been below this amount)?
- Median and average time taken to set up a retirement account
- Median and average time taken to pay a lump sum withdrawal
- Median and average time taken from account set up to first pension payment
- Frequency of pension payments

- Median and average time to process and pay a change to a pension payment
- Does the trustee limit the number of lump sum withdrawals a member can make in a year?

Recommendation 8: The Government should include proactive engagement metrics:
- Does the trustee provide an estimate of retirement income on all annual member statements?
- Does the trustee provide links to Moneysmart, Services Australia and FIS on its website?

Recommendation 9: We suggest the following amendments to the proposed member outcomes metrics:
- Expand current collection of take-up of retirement products to ensure that complexities are reported to APRA: members with both an accumulation and retirement account, members with both a longevity and account based pension product, members impacted by transfer balance caps, members who have received a contribution, categories of longevity products.
- We support the collection of drawdown rates, including drawdown rates for new retirement accounts.
- We think it is not necessary to collect information on members who change drawdown rates.
- We do not support the balance utilisation metric. As an alternative measure, collect data by age group on the proportion of account balances that increased/decreased over the year.
- We propose that the number of retirement accounts closed is reported, including reason for closure: closed due to withdrawal of balance or closed due to rollover to another superannuation fund.

Recommendation 10: We recommend that additional data items on member outcomes that are essential for a retirement product comparison tool are collected:
- For longevity products: salary payable per $100,000 by age group and gender, and fee structure
- A measure of risk/uncertainty for account-based pensions
- Detail on type of longevity product to enable categorisation of these products

Recommendation 11: We support the proposal to collect contextual information and information on cohorting:
- Contextual information: Age pension eligibility and type (full/part, single/couple, homeowner/renter)
- Collect the number of cohorts and their name/descriptor.

Recommendation 12: Do not collect data sources for cohorting as part of this Framework, but as a one-off regulator survey.

Recommendation 13: Review the Retirement Reporting Framework after the third year of data collection to ensure that it is up-to-date and reflects the state of retirement offerings at that time.

Recommendation 14: We recommend that the Government introduce consequences for trustees who do not report accurate data to the regulator.

Importance of retirement products

The retirement phase of superannuation is big and will continue to grow. Currently there are 1.35 million accounts with $490 billion in assets in the retirement phase of APRA-regulated superannuation funds. (Source: Figures for 31 March 2025 in Table 1, APRA Quarterly Superannuation Industry Publication published 26 June 2025.) APRA estimates that the retirement phase will reach $3 trillion in the next 20 years. (Source: Remarks to the Conexus Retirement Conference, 13 August 2025.) With more than 200,000 new pension accounts opened every year since 2015, an increasingly large group of the population is lacking transparency about their choices. (Source: Table 3, APRA Annual Superannuation Bulletin published 30 January 2025.)

Currently there are 67 funds offering 215 retirement products with 12,096 multi-sector investment options, but no simple defaults. (Source: SCA analysis of Table 1, APRA Quarterly Superannuation Product Statistics published 26 June 2025.) Without defaults, consumers are forced to choose. However, given the dizzying array of options to choose from, consumers cannot simply gather information themselves to compare retirement options. We need more safeguards, and a comparison tool that provides people with easy to use relevant information, so that they are empowered to find the best retirement option for them.

The Retirement Reporting Framework focuses on data items to be collected, not on how they will be used. To ensure that the data will help consumers, the Government needs to incorporate safeguards and consumer-facing solutions (a comparison tool and an independent guidance and advice service) alongside a reporting framework.

Recommendations

Recommendation 1: The Government should incorporate safeguards and consumer-facing solutions (a comparison tool and an independent guidance and advice service) alongside a reporting framework to ensure the data that is reported to regulators helps consumers.

Retirement needs safeguards, not just transparency

Super Consumers Australia research reveals that there are broadly three types of people when it comes to retirement planning (see Table 1 below). The retirement phase of superannuation lacks safeguards for the roughly 38% of Australians who are disengaged with superannuation (the Disengaged). These people are more likely to have lower levels of wealth, home ownership, and feel less confident about navigating the retirement income system. Providing more transparency, financial advice, information and guidance is not a sound solution for this group, because they are unlikely to take advantage of it.

The system also lacks safeguards for more engaged consumers, including the roughly 37% who are engaged and may be seeking to assess the quality and performance of retirement products themselves (the Engaged DIYs), and the 25% who are engaged but may be looking to default options to help them manage their super (the Engaged Delegators).

Table 1: Three types of "retirement planners"

The Disengaged (38%)	This group is less engaged with financial decision making, in part because they tend to have limited means. They will require the support of default options and a targeted social safety net to assist with their retirement.
The Engaged DIYs (37%)	This group is highly engaged with their finances but want to make decisions themselves. They are less likely to trust others to make decisions for them, including financial planners. Instead they require quality, independent information and nudges. This group is underserved by the current system and could benefit from tools that help them understand their retirement needs and find products that meet them.
The Engaged Delegators (25%)	This group is engaged with their finances, but look to others to make decisions for them, including financial advisers or default options. People in this group will require professional financial advisers offering quality advice, backed by appropriate default options and nudges.

Source: Survey of 1,451 Australians aged 45-80 in 2021. See Super Consumers Australia, Retirement Planning Survey Results (2021).

Policy settings need to cater for all three groups. It must be recognised that the proposed Retirement Reporting Framework does not do that. For example, some people will not undertake their own research and product comparisons, so policy solutions based on improving information and disclosure, such as the Retirement Reporting Framework will not benefit them.

Australians should not need to become superannuation experts or seek comprehensive financial advice to receive decent outcomes in retirement. The accumulation phase of super has a suite of in-built safeguards, including default products (backed by the MySuper authorisation regime), performance testing, and compulsory saving (the Superannuation Guarantee). However, equivalent safeguards are almost entirely absent in the retirement phase.

The Government needs to make the system safer by design, so that disengaged people are not left out in the cold. In addition to the transparency reforms, the Government should:

- introduce mandatory minimum requirements for default retirement products, similar to MySuper products, to ensure that all consumers have access to high quality, fit for purpose retirement products; and

- extend the annual performance test to account-based pension products, given that balances are typically largest at the point of retirement and super fund members pay more fees during retirement than they do in the entire accumulation phase: see Retirees pay more in superannuation fees, Rainmaker (13 October 2022).

Recommendations

Recommendation 2: The Government should introduce mandatory minimum requirements for default retirement products.

Recommendation 3: The Government should extend the annual performance test to account-based pension products.

Consumers also need access to independent advice and guidance

Prompts to encourage people to think about retirement planning will only be effective if people are given the right support, tools and guidance to navigate the decision-making process. Directing people to an independent guidance service that includes a comparison tool can achieve this.

The government should establish an independent, one-stop-shop service that people can turn to for free advice and guidance when they need it. This would fill the gaps that currently exist between:

- existing government information sources—which are widely trusted but scattered, hard to navigate and generally underused;
- 'free' advice offered by super funds—which is conflicted, of limited helpfulness to fund members, and not generally trusted; and
- independent, professional financial advice—which is unaffordable and out of reach for most lower and middle income Australians.

As part of this one-stop-shop service, the Government should also fund an independent retirement product comparison tool, as it has in the energy and private health insurance markets, through the Australian Securities & Investments Commission's (ASIC) Moneysmart website using data collected by the Australian Prudential Regulation Authority (APRA).

The one-stop-shop service should be modelled on the successful Money and Pensions Service in the United Kingdom, which offers free telephone and in-person advice to help people with drawing down their retirement savings. This is backed up by digital comparison tools, calculators and guidance. The New Zealand government website Sorted.org also provides comprehensive superannuation and retirement information, including a comparison tool.

The first step in delivering this one-stop-shop service is for the government to task an independent agency to connect up and promote the existing suite of government services through a single portal. Awareness of some of these services is currently low, and they are spread out over multiple locations making it harder for people to find and access them. Some also have information that is hard to locate, lacking in depth, or difficult to understand.

Recommendations

Recommendation 4: The Government should fund an independent retirement product comparison tool through ASIC's Moneysmart website using data collected by APRA.

Recommendation 5: The Government should establish an independent, one-stop-shop service that people can turn to for free advice and guidance modelled on the United Kingdom Money and Pensions Service.

Recommendation 6: The Government should task an independent agency to connect up and promote the existing suite of government services through a single portal.

Retirement Reporting Framework: Indicators of Fund Offerings

Super Consumers Australia supports the aim of improving transparency across the superannuation industry in relation to retirement product offerings by funds. We think there are additional metrics that could be useful in order to ensure meaningful insight into trustee practices.

Comments on proposed metrics

Super Consumers Australia supports the four proposed metrics, with a suggestion for the first one.

1. Indicator: Provides options for drawdowns other than minimum drawdown rates (MDR) for account-based pensions (ABP)

We agree it is essential to understand if there are superannuation funds that do not allow drawdowns other than the minimum. So the simple yes/no question is an important foundation.

However, more importantly is what trustees provide as their standard drawdown to consumers. If a consumer does not make any choices when they open an account-based pension, will they automatically receive minimum drawdowns, or does the trustee default people into higher drawdowns? This would provide a better indication of the trustee evolving their offering based on evidence and research on optimal drawdown rates, rather than expecting their customers to be informed about alternatives.

Proposed Indicator 1a: Does the fund provide higher drawdown rates than MDR as an opt-out setting for ABPs.

Additional metrics

We propose additional metrics to ensure transparency on important practices that impact a consumer's retirement income.

Barriers to accessing retirement products

Account-based pension minimums prevent some retirees from accessing the tax benefits on earnings in the retirement phase of superannuation. The draft Best Practice Principles indicate that it is not best practice to have barriers to accessing retirement products. All retirees should have access to retirement tax concessions, not just the wealthy: see Cbus smashes barrier to tax-free retirement for low-balance members, Investment Magazine (3 September 2025).

- Does the fund have a minimum account balance to open an ABP? (Y/N) If so, what is the amount?
- What percentage of accumulation accounts held by members aged 60+ are below this amount (and have always been below this amount)?

The second question will allow regulators to evaluate how well the trustees settings are matching their membership.

Customer service - prompt timeframes for retirees

There are no customer service standards in superannuation, and so consumers have no information about how long certain transactions take. It is also important for regulators and the Government to have information on trustee processing times in order to monitor how well the system is functioning and whether trustees are meeting their obligations to members. We recommend collecting both the median and average time taken to understand both the typical time frame and also the influence of outliers.

- Median and average time taken to set up a retirement account
- Median and average time taken to pay a lump sum withdrawal
- Median and average time taken from account set up to first pension payment
- Frequency of pension payments
- Median and average time to process and pay a change to a pension payment
- Does the trustee limit the number of lump sum withdrawals a member can make in a year?

Recommendations

Recommendation 7: The Government should include additional metrics on fund offerings:
- Does the fund provide higher drawdown rates than MDR as an opt-out setting for ABPs?
- Does the fund have a minimum account balance to open an ABP? (Y/N) If so, what is the amount?

- What percentage of accumulation accounts held by members aged 60+ are below this amount (and have always been below this amount)?
- Median and average time taken to set up a retirement account
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- Median and average time to process and pay a change to a pension payment
- Does the trustee limit the number of lump sum withdrawals a member can make in a year?

Proactive engagement metrics

In addition to the proposed metric on proactive engagement, which we support, we consider there are other important metrics to include.

Consumers need access to independent comprehensive information about retirement. Trustees' efforts to engage their members may be little more than a sales pitch for their own retirement product. It is important that trustees provide access to independent information sources that are available, rather than only direct members to their own information.

One simple piece of information that a trustee can provide every year for every member is an estimate of retirement income. Not all trustees do this, but the draft Best Practice Principles include it as better practice.

Proactive engagement metrics to include

- Does the trustee provide an estimate of retirement income on all annual member statements?
- Does the trustee provide links to Moneysmart, Services Australia and FIS on its website?

Recommendations

Recommendation 8: The Government should include proactive engagement metrics:
- Does the trustee provide an estimate of retirement income on all annual member statements?
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Measure of success of fund offerings

The objective of superannuation is to preserve savings to deliver income for a dignified retirement, alongside government support, in an equitable and sustainable way. As an important metric for measuring the success of fund offerings, we urge the Government to expand the performance test to account-based pensions so that it is clear to consumers which account-based pensions satisfy the Government's quality performance criteria and pass the test.

In addition to a performance test, success in fund offerings fulfilling the objective of superannuation can be measured by the proportion of members at preservation age or older who are in a retirement product and the drawdown rates achieved by the membership. Ultimately success is better measured by the member outcomes metrics in the Retirement Reporting Framework, than by the fund offerings indicators.

The trustees of funds will likely have internal measures of the success of their marketing campaigns and tools, but this is not something that the Government should be measuring. Ultimately, the Government needs to measure if the system as a whole is ensuring people have access to their retirement savings, and generate incomes that are sustainable.

Retirement Reporting Framework: Member Outcomes metrics

Super Consumers Australia supports the aim of improving transparency across the superannuation industry in relation to member outcomes in retirement. We think there are additional metrics that could be useful in order to ensure meaningful insight into positive outcomes for members in retirement.

Comments on proposed metrics

1. Metric: Take-up of retirement products

Our understanding is that the information for this metric is already reported to APRA, and thus it is not necessary to include it as new data for trustees to report to APRA.

APRA already collects and publishes industry-level data on a quarterly basis in the APRA Quarterly Superannuation Industry publication. This publication includes the number of accounts and assets in retirement products and accumulation products, by age group. They also publish fund-level data on age groups quarterly in the APRA Quarterly Fund Level Statistics. Fund level information on number of accounts and member assets in accumulation and retirement phase is published annually, with the accounts being categorised as "taxed phase" (ie accumulation), "tax-free phase" (ie retirement) and "both taxed and tax-free phase" (ie transition to retirement).

As at March 31 2025

	Number of accounts	Member assets ($ billion)	Average account balance	Source
Age 65+	3,175,000	857	$270,000	Table 7
Retirement phase	1,429,000	514	$359,000	Table 1
Estimate of takeup	45%	60%		

(ret phase/age 65+)				

Source: APRA Quarterly Superannuation Industry Statistics publication 26 June 2025

At an aggregate level, this table demonstrates that there is already information about takeup of retirement phase accounts. It is harder to calculate this at the fund level, as it involves collating quarterly data with annual data, but it is possible. APRA could expand its quarterly publication to include member accounts and assets in accumulation, retirement and transition to retirement phase so that this metric is more easily calculated.

In order to understand the complexity of the takeup of retirement products, we recommend trustees report additional information that is not already reported to APRA:

- Number of members and assets with both an accumulation and retirement account
- Number of members and assets prevented from moving into retirement because of transfer balance caps
- Number of members who have received a contribution in the year

2. Metric: Account-based pension drawdown rates

We agree with measuring the median and average drawdown rate for members with an account based pension by age, and measuring the proportion of members drawing down at the MDR.

We also agree that it is useful to measure the drawdown rate of new members, as it will be important to monitor if new retirees behave differently to ongoing retirees over time, particularly as new reforms are implemented and new retirees may be the most influenced by the reforms.

Although it may be useful to measure members who have changed their drawdown rate each year, given that the MDR itself changes, it may be hard to disentangle changes due to member choice and changes due to the MDR. Overall, we consider that this metric is a nice to have rather than an essential metric.

3. Metric: Balance Utilisation Rate

We have concerns with the complexity of the proposed metric and do not think it is feasible. We are concerned that the proposed metric would be biased because it is only measuring people who have superannuation accounts at the time of death, but ignoring all the people who depleted their superannuation savings during their retirement.

However, a simpler metric to measure how superannuation assets are being converted into income could be:

- Measure the proportion of members who have a higher (or the same) balance at the end of the year and the proportion of members who have a lower balance at the end of the year, compared with their starting balance.
- This proportion could be collected by age band and account balance band.

This would enable analysis of which funds have members that are accumulating wealth through retirement, and which funds have members that are spending their balances. It would also enable the Government to see system-wide patterns of retirement balance usage for different ages and wealth cohorts.

It is also important to report the number of retirement accounts that are closed each year, as this will measure the number of people who have depleted their superannuation savings. Some account closures may be due to rollovers to another superannuation fund, whereas others are due to withdrawals of the full balance. As such, the reason for account closure should be reported so that each category can be measured.

4. Metric: Take-up of longevity protection products and ABPs

APRA already collects and publishes data on retirement products with the number of members and assets in each product in the APRA Quarterly Superannuation Product Statistics publication. There is a range of product categories in APRA's publication, including the variable "Investment Option Category Type" which includes "annuity" as an option. Given this data collection already exists, there is already a measure of takeup of these options across funds and the industry as a whole. For example, as at 31 March 2025 there are currently 5,530 member accounts with $464 million (0.1% of the $490 billion in retirement assets) in retirement drawdown products with guarantees. (Source: SCA analysis of APRA Table 1b Quarterly Product Superannuation Statistics published 26 June 2025.)

It would be useful to expand this data collection to include more details on the types of investment options within the "annuity" category to ensure that information on various guarantees can be compared such as market-linked/non-market-linked, term/lifetime guarantee, indexed/non-indexed, capital access period, reversionary/non-reversionary, immediate/deferred.

We agree that it would also be useful to collect data on the number of members and assets with both a longevity product and an account based pension (and an accumulation account!)

Recommendations

Recommendation 9: We suggest the following amendments to the proposed member outcomes metrics:

- Expand current collection of take-up of retirement products to ensure that complexities are reported to APRA: members with both an accumulation and retirement account, members with both a longevity and account based pension product, members impacted by transfer balance caps, members who have received a contribution, categories of longevity products.
- We support the collection of drawdown rates, including drawdown rates for new retirement accounts.
- We think it is not necessary to collect information on members who change drawdown rates.
- We do not support the balance utilisation metric. As an alternative measure, collect data by age group on the proportion of account balances that increased/decreased over the year.
- We propose that the number of retirement accounts closed is reported, including reason for closure: closed due to withdrawal of balance or closed due to rollover to another superannuation fund.

Additional metrics

As mentioned earlier in this submission, for the Retirement Reporting Framework to be truly useful for consumers, the Government needs to incorporate safeguards (such as performance testing account-based pensions) and consumer-facing solutions (such as funding ASIC to produce a comparison tool for retirement products on Moneysmart).

The Retirement Reporting Framework should ensure data necessary for product comparison is collected.

APRA already collects account-based pensions data (historical performance and fees for various balances). In addition to this a comparison tool needs a pass/fail metric from the performance test and a measure of risk/uncertainty. For longevity products, trustees should report the fee structure and the income that is paid per $100,000 by gender and age group, as consumers can use this to compare offerings.

Products should be categorised by growth bands (for account-based pensions) and by product type (for longevity products) (such as market-linked/non-market-linked, term/lifetime guarantee, reversionary/non-reversionary, immediate/deferred, capital access period).

Recommendations

Recommendation 10: We recommend that additional data items on member outcomes that are essential for a retirement product comparison tool are collected:

- For longevity products: salary payable per $100,000 by age group and gender, and fee structure
- A measure of risk/uncertainty for account-based pensions
- Detail on type of longevity product to enable categorisation of these products

Contextual information, cohorting and evolving metrics over time

Currently trustees report age, gender and account balance to APRA as important contextual information about their members.

To encourage trustees to know their members better, it would be useful for trustees to report to APRA on age pension eligibility and type (full/part, single/couple, homeowner/renter). At this point in time, it is highly likely that trustees do not know this information about their members. Over time, as it becomes more standard for trustees to gather information that is important for the trustee to help inform retiree members about optimal drawdown rates for their circumstances, trustees will be able to report this data.

We support the proposed metric “number of cohorts” and it should include names/descriptors for each cohort. This is similar to APRA’s current collection on structures within funds, such as sub-funds, investment products and investment menus. At this early stage of retirement income strategies, we suggest it is beneficial to collect this information for the Government and regulators to learn about the variety of cohorting practices.

We do not consider it appropriate to report data sources for cohorting as part of an annual Retirement Reporting Framework. The consultation paper proposed that this data be collected to ensure the quality of trustee cohorting practices. Annual data collection is best suited to data points that are likely to change over time. Our expectation is that the data sources used by trustees are not likely to change. They will conduct member surveys, use ABS datasets, and analyse their own member behaviour. We suggest that if the aim is to highlight good and poor practice, to encourage all trustees to enhance the quality of their data analysis, then this is best done by APRA and ASIC via thematic supervisory and surveillance work, where they could do a one-off deep dive into practices across the industry and collect this information as a once-off regulator survey, rather than annual reporting.

We strongly support the whole Retirement Reporting Framework, both indicators of fund offerings and member outcomes metrics, being reviewed and updated over time. We suggest that it should be reviewed after the third year of data collection, with a view to ensuring it is updated to reflect the state of retirement offerings at that time.

Recommendations

Recommendation 11: We support the proposal to collect contextual information and information on cohorting:

- Contextual information: Age pension eligibility and type (full/part, single/couple, homeowner/renter)
- Collect the number of cohorts and their name/descriptor.

Recommendation 12: Do not collect data sources for cohorting as part of this Framework, but as a one-off regulator survey.

Recommendation 13: Review the Retirement Reporting Framework after the third year of data collection to ensure that it is up-to-date and reflects the state of retirement offerings at that time.

Data quality

As part of implementing a Retirement Reporting Framework, the Government should also consider legislative change to ensure the quality of data reported by trustees to APRA. At Super Consumers we have been analysing the newest dataset released by APRA in June 2025: retirement product historical returns and fees. Unfortunately we have found the fees data to be unreliable and not usable. For example, we found inconsistencies between fees reported to APRA on different forms, and inconsistencies between fees on fund product disclosure statements and fees reported to

APRA. Specifically, data published in APRA's [Quarterly Superannuation Product Statistics] publication. The data in Tables 7 a,b,c,d that is sourced from Superannuation Reporting Form SRF 705.0 and Table 9 that is sourced from Superannuation Reporting Form SRF 706.0.

The *Financial Sector (Collection of Data) Act* does not have any penalties for inaccurate data reporting, only penalties for late reporting. As regulators and the public rely on high quality data to inform decision-making, it is essential that there are consequences for trustees who do not report accurate data.

Recommendations

Recommendation 14: We recommend that the Government introduce consequences for trustees who do not report accurate data to the regulator.