



Super
Consumers
Australia

Activity update

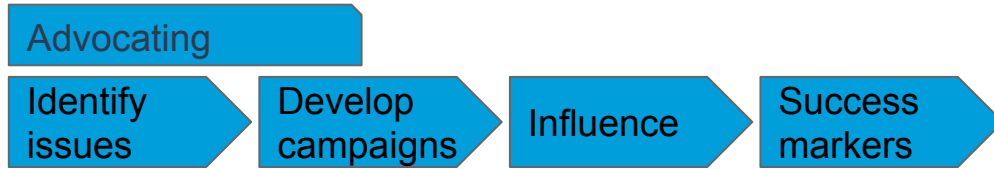
August 2019-
February 2020

Our goals



Advocating	Engaging	Shining a light	Adding new insights
<p>We will work independently and with others to advocate the consumer interest and help create a fairer superannuation system for low and middle income Australians.</p> <p>Where important data is missing, underutilised or hidden we will advocate for its provision</p>	<p>We will work with our sector to maximise the impact of our collective work.</p> <p>We will work with consumers to ensure that people's experience of the system is amplified.</p>	<p>We will find, investigate and tell powerful stories that shine a light on issues, are based on strong evidence and inspire change.</p> <p>We will provide an independent source of information about products.</p>	<p>We will undertake novel research and analyse available data to add new insights about superannuation.</p>

Status: Advocating



Measurement

- 9 submissions on core priorities
- 2 submissions referenced in recommendations or draft reports
- 3 campaigns developed and maintained
- 14 medium impact stories in media.
- 10 high impact stories in media.

On our long-term work to ensure insurance in super is more appropriate to member needs we had a significant victory with the passage of the putting member's interests first legislation.

Following our September [open letter](#) to superannuation trustees regarding inadequate member communications, AIST invited us to present communications feedback and advice to superannuation funds' communications specialists. About 15 major funds attended and was a good demonstration of the constructive role we can play with industry when they are genuinely interested in improving member outcomes.

In December we [recommended](#) to a Senate Select Committee that the open data regime be extended to superannuation.

In January we wrote a [submission](#) supporting the Federal Government's legislation to allow people a choice of superannuation fund. This is an important step in removing duplicate accounts and laying the groundwork for reform to the default system.

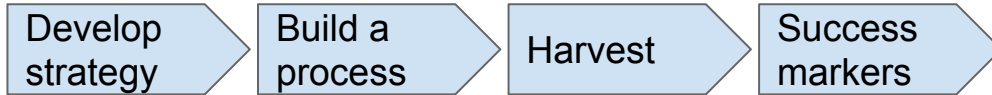
In February we made a submission to the Retirement Income Review focussing on problems in financial advice in retirement planning and suggestions for modelling which could help the RIR assess adequacy of retirement outcomes for particular vulnerable groups.

We also submitted to APRA on how it could implement some of the findings from the FSRC about improving the independence of superannuation trustee decision making. We are wrapping up a second submission to APRA on its data transformation project.

Status: Engaging



Engaging



Measurement

We are in the process of establishing a policy reference group of financial counsellors, lawyers and community workers.

- 69 instances of information exchange
- 12 utilisations of information gathered (expert)
- 40+ posts to a platform
- 17 utilisation of information gathered (consumer)

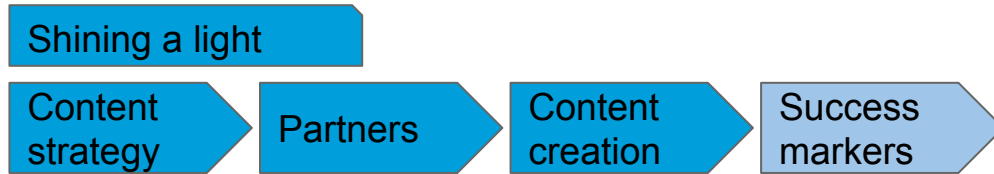
Over the past three months we have been engaging with CHOICE supporters via social media, email and surveys. Our call for sample superannuation letters generated interest on Twitter, Facebook and the CHOICE Community Forums. In January we circulated a retirement incomes survey that got over 10,000 responses as well as around 400 follow up emails. These responses provided rich consumer experiences to complement the rest of the research in our RIR submission.

In November we ran a two hour seminar on superannuation with a group of women experiencing financial vulnerability and financial counsellors. In the long term we will develop this program to train case workers and hand it on to case work organisations. It is important for our strategy to engage case workers in our work and get them to pass on their valuable first hand experience.

We have been engaging with our consumer allies by establishing a policy reference group that brings together case workers, financial counsellors and consumer advocates to evaluate and generate policy ideas. We will be holding the first meeting in coming months.

We presented our research on increasing consumer engagement within superannuation at a Centre of Excellence in Population Ageing Research workshop on overcoming consumer confusion.

Status: Shining a light



Measurement

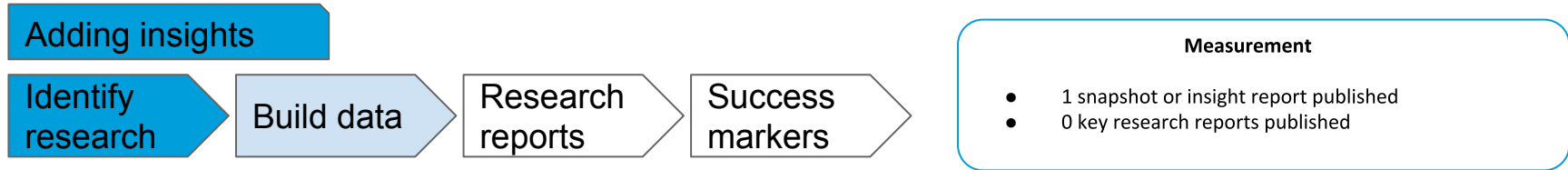
- 1 product comparison piece created or maintained
- 10 medium impact content pieces
- 3 high impact content pieces

Our 5 part series on ethical super funds is nearly complete, with the remaining two due to be published in February. [Part 1](#) unpacks what makes super ethical, [part 2](#) breaks down 4 common ethical investment strategies and [part 3](#) investigates why ethical funds can hide where they put your money. Parts 4 and 5 will look at what ethical funds invest in and recap our findings. We will also be producing a report with policy recommendations based on this reportage.

We have published two articles on insurance through super: one looks at [delays in group life insurance](#) and investigates [restrictive TPD insurance policies](#). Both utilise case studies gathered through our network of case workers. We've included call to actions on these stories to help us identify more people who have had a poor outcome due to inappropriate insurance, three more have already come forward. We are writing consumer facing guide on how to avoid paying for junk insurance.

Other articles in the pipeline look at tobacco divestment and super, fossil fuel exclusions in super, relationships between super funds and big banks and two articles on our recent surveys on financial wellbeing and retirement.

Status: Adding insights



We released our first research snapshot on default fund flows to coincide with our launch. It found that in 2018, 176,000 new MySuper accounts were created in underperforming funds.

Over the past few months our primary focus has been on the Retirement Income Review. We are evaluating consumer facing information which is designed to help people understand their retirement needs. We have been drawing on our supporter survey responses and CHOICE quarterly nationally representative studies to understand differences in financial stress between retirees and those not retired.

Our next step will be to further develop consumer facing information which will assist people to understand their retirement needs. It will also contribute to the policy debate on adequacy of retirement outcomes.

We now have a dataset on key TPD policy terms and greater resources to analyse this data to see the prevalence or restrictive policies and their erosive impact. We will aim to release this in line with the regulator's next steps to address these restrictive terms in March.

Challenges, risks and mitigation



Challenges and mitigation

- Building capacity: Building the capacity of a new organisation in a short time frame has remained a challenge. As a result we had to pause some of our work in the insurance in super space until we could increase capacity. We have sought to mitigate this issue by hiring two additional staff to fill research and policy gaps.
- Large retirement/superannuation policy agenda: Coupled with the capacity constraints outlined above it has been a particularly busy time in retirement/superannuation policy debates. The Retirement Income Review, open data and superannuation, APRA data transformation project and member outcomes work, choice of fund, and the omnibus of Royal Commission recommendations have all landed in the space of a couple of months. There have been relatively short consultation timeframes on some significant policy reforms. We in part anticipated this increase in workload and as already mentioned expanded our staffing accordingly.

Risks

- There are no major risks to note.

Financial update



Profit and Loss 6 mon period

Superannuation Consumers Centre LTD

	JAN - JUN 2019	JUL - DEC 2019	TOTAL
Trading Income			
Community Benefit Payment	625,000	625,000	1,250,000
Fee for service - consulting, training	369	-	369
Interest Income	30,911	24,835	55,747
Total Trading Income	656,281	649,835	1,306,116
Gross Profit	656,281	649,835	1,306,116
Operating Expenses			
Accounting & Audit Fees	8,565	892	9,458
Secretarial Fees	4,500	4,500	9,000
Dues & Subscriptions	350	-	350
Insurance Property	-	2,257	2,257
Legal Fees	6,719	-	6,719
Meals travelling	70	-	70
Public Transport	30	-	30
Consultant Fees	241,437	175,193	416,630
Total Operating Expenses	261,672	182,842	444,514
Net Profit	394,609	466,993	861,602

- We continue to work with CHOICE to deliver the project.
- Spending continued to be slower than budgeted due to lower reliance on external projects. We expect this to increase with the two additional hires we have made who began in the new year.