



Super  
Consumers  
Australia

# Super Consumers Australia Activity Update

August, 2021 - March, 2022

# Our goals



Advocacy	Engagement & research	Shining a light
<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 build a strong evidence base for our advocacy and consumer help through original research and amplifying people's experience of the superannuation system.</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 information to help people to make better decisions about their superannuation</p>

## Key results

- Number of high impact stories to show that key stakeholders know and respect us for our advocacy work
- We have achieved wins in our policy areas, including law reform, industry change or key stakeholder support of our work.

## High impact media stories

- In August we released our member outcomes assessment report which had strong coverage in key media outlets and was an important context setter to the release of the first MySuper performance test.
- Many of our media appearances over summer were been alerting consumers of the impacts of being in an underperforming superannuation fund. We've used our market analysis to show that the rates of switching doubled on the previous year and other factors, such as significant fee reductions and mergers are playing out across the sector to improve consumer outcomes.
- Over the summer period we helped some media outlets develop consumer advice pieces to assist people to get on top of their super. This resulted in a large increase in our 'share of voice' relative to industry super advocacy groups. These consumer advice pieces have helped build our recognition and credibility in the space, which is helpful when we next need to highlight consumer harm and call for solutions.

## Policy wins

- In September we welcomed the passage of a new law that makes superannuation assets visible during divorce settlements. This reform will make settlements fairer for spouses going through divorce settlements, helping to address gender inequality in retirement incomes.
- As part of our advocacy on the Your Future, Your Super reforms we drew the attention of parliamentarians to the consumer harm created by occupational exclusions in default insurance. This led to a Treasury consultation process as well as a proposal by the Financial Services Council to place a ban on the use of occupational exclusions amongst its members. We've since been working through the details with the FSC.
- Removal of the \$450 threshold on super was also removed, which will see an additional 300,000 Australians receive super.

## Key results

- Completed four research projects which support an advocacy or consumer help objective.
- Research is peer reviewed by the research reference committee or other relevant experts.
- Research is utilised by strategically important outlets (e.g. media reporting, government, industry and regulator reviews)

## Research projects complete

We continued our campaign for fair insurance in super. In late October [we released an update](#) on the funds that were still maintaining restrictive definitions in their default insurance. Of the 19 funds that we contacted, 14 have either removed or shown significant improvement in the quality of their coverage. This compares to only one of the nine funds we didn't contact. This research driven campaign has achieved a massive improvement in the quality of coverage, particularly for people in part-time, casual, unemployment and those making mental health based claims.

We conducted research on the prevalence and cost implications of occupational exclusions in insurance. Along with our advocacy this resulted in a Treasury consultation on the issue.

The [report on our retirement standards work](#) was put out for public consultation in March. This research includes detailed guidance for consumers and policymakers on how to address issues with retirement planning. The consultation period is currently underway, but to date we have had strong engagement with the research across government, industry and regulators.

## Key results

- Utilised (e.g. in submissions, reports, media) 20 strategic and diverse sources of information collected from experts.
- Utilised (e.g. in submissions, reports, media) 20 strategic and diverse sources of information collected from the public (consumers)

## Utilisation of information

We have recently drawn on information from the public in our stories on rent assistance, retirement planning and death benefit nominations.

We spoke with a [TPD insurance claimant](#), to explain how these policies can be poor value for some cohorts of consumers.

We have also collected communications that consumers have received from funds that failed the performance test. We will be releasing this as part of some upcoming research on fund communications.

## Key results

- Produce 4 investigations relevant to people's needs in navigating the superannuation market.
- Directly reach more people by further developing our audience on the CHOICE platform.
- Our content is reproduced and repurposed for external audiences: Measured through media reach and qualitative reporting on external use of our resources.

## New investigations into the superannuation market

### Reaching audiences

We have overhauled the structure of superannuation content available on the CHOICE website this will help people to find targeted content on how to manage super across different life events. We have also produced advocacy focussed pieces on the fairness of [super tax concessions](#), [death benefit nominations](#) and how [rent assistance can be better used to target poverty](#) in retirement.

### Media: External use of resources

We had our biggest media moment of the year at the end of August, when we released our analysis of member outcomes assessments the day before the names of 13 funds that failed the performance test were released. Our research showed that several of the failed funds had given themselves glowing self-assessments, with all claiming to act in members' best interests. We placed the research with the AFR, which reported back to say the article achieved a particularly high readership rate. The story was also picked up by 9 News and several radio stations. When the performance test results were released we were quoted extensively in publications including the AFR, News.com, the ABC and The New Daily. The Guardian also requested an op ed on what to do if you're in an underperforming fund.

In the new year there was increased interest from the industry press in our retirement standards research and our calls for the quality of advice review to give greater prominence to retirement planning. Both of these stories resulted in a number of industry stakeholders reaching out to encourage and provide constructive feedback on our policy direction on these two issues.

## **Challenges and mitigation**

The pandemic continues to create challenges to our ability to work in a safe and productive way. We continue to mitigate this challenge via our work from home policy and having a COVID safe work environment for when it is safe to work from the office. We continue to make use of technology to overcome the challenges associated with remote work. We have encouraged staff use of employee assistance programs. We continue to use new ways of working and socialising as a team in a COVID safe way.

## **Risks**

There are no risks to note.

We continue to partner with CHOICE to deliver the project. Due to the short term contract nature of the funding, Super Consumers employs staff and has access to office space and equipment via CHOICE. CHOICE is paid a consultant fee to recoup the cost of providing these services to Super Consumers. We have received half of the \$1.6 million funding commitment from the Federal Government. Spending has been lower than expected due to travel restrictions and staff movements.

## Profit & Loss

### Superannuation Consumers Centre LTD For the 8 months ended 28 February 2022

	ACTUAL	YTD ACTUAL
<b>Income</b>		
Fee for service - consulting, training	-	790
Govt Grants	-	800,000
Interest Income	4	1,722
<b>Total Income</b>	<b>4</b>	<b>802,512</b>
<b>Expenses</b>		
Accounting & Audit Fees	344	2,748
Bank Fees	35	105
CHOICE Service Fees	215,889	384,208
Dues & Subscriptions	-	350
Insurance Property	-	2,208
Secretarial Fees	-	9,000
Software Subs & Mtce	-	180
<b>Total Expenses</b>	<b>216,269</b>	<b>398,799</b>
<b>Profit/(Loss)</b>	<b>(216,265)</b>	<b>403,713</b>

## Balance Sheet

### Superannuation Consumers Centre LTD As at 28 February 2022

	28 FEB 2022	28 FEB 2021
<b>Assets</b>		
<b>Current Assets</b>		
Business Account #3174	66,735	47,048
Community Fee Saver #3190	500,505	174,642
NAB Term Deposit 4763 05 July 2021	800,000	1,002,142
<b>Total Current Assets</b>	<b>1,367,241</b>	<b>1,223,833</b>
GST	21,658	17,049
<b>Total Assets</b>	<b>1,388,898</b>	<b>1,240,882</b>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Income Received in Advance	83,333	-
<b>Total Current Liabilities</b>	<b>83,333</b>	<b>-</b>
<b>Total Liabilities</b>	<b>83,333</b>	<b>-</b>
<b>Net Assets</b>	<b>1,305,565</b>	<b>1,240,882</b>
<b>Equity</b>		
<b>Retained Earnings</b>		
Current Year Earnings	403,713	(95,461)
Retained Earnings	901,852	1,336,343
<b>Total Retained Earnings</b>	<b>1,305,565</b>	<b>1,240,882</b>
<b>Total Equity</b>	<b>1,305,565</b>	<b>1,240,882</b>