



Stable sector but further reform to come

Before introducing the final keynote speaker for the 2017 ASFA Conference, ASFA CEO **Dr Martin Fahy** said he was delighted with the superannuation industry's level of engagement and "hard work being done around settings, how we design our products, how we think about regulation, how we think about asset allocation and also how we think about leadership". He said he was particularly impressed with the sector's willingness to learn and develop, evident throughout the ASFA Conference.

Fahy then welcomed **the Hon Kelly O'Dwyer**, Minister for Revenue and Financial Services, who, despite recognising that "Australia has one of the most stable banking, superannuation and financial services sectors in the world", outlined and defended the government's decision to establish a royal commission into the financial sector, which she said, would include superannuation.

ASFA Independent Chair **Dr Michael Easson AM** expressed his concern about the excessive levels of regulation burdening superannuation and worried about its negative impact on innovation.

Easson officially closed the 2017 ASFA Conference by thanking all of this year's partners and sponsors and announced the 2018 ASFA Conference will be held on the 14-16 November 2018 at the Adelaide Convention Centre. 

Reimagining the retirement narrative

Bernard Salt shared emerging trends from the most recent census data which revealed how retirees are shifting from inland urban areas in favour of coastal 'sea change' or regional 'tree change' addresses. He identified the most popular retirement communities being Forster-Tuncurry (NSW), Echuca-Moama (Vic), Albany (WA), Victor Harbor-Goolwa (SA), Hervey Bay (Qld), and Ulverstone (Tas).

Baby Boomers are reinventing life beyond 60, he said, which no longer means 'retirement' but a work-lifestyle fusion. He said Baby Boomers will not 'retire' but continue in the workforce to some degree and volunteer as part of their new-found lifestyle and 'repurposing' of retirement.

Salt spoke about the new narrative shift from 'retirement' to 'lifestyle' and emphasised the opportunity for super funds to design new, innovative retirement products and services to respond to this new perspective.

"The image of retirement living needs a makeover ... Baby Boomers will make retirement fashionable," he said.

Salt also said that Baby Boomers cannot retire and operate in isolation – they must enlist the support, goodwill, skills, labour and taxes of Millennials and Generation X to support their own retirement for another 25 years. 



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Insiders: through the media lens

ASFA's own version of the 'Insiders' panel delivered a robust, no holds barred look at superannuation as promised. Three of the country's best commentators gave their own distinctive views on super and where they thought it was heading, in a political, economic and social context.

Given next year's productivity commission review; the APRA powers and member outcomes bill; the external dispute resolution framework bill; the governance bill; housing affordability; and the Banking Royal Commission;

ASFA CEO Dr Martin Fahy, asked if super was over regulated.

Judith Sloan, Contributing Economics Editor, The Australian, said over regulation is widespread; "it's going to be paralysis by analysis...the regulatory burden is extraordinary". On the topic of retirement, she saw two phases; "active and then old-old age", and suggested the latter could be managed better. Sloan believed this presented both weakness and also opportunities for the superannuation industry.

Michael Stutchbury, Editor-in-Chief, The Australian Financial Review agreed, and said the "industry hasn't yet got its head around the retirement phases." Stutchbury also said superannuation was over politicised, and although Australia was a prosperous country, we wouldn't see wages growth until we get productivity growth. "And this is not going to happen soon," he said, particularly with the government's focus now being distracted with a bank inquiry.

Sophie Elsworth, Personal Finance Writer, News Corp Australia said people didn't care about super until they hit their 60s. She said many people didn't understand superannuation and "the fact the government wants to constantly tinker with it makes it so confusing".



Yossi Ghinsberg: The power to survive

Service and experience the new way forward

How do you communicate the benefits of a product which is inherently one of delayed gratification?

David Nobay, Founder Creative Chairman, Marcel Sydney said it was imperative to find opportunities, as early as possible, to have meaningful conversations with members and reach them in their own particular "tribe".

Lisa Bora, Partner, Customer, Brand and Marketing Advisory, KPMG Australia said people are starting to expect a high level of customised care everywhere and that 'taking care of me' is the essence of what's needed "in terms of driving personalisation and growing member engagement".

Surprisingly, she noted, some funds' correspondence still begins with "Dear member". To this point, Bora spoke of "mass personalisation", where, through data and technology, it is possible to reach many people with similar needs and attributes, in a way that still delivers a personalised experience.

Glenda Abraham, Chief Engagement Officer, Mine Wealth + Wellbeing, asked if brand still mattered today, to which Bora replied, it was "everything" but it is now all about the customer experience.



Global economics and investments

Erik Norland, Executive Director and Senior Economist, CME Group said markets are currently tranquil and implied volatility is at record lows across nearly all categories of products (metals, bonds, currencies, equity index futures and agricultural goods). He explained volatility may continue to remain low if yield curves stay reasonably steep with low short-term interest rates and continued Bank of Japan and European Central Bank balance sheet (quantitative easing) expansions.

Norland added how further monetary tightening by the US Federal Reserve could present a risk and the more quickly the US yield curve flattens, the more likely the markets are to see a volatility and credit spread explosion. He also said China poses a unique risk to the global economy with its massive levels of private sector debt and a rather flat yield curve that actually inverted earlier in 2017.

Peter Jolly, Global Head of Research, National Australia Bank discussed the decent turn in the global economy. "The low point was in 2016, this year was better, and my suspicion is that next year will be better still," he said, adding that since the GFC, "there has been a long slow healing."

Jolly agreed with Norland about China being a risk, but expressed his (cautious) optimism about the next several years. "The chance of recession seems quite low," he said.



Grand Finale Lunch

John Cleese, Ben Elton and Jane Hutcheon entertained and inspired delegates with what it means to be incorrigibly creative



Conference Dinner

Australian music legends, Ella Hooper, The Black Sorrows and Ross Wilson brought the house down with the sounds of summer

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TOP TWEETS



Georgina Lee @GeorginaAtWork

"You can't expect people to have good long term fiscal habits when they live in a world where they can download the entire box set of Breaking Bad while sitting on the toilet whilst eating a three course meal from UberEats" @beneltonlive #asfasyd



Justine Davies @Justine_Davies_

Great insights and observations from three media icons at the #asfasyd session this afternoon



Ashton Jones @ashmobs87

Three main activities filling people's lives beyond work - care, volunteering and retirement. The narrative of life #asfasyd



Davina Lawrence @DavinaLawrence

Brands need to get permission to engage. Challenge for super funds is finding permission to talk to members earlier. Brands that find a way to authentically find their way into a conversation will be the winners in member engagement. @kpmgaustralia @lisaborabora #asfasyd



Best crowd pleaser: Hannover Re



Best product communication: Creativa

Super Expo booth winners



Best looking: KPMG



Digital innovation: MLC Life Insurance

ASFA's new life members

ASFA Independent Chair Dr Michael Easson AM welcomed three new ASFA life members for their outstanding contribution to the super industry. 🐦



Brad Holzberger
former ASFA Board member and Chief Investment Officer, QSuper



Russell Mason
Lead National Superannuation Partner, Deloitte



Damian Hill
retiring CEO, REST Industry Super