

The Association of Superannuation Funds of Australia Limited
ABN 29 002 786 290
ASFA Secretariat
PO Box 1485, Sydney NSW 2001
p: 02 9264 9300 (1800 812 798 outside Sydney)
f: 02 9264 8824
w: www.superannuation.asn.au



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CONSULTATION PAPER 203 AGE PENSION ESTIMATES IN SUPERANNUATION FORECASTS: UPDATE TO RG 229

ASFA's response to the ASIC Consultation Paper 203 *Age pension estimates in superannuation forecasts: update to RG 229* broadly supported the proposed amendments

ASFA considers that the provision of a benefit projection or retirement income estimate will contribute greatly to superannuation fund members better engaging with their retirement savings.

In specific comments ASFA:

- Considered that the standard assumptions contained in the CP that need to be used in formulating an Age Pension estimate are too arbitrary.
- Highlighted a potential problem associated with multiple member accounts where each account receives a projection with an estimated Age Pension entitlement.
- Requested that ASIC explore whether projections or forecasts that are provided using government sanctioned standard assumptions are in fact personal advice and particularly whether the provision of a forecast using government sanctioned standard assumptions is something that is intended to influence a person in making a decision in relation to a particular financial product or is rather is something designed simply to help a member to visualise the retirement income that their superannuation account is likely to produce.