

ASFA's positions on key aspects of the product dashboard

| Reform | | Reference | ASFA position |
|--------|---|-------------------------|---|
| 1. | Commencement date | Paragraph 1539(b) | ASFA recommends a 12-month transition period after the finalisation of the regulatory requirements (i.e. the passage of the Bill and the making of the regulations). |
| 2. | Deadlines to publish product dashboards | Paragraph 1017BA(1)(d) | ASFA recommends that the deadline by which product dashboards are required to be published should be amended from 14 days to 28 days. Amongst other things, this aligns with APRA reporting. |
| 3. | Definition of investment option | Sub-section 1017BA(5) | ASFA recommends that clarification is needed with respect to the application of the product dashboard provision to different investment options and products when they are identical and offered through multiple product channels. |
| 4. | Use of Return target on product dashboard Returns are net of administration fees | Regulation 7.9.07T | ASFA recommends that: <ul style="list-style-type: none"> the methodology of deducting the administration fees with respect to a "representative member" from the investment return to determine a notional, product-wide, "net return" figure be abolished and replaced with a return objective; and in order to illustrate the combined effect of investment and administration fees on member accounts - that worked examples, in dollars, are provided with respect to at least two prescribed "representative members". |
| 5. | Treatment of Advice | Regulation 7.9.07N | ASFA recommends that dollar disclosure should only apply to an advice fee which is charged across the product to all members. |
| 6. | Interactive superannuation estimators | Regulation 7.9.07(1)(k) | ASFA recommends that the provision of an interactive estimator should be considered separately from the product dashboard and as part of a consideration of the Financial System Inquiry's Final Report Recommendation 37 - that funds should publish retirement income projections on member statements. |
| 7. | Website disclosure | Regulation 7.9.07X | ASFA supports the policy intent to ensure ease of access to the product dashboard, however, it may be in the consumer's best interests if the rule were amended to a "principles based" approach (e.g minimum number of clicks reasonably practicable in the circumstance), which would allow more clicks if necessary. |
| 8. | Comparison metrics | Consultation paper | ASFA supports the principle of making comparison metrics available to consumers. Given the difficulties of determining appropriate benchmarks for choice products, however, initially it should be confined to MySuper products. |
| 9. | Consumer testing | | ASFA strongly submits that further consumer testing be performed and that: - <ul style="list-style-type: none"> the sample size be increased (Report 455 was based on 120 participants); testing focus on comprehension – as opposed to stated preference or self-assessment as to comprehension. |