

SUBMISSION

Submission to the Deregulation Taskforce — Modernising Document Execution

8 October 2021

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Deregulation Taskforce – MDE Consultations
Department of the Prime Minister and Cabinet
PO Box 6500
CANBERRA ACT 2600
Australia

8 October 2021

Dear Sir/Madam,

Modernising document execution

The Association of Superannuation Funds of Australia (ASFA) is pleased to provide this submission in response to the Deregulation Taskforce's consultation on modernising document execution.

About ASFA

ASFA is a non-profit, non-political national organisation whose mission is to continuously improve the superannuation system, so all Australians can enjoy a comfortable and dignified retirement. We focus on the issues that affect the entire Australian superannuation system and its \$3.3 trillion in retirement savings. Our membership is across all parts of the industry, including corporate, public sector, industry and retail superannuation funds, and associated service providers, representing almost 90 per cent of the 17 million Australians with superannuation.

If you have any queries or comments in relation to the content of our submission, please contact Mr Byron Addison, Senior Policy Advisor, on (02) 8079 0834 or by email baddison@superannuation.asn.au.

Yours sincerely

Julian Cabarrus

Director - Policy Operations, Member Engagement & External Relations

General observations

ASFA considers that digital innovation is a key means of improving superannuation fund services to members, improving efficiency, making business processes more robust and lowering costs for superannuation fund members. We welcome the Deregulation Taskforce's consultation on document execution and see it as an important step that will support the superannuation industry to improve efficiency and reduce unnecessary costs.

We are not in a position to make detailed responses to the consultation questions and will leave that to individual funds who have direct experience with the activities in question however we would like to make a few general observations about the possible reforms.

In superannuation statutory declarations are used in a number of areas including financial advice, death benefit claims and insurance claims.

Setting aside whether statutory declarations are overused, or their use could be reduced by more rigorous identification verification methods, we strongly support the standardising of the statutory declaration template across all jurisdictions or alternatively establishing a regime where each version is recognised as equally valid. Requiring a member to resubmit a statutory declaration which is valid in the member's jurisdiction but not in the jurisdiction in which the fund is based represents an unnecessary cost for funds as well as an inconvenience for the member or the applicant that will delay the processing of their claim or transaction. The same considerations apply to deeds of arrangement.

The superannuation industry greatly appreciated the temporary measures introduced by the Government in response to the disruption caused by COVID-19 allowing companies to execute documents, including deeds, electronically under the Corporations Act and the recent extension of those measures. We also strongly support the Government's intention to make this measure a permanent feature. In addition to the cost reductions and efficiencies this enables, the flexibility it provides gives funds more options to help their members who may live in remote locations or may have trouble with mobility.

While we strongly support measures that enhance the use of technology and digital services for members we also consider that, in the medium term at least, services supplied through digital methods should not be mandated and ought to remain optional for members. While this would vary for funds according to their membership profile it is likely that for some time to come certain members will prefer traditional methods of applying for benefits or making a claim and these members should not be discouraged or disadvantaged. As technologies and digital services continue to evolve it is possible that the size of this group of members will diminish over time and the question of whether such services might be made mandatory could be reviewed in the future.