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Our retirement in their hands: a user perspective

Cotinne Cortese
University of Wollongong, corinne@uow.edu.au

David Aylward
University of Wollongong, daylward@uow.edu.au

John Glynn
University of Wollongong, jglynn@uow.edu.au

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Keywords
superannuation, retirement, financial planning, survey

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Our retirement in their hands: A user perspective

Corinne Cortese, University of Wollongong[1]

David Aylward, University of Wollongong

Professor John Glynn, University of Wollongong

Abstract

This research reports on the results of a survey of Australian retirees which provide information on attitudes surrounding financial planning advice before, at or after retirement. These results demonstrate that, despite government initiatives aimed at enhancing consumer confidence in the financial services market, most retirees continue to feel dissatisfied with, and lack confidence in, the services provided by their financial advisors. This suggests an increased role for financial planners to provide not only the additional information required under government policy, but also to provide information that is understandable and useful to the retirees that rely on it.

Classification code: J26 – Retirement, Retirement Policies

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[1] Corresponding author: Corinne Cortese, Faculty of Commerce, University of Wollongong, Northfields Avenue, NSW 2522. Ph (02) 4221 3697. Email: corinne@uow.edu.au

Introduction

Population aging, defined as the "process by which older individuals become a proportionally larger share of the total population" (United Nations 2001: 1), is becoming a problem in many OECD countries, including Australia, as the number of aged dependents and individuals reaching the age of retirement continues to grow. An important social and economic consequence that arises from population aging is how to support individuals upon their retirement (Holzmann and Hinz 2005). In 1994 and 2005, the World Bank addressed this issue, publishing recommendations to assist developing countries in establishing programs to minimize the adverse socio-economic and political consequences of population aging (Holzmann and Hinz 2005, World Bank 1994). The recommendation advocated a model for national superannuation policy known as the "three-pillar model" (Holzmann and Hinz 2005, Knox 1996, World Bank 1994). This model emphasises a move away from public pension arrangements and towards self-funded retirement (Holzmann and Hinz 2005, Organisation for Economic Cooperation and Development 1998).

Australia's superannuation system is broadly representative of the three pillar model, however the regulatory structure that supports it has developed in an ad hoc manner and largely in response to various public demands for regulation. The arrangements for superannuation at present are complex and constantly evolving (Stanford 2003). The most recent reform, the *Financial Services Reform (FSR) Act* 2001, has been described as the "bedrock" (Weekes 2004) that has enabled consumers to choose between superannuation funds (Australian Securities and

Investments Commission 2006). The level of disclosure required under the *Act* was intended to assist consumers when choosing between funds by increasing the amount of information disclosed and enhancing its transparency and reliability (Weekes 2004). Australian Securities and Investment Commission (ASIC) Chairman, Jeffery Lucy, stressed the significant role of the financial services industry in achieving the aims of the *FSR Act*:

> "Industry will have a huge responsibility to make sure that consumers' rights to choose are not abused. Without the levels of disclosure and protection provided to consumers under the *FSR* regime, super choice wouldn't work. And, it is vital that we get this right" (cited in Weekes 2004: 5).

In light of these comments and the requirements of the *FSR Act*, a survey of Australian retirees was conducted to determine attitudes surrounding financial planning advice provided before, at and after retirement. Administered via a senior's website, the aim of the survey was to discern the perceptions of Australian retirees with respect to their understanding and expectations of, and their confidence in, the management of their superannuation entitlements and retirement incomes by financial planners.

The remainder of the paper is organised as follows. Population aging in Australia is reviewed along with a discussion of Australia's three pillar model of superannuation. Next, the regulatory structure that supports superannuation in Australia is considered. The survey instrument is then described and the demographic details of respondents are presented. This is followed by the results of the survey and conclusions.

Background: population aging and superannuation policy in Australia

To provide a context for subsequent discussion of the results of the survey of retirees, characteristics of Australia's aging population are described. The three pillar model for superannuation policy in Australia, and the regulatory structure which supports it, are also briefly reviewed.

Population aging in Australia

Australia's population has been ageing for the last 30 years and a "pronounced ageing" of its population is expected over the next 40 years (Hugo 2003, Lattimore 2005). A recent Productivity Commission report, it was projected that by 2044, one quarter of Australians will be aged 65 years or more, which is roughly double the present aged population (Lattimore 2005). As with many OECD nations, Australia's aging population is strongly influenced by the post-war "baby boom" generation and the trend towards population aging will continue as more baby boomers reach the age of retirement in the coming decade (Hugo 2003: 109). The aging population, along with lifestyle preferences and medical advances, means that Australian's are increasingly retiring younger and living longer (Barrett and Chapman 2000). This trend has meant that social, economic and political planning has become a central focus and one of the many issues of importance is superannuation (Bishop 2002, Lattimore 2005).

Superannuation in Australia: the three pillar model

As noted, Australia's superannuation system is based on the three pillar model advocated by the World Bank (Holzmann and Hinz 2005, Organisation for Economic Cooperation and Development 1998). The first pillar of the Australian

superannuation system is known as the "old age pension", which represents a large proportion of most people's retirement income in Australia (Barrett and Chapman 2000, Department of Family and Community Services 2005). The second pillar of the Australian superannuation system, which comprises private retirement savings, is mandated by the Superannuation Guarantee. The Superannuation Guarantee (SG) is a compulsory, contributory, employment related superannuation savings scheme (Williams 1996). The SG requires employers to contribute a percentage, currently nine percent, of their employees' wages to a superannuation fund for their benefit on retirement (Australian Taxation Office 2005, Khan 1999). The third pillar consists of voluntary savings, which may be private savings not directly intended for use on retirement, or voluntary savings that are directly contributed to a superannuation fund (Bateman and Piggott 2000, Khan 1999). Many employers and employees contribute voluntarily to their superannuation fund in excess of the mandatory level prescribed by the SG (Khan 1999). For the March 2006 quarter, the Australian Prudential Regulation Authority (APRA) reported member contributions of $5 billion (Australian Prudential Regulation Authority 2006). These contributions, which are largely voluntary, represented over 30% of total contributions to superannuation (Australian Prudential Regulation Authority 2006).

Superannuation in Australia: the regulatory structure

The Australian superannuation industry was largely self-regulated prior to the mid-1990s (Bateman 2003). Superannuation was primarily an employment benefit for public servants and "white collar" workers and less than forty percent of the workforce was covered by superannuation (Barrett and Chapman 2000). There was no specific industry regulator and the few regulations that did exist

related to the taxation of superannuation and were incorporated in the *Income Tax Assessment Act* (Bateman 2003). In 1986, in accordance with the economic strategy of the Labour Government elected in 1983, an agreement was made that resulted in the introduction of "productivity award superannuation" (Bateman and Piggott 2000: 2). Under this scheme, a three percent employer superannuation contribution was to be paid into an individual account in an industry fund (Bateman and Piggott 2000). In 1987, the *Occupational Superannuation Standards Act* was enacted, which established a legislative requirement for superannuation funds to prepare financial reports and have the reports audited (Bateman 2003, Gallery and Gallery 2003). This *Act*, along with the *Superannuation Industry Supervision Act* that followed in 1993, also put in place a system for prudential regulation and set up the regulatory body for superannuation in Australia, the Insurance and Superannuation Commission, which has since become APRA (Australian Prudential Regulation Authority 1998).

In the years that followed the introduction of productivity award superannuation, the percentage of the Australian workforce covered by superannuation increased from 40 percent in 1986 to 79 percent in 1993. During this period of growth, however, the scheme proved to be difficult and costly to enforce, with an industrial court rejecting applications for a further three percent increment in employer contributions (Bateman and Piggott 2000). In response, legislation was introduced that required employers to make superannuation contributions on behalf of employees. This superannuation scheme, made compulsory by the *Superannuation Guarantee (Administration) Act* in 1992, is known as the Superannuation Guarantee (SG) (Bateman and Piggott 2000, Piggott 2004).

Under this legislation, employers are legally required to provide a guaranteed level of superannuation contributions on behalf of their employees. The SG reached the prescribed and current percentage contribution of nine percent of each employee's wage in 2002 (Barrett and Chapman 2000, Drew and Stanford 2003). The superannuation industry in Australia has since developed dramatically with around $900 billion in assets currently under management and over 90 percent of employees covered by the superannuation system (Australian Prudential Regulation Authority 2006, Bateman and Piggott 2000, McDonald, et al. 2003).

The Australian superannuation system that has developed is characterised by compulsion: deductions from income under the SG are compulsory; the direction of superannuation contributions to a particular fund and fund manager are compulsory; and it is compulsory to retain the accumulated balances of an individual's superannuation until the age of retirement (Drew and Stanford 2003). Furthermore, until the recent "super choice" legislation, individuals had little control over decisions relating to their superannuation with these made on their behalf by agents over whom they also have little influence (Australian Securities and Investments Commission 2006, Drew and Stanford 2003). Given this compulsion and lack of control that individuals have over their superannuation fund, it is unsurprising that there is much anxiety about the performance of superannuation funds and concerns about the safety of entitlements (Drew and Stanford 2003). This anxiety was exacerbated earlier this decade by downturns in superannuation investment returns and superannuation fund and corporate failures, which sparked a crisis of public confidence in the Australian superannuation system and provided impetus for investigations into the system

(Gallery 2003, Gallery and Gallery 2003). For example, concerns about the management and regulation of superannuation funds motivated reviews by the Productivity Commission, the Senate Select Committee on Superannuation and Financial Services and the Superannuation Working Group during 2001 (Gallery and Gallery 2003, Parliament of Australia Senate 2001, Productivity Commission 2001). The result was increased demands for further regulation, particularly for regulation aimed at improving superannuation fund disclosure (Gallery and Gallery 2003).

The demand for increased regulation coincided with government plans to implement choice in superannuation funds for consumers. The result was the *Financial Services Reform (FSR) Act* 2001. The primary objectives of the reform were to "promote:

> (a) confident and informed decision making by consumers of financial products and services while facilitating efficiency, flexibility and innovation in the provision of those products and services; and
> (b) fairness, honesty and professionalism by those who provide financial services; and
> (c) fair, orderly and transparent markets for financial products; and
> (d) the reduction of systemic risk and the provision of fair and effective services by clearing and settlement facilities" *(Financial Services Reform Act 2001:* 3*)*.

Hence, the *FSR Act* brought about more stringent disclosure rules and licensing requirements. These were aimed at making it easier for investors to understand the financial products and advice offered by their financial planners (Bowerman 2004a, Bowerman 2004b). The reforms were expected to promote consumer confidence in the financial services industry with the enhanced disclosure regime

designed to improve the quality and transparency of information made available to consumers (Dagge 2004).

Under this *FSR Act*, financial planners are now required to provide investors with three documents before any advice is given. These documents include a financial services guide, which outlines the nature of the financial services being offered, how fees are charged, how the advisor or institution gets paid and how complaints can be resolved (Dagge 2004). Second, a statement of advice must be provided which details the recommendations made by the financial planner and explains the basis for the advice. It also details how the advisor is paid and any other interests, associations or relationships that could influence the advice provided. Finally, a product disclosure statement (PDS) is issued once the client has invested in a financial product. This document details the mechanisms by which the investment operates, its fees and significant taxation implications as well as the risks and benefits associated with the investment (Dagge 2004).

The disclosure of fees and charges in the documents provided by financial advisors to their clients was expected to be one of the key improvements resulting from the *FSR Act*. There are many types of fees that may be charged on a superannuation fund including establishment fees, contribution fees, withdrawal fees, termination fees, ongoing fees, switching fees, and adviser service fees (Association of Superannuation Funds of Australia 2004). In response to the 2002 Ramsey Report, the Australian Securities and Investments Commission (ASIC) released its initial version of a fee disclosure model in August 2003 (Australian Securities and Investments Commission 2004). This model aimed to provide a

benchmark for 'good practice' in relation to the fee information disclosed to consumers in product disclosure statements (Australian Securities and Investments Commission 2004). A revised version of the fee disclosure model was released in June 2004 as a result of consumer test studies which found that consumers continued to have difficulties understanding the fees and charges applied to their superannuating funds and the differences between the types of fees that may be charged (Australian Securities and Investments Commission 2005). The revised model required that the PDS include "a standardised fees and costs template, an example of annual fees and costs for a balanced or similar fund, and a boxed consumer advisory warning" (Australian Securities and Investments Commission 2005).

As noted, our survey of Australian retirees aimed to gauge levels of understanding, confidence and expectations among superannuation fund participants. The next section details the method used and is followed by a demographic analysis of the sample and a discussion of the survey findings.

Understanding superannuation: surveying Australian retirees

A survey was developed and administered to a sample of Australian retirees in July 2004. The survey was administered via About Seniors, a web-based organization that provides advice and information to senior citizens, retirees, those about to retire, veterans, pensioners and carers (About Seniors 2004). The organization distributes a fortnightly email newsletter to an Australia-wide web list of subscribers, which totalled 8,500 at the time the survey was administered.

The survey was available on the website for a period of six weeks and was featured in the email newsletter on three occasions during this period.

The survey (included in Appendix 1) asked retirees to comment on their level of understanding of the Australian superannuation system prior to retirement and their level pre-retirement financial planning. To determine the adequacy of the services provided to retirees by financial planners, the survey asked respondents to comment on the understandability of the information provided to them and their level of confidence in the way in which their retirement money was being managed. Respondents were asked to comment on the amount and adequacy of explanatory information and information concerning fees and charges, specifically to address the perceived usefulness of the fee disclosure model introduced by ASIC. Finally, respondents' perceptions of superannuation fund performance were discerned.

In total, 331 responses were received. Demographic data including gender, retirement status, pre-retirement salary and current retirement income were collected and are presented in the following section. This is followed by a discussion of the survey responses in terms of pre-retirement financial planning, understanding of, and confidence in, the management of superannuation funds, explanatory information and information concerning fees and charged, and perceptions of fund performance.

A profile of the respondents

Demographic information was collected from respondents in order to contextualise the survey responses. As noted, 331 responses were received. The demographic data, which related to gender, status, and pre- and post-retirement income, is summarised and presented in Table 1. Of these respondents, 62 percent were male and 38 percent were female. In terms of retirement status, 61 percent of respondents received a pension, which formed all or part of their retirement income. Those respondents for whom the pension comprised only part of their retirement income, the balance was self-funded. Fully self-funded retirees comprised 39 percent of the sample. Respondents were asked to disclose their income immediately prior to retirement. Pre-retirement incomes were fairly evenly spread across the income brackets. Post-retirement average annual incomes were concentrated in the middle- to lower-income brackets.

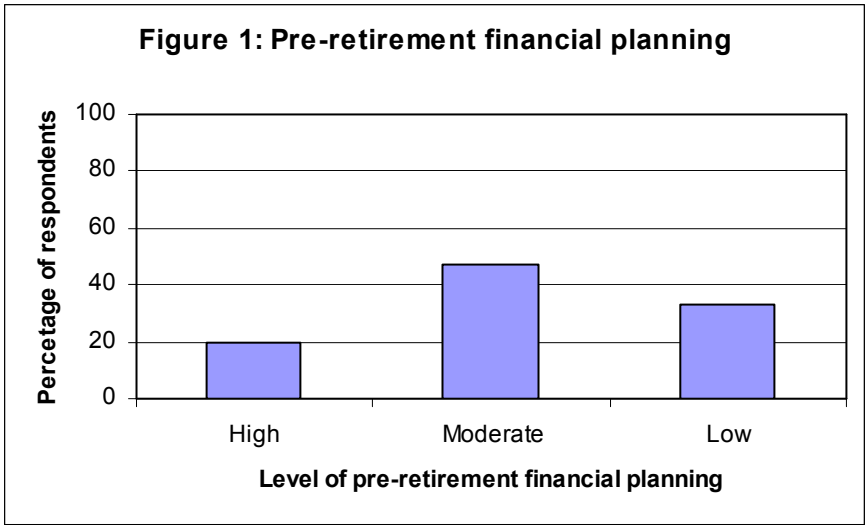
Table 1: Demographics of respondents

Gender	Male: 62%	Female: 38%
Retirement status	Pensioner (full or part): 61%	Self-funded retiree: 39%
Salary/Income	**Prior to retirement**	**During retirement**
$80,000 and over	19%	2%
$50,000 - $79,999	34%	11%
$33,000 - $49,999	26%	32%
$20,000 - $32,999	11%	34%
Under $20,000	10%	21%

As noted, there are concerns that many Australians will be unable to support their retirement, instead continuing to rely on the government funded pension

(Australian Chamber of Commerce and Industry 2000). Therefore, the focus of Australian government policies has been on increasing measures that promote the self-funding of retirees to ensure that the retirement income system in Australia is viable in the long term (Australian Chamber of Commerce and Industry 2000). However, despite government policies to increase the level of superannuation savings, it is estimated that "most people within 25 years of retirement have grossly inadequate super" (Wyatt cited in Lawrence 2004: 12). Thus, it is likely that those Australians who have not actively planned for their retirement, and who have not voluntarily contributed to their superannuation fund over and above the amounts required under the Superannuation Guarantee, will risk a drop in their living standards once they retire (Barrett 2003).

To assess the effectiveness of these government policies aimed at increasing retirement savings, one of our survey questions required participants to indicate the level at which they engaged in pre-retirement financial planning. Despite the increased requirement that individuals more adequately plan for their retirement, only 20 percent of respondents indicated that their pre-retirement financial planning activity had been high. Almost half of the respondents indicated that they had engaged in pre-retirement financial planning to only a moderate degree, with over 30 percent reporting a low level of pre-retirement financial planning activity. These results, presented in Figure 1, are consistent with reports on the inadequacy of retirement savings and planning, and highlight the importance of government policies aimed at encouraging a greater level of superannuation saving and planning prior to retirement.

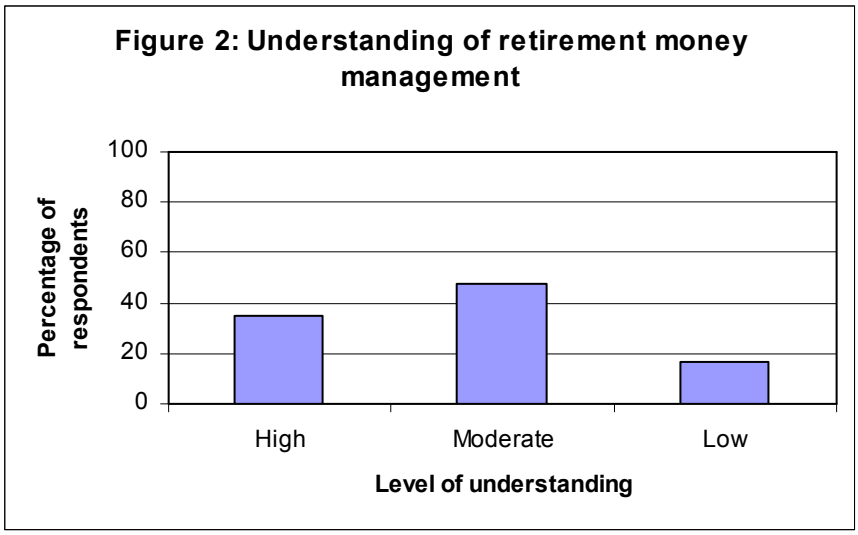


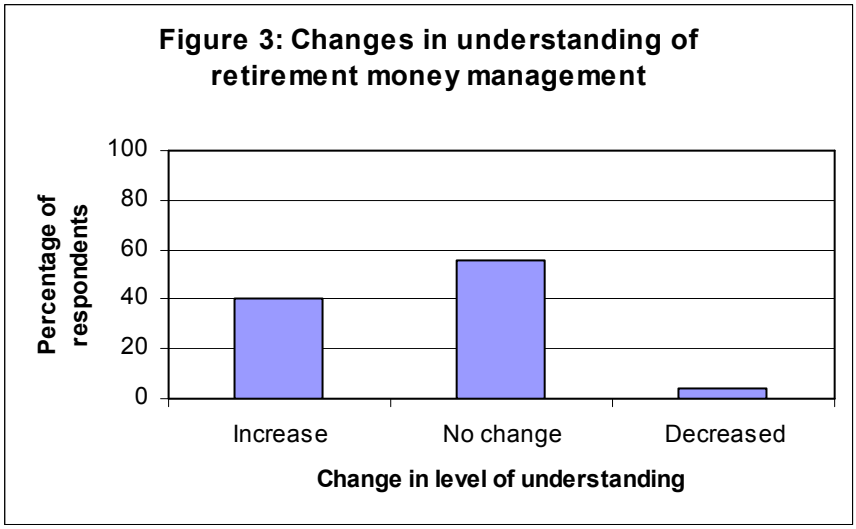
The management of retirement money: levels of understanding and confidence

The *FSR Act* was intended to promote consumer confidence in the financial services industry by enhancing the quality and transparency of information provided regarding financial products and advice (Bowerman 2004a, Dagge 2004). However, despite these reforms, a recent report indicated that 42 percent of Australians still do not understand how their superannuation works (Koch 2004). Our survey, by specifically targeting Australian retirees, supplements this report and provides some additional insights into the level of understanding of retirees with respect to the management of superannuation savings.

Survey participants were asked to rank their level of understanding of how their retirement money was managed. These results are reported in Figures 2 and 3. As indicated in Figure 2, just 35 percent of respondents felt that they had a high level of understanding with regard to the management of their money. Almost half the respondents reported a moderate level of understanding (48 percent), with 17 percent indicating that their understanding was of a low level. These results

suggest a higher level of understanding concerning the management of superannuation funds than that reported by Koch (2004). However because our survey specifically targets retirees, it can be argued that the respondents of our sample have more time and inclination to understand how their money is being managed since they depend on it for their livelihood. Indeed, as shown in Figure 3, when asked to comment on whether the level of understanding had increased, decreased, or remained the same over the prior three year period, only four percent indicated that their understanding had decreased. The majority of respondents indicated that their understanding had remained constant, with the balance, almost 40 percent, believing that their understanding of the management of their retirement money had increased. Most often, this increase in understanding was reported to be the result of additional time to investigate and take an interest in financial issues, and more extensive consultation with financial planners.

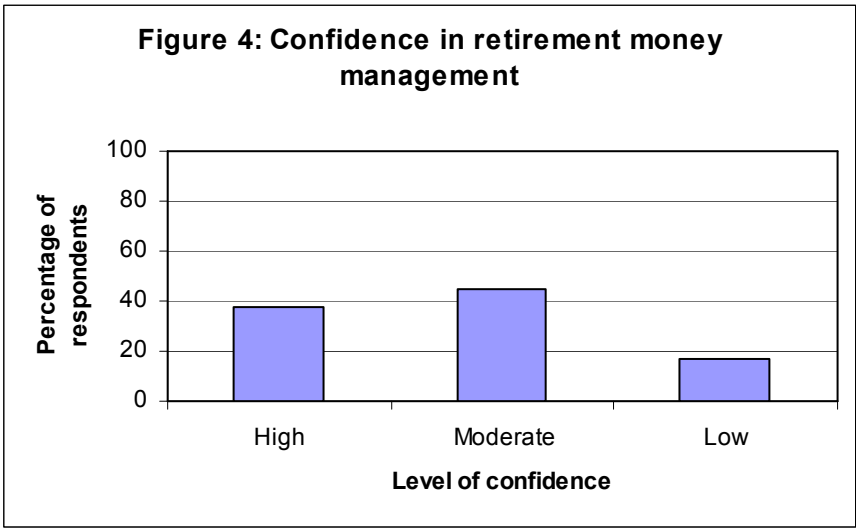


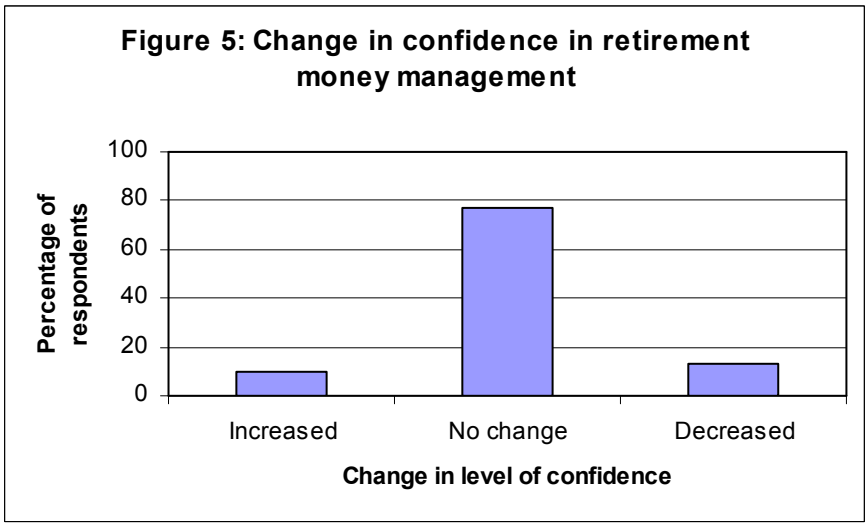


As noted, the Australian superannuation system is characterised by a number of aspects of compulsion and a lack of control by employees as to how their superannuation entitlements are invested and managed. In order to gain some understanding of retiree's confidence levels with respect to the management of their superannuation fund and retirement income, our survey asked participants a series of targeted questions. First, respondents were asked to rank their level of confidence in the services provided by their financial advisor concerning the management of their retirement money. As shown in Figure 4, 38 percent of respondents reported a high level of confidence. Interestingly, the majority of respondents indicate moderate or low levels of confidence in the way their retirement money is managed, with 45 percent of retirees reporting a moderate level and 17 percent indicating a low level of confidence.

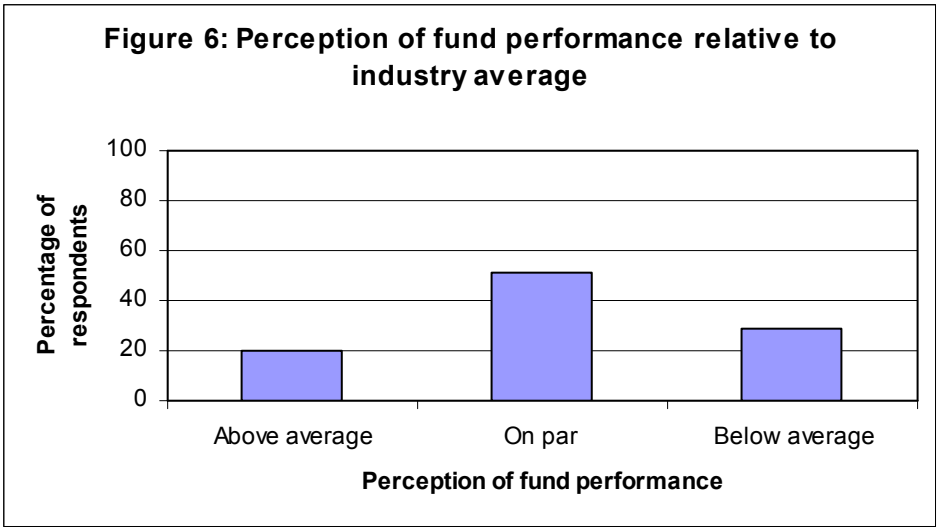
Respondents were also asked to comment on whether their level of confidence had increased, decreased or remained the same over the past three years. Only 10 percent of respondents reported an increase in their confidence concerning the

management of their retirement money. Seventy-seven percent of respondents reported no change in their level of confidence over the past three years, while 13 percent indicated that their level of confidence in the management of their retirement income had decreased over the past three years (see Figure 5).





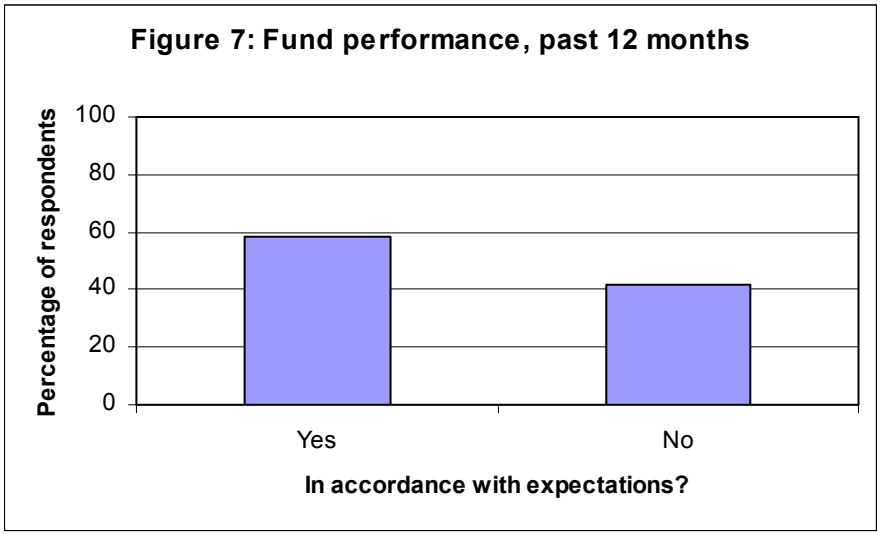
Anecdotal evidence from survey respondents suggests that changes in the level of confidence are a direct result of the superannuation fund's performance. For example, one dissatisfied respondent reported that their level of confidence in their financial advisor wouldn't be so low if "the fund had performed better over the past few years". As such, respondents were asked questions concerning their perceptions of fund performance. The results are presented in Figure 6. The majority of respondents, fifty-one percent, believed that their retirement fund had performed "on par" with the industry average. Twenty percent of respondents felt that their retirement fund had performed well compared to the industry average, with the balance, almost 30 percent, reporting that they believed their fund had performed below the industry average.

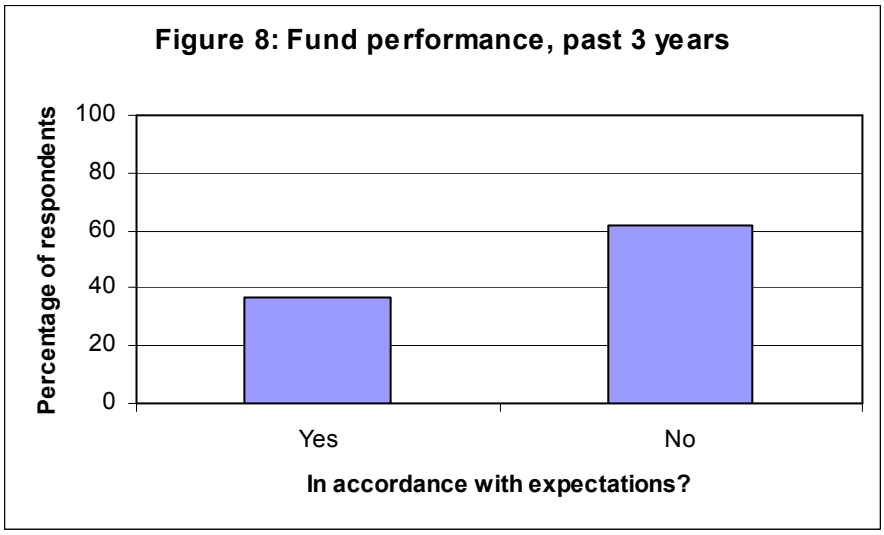


In addition, respondents were asked to comment on whether the performance of their superannuation fund had met expectations in the past 12 months, and in the past three years. As shown in Figure 7, over the past 12 months most respondents

(58 percent) reported that the performance of their retirement fund was in line with their expectations. The remaining 42 percent indicated their expectations had not been met. Interestingly, these responses were reversed when the participants were asked whether the performance of their retirement fund had met their expectations in the past three years (see Figure 8). Almost two-thirds of respondents reported that fund performance was below expectations over the past three years (62 percent), with only 37 percent of respondents felt that fund performance had been in line with their expectations over this same period.

These survey results, which highlight the dissatisfaction with superannuation fund returns, are unsurprising given that, during the three years prior to the survey, superannuation funds averaged just a one percent return per annum (Potts 2004). This trend was reflective of the state of the share market generally over this period, which suffered as a result of global economic and political uncertainties, the Asian economic crisis and the collapse of the dot com sector (Adamson 2003, Huntly 2002, Mead 2003, Rees 2003). Furthermore, during this three year period inflation increased to almost three percent per annum meaning that, in real terms, the average superannuation fund member received a negative return during that period (Potts 2004).

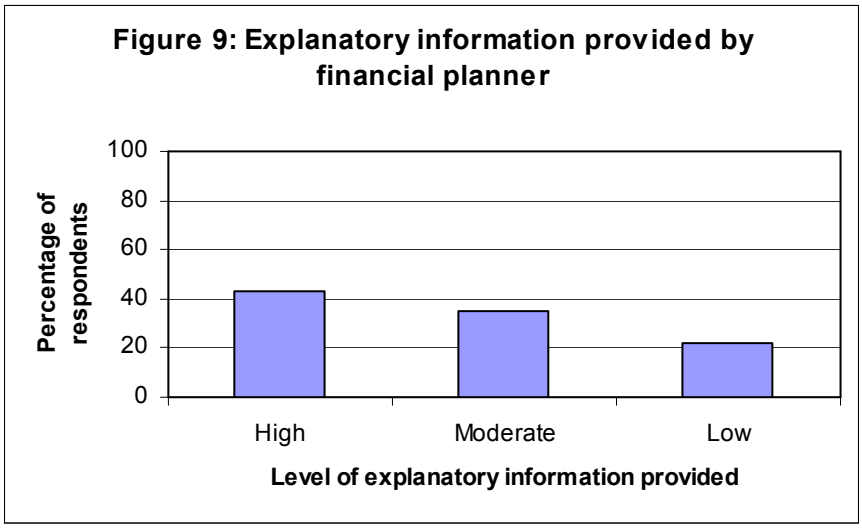




Explanatory information and information concerning fees and charges

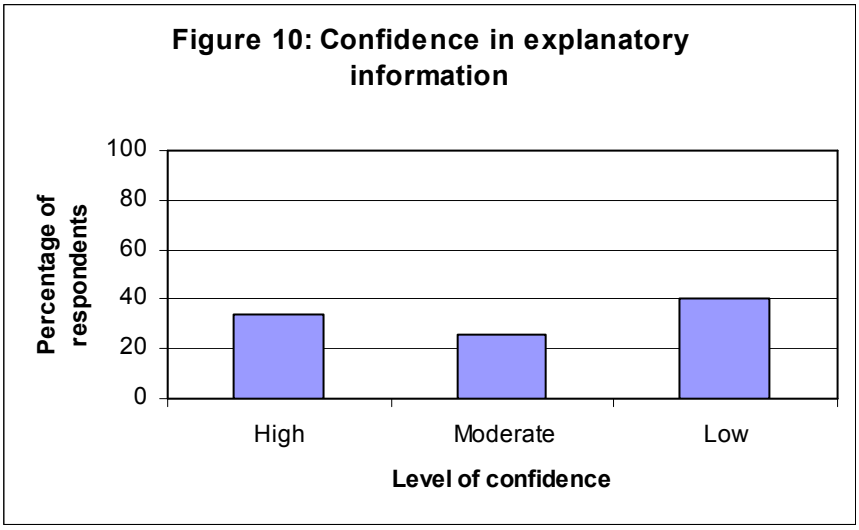
The increased disclosure obligations required by the *FSR Act* were considered a fundamental improvement to Australia's investment and superannuation arrangements. The three disclosure documents – the financial services guide, the statement of advice, and the product disclosure statement – were expected to increase the amount of information available to consumers and assist them in understanding the products and services being offered.

Given these aims and requirements of the *FSR Act*, our survey participants were asked to comment on the adequacy of the explanatory information provided to them by their financial planner, in terms of both its volume and usefulness. Despite the legislative requirement to increase the amount of information provided by financial planners to their clients, less than half the respondents reported that a high level of explanatory information was provided to them (43 percent). The balance, 57 percent, indicated that either a moderate or low level of information was provided to them (see Figure 9). This may suggest that legislative efforts have been unsuccessful. Alternatively, another explanation is that an expectation gap exists between the level of explanatory information that consumers expect and the level that is legally required to be provided to them by their financial planner.



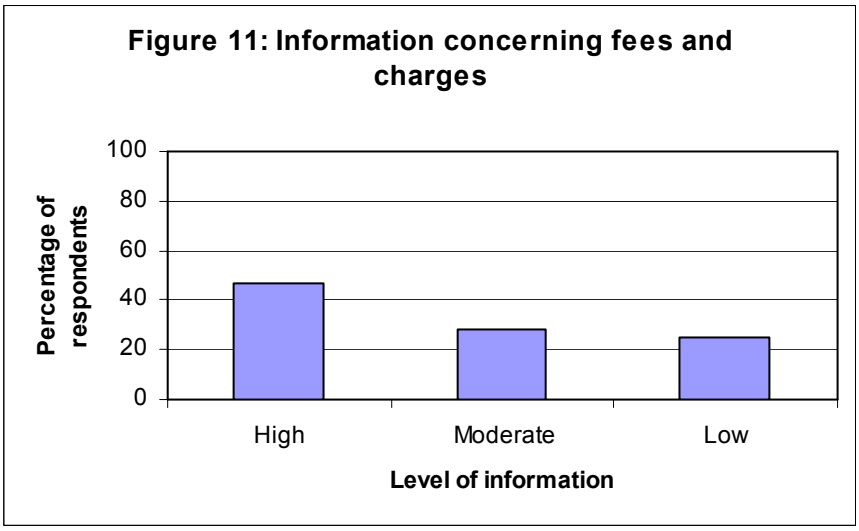
Following on from this question concerning the level of information, respondents were asked to comment on the reliability and usefulness of this explanatory information. As shown in Figure 10, only 34 percent of respondents indicated that they felt confident in the reliability and usefulness of the information provided to

them by their financial planner. The remainder (66 percent) indicated a moderate to low level of confidence in the reliability and usefulness of the explanatory information. These results suggest that further investigation by legislators into the quality of explanatory information provided by financial planners may be warranted. While an increase in the required level of disclosure is a positive step towards holding financial planners more accountable to their clients, an increase in the amount of explanatory information is of little benefit if the users of this information are not confident of its reliability and usefulness.



The fees and charges applied to superannuation or investment products must be disclosed under the requirements of the *FSR Act* and, as noted, was expected to be a key improvement resulting from the reforms. However, industry and consumer groups have suggested that, even with the revised fee disclosure model in place, consumers will continue to remain confused about how fees and charges may erode retirement savings in the long term (Sampson 2004). The results of our survey support this suggestion. As shown in Figure 11, less than 50 percent of respondents felt satisfied with the level of information provided to them

concerning fees and charges, while the remaining respondents indicated that the level of information was moderate or low.



In summary, the results of our survey provide new insights into the attitudes of Australian retirees with respect to their understanding of, confidence in, and satisfaction with, their superannuation funds. Consistent with government concerns, only 20 percent of retirees indicated a high level of pre-retirement financial planning. Notwithstanding policies to promote consumer confidence and therefore investment in the superannuation industry, the majority of surveyed retirees indicated only a moderate or low level of understanding with respect to the management of their retirement money. One of the anticipated improvements from the *FSR Act* was an increase in the explanatory information provided by financial planners to their clients and increased disclosure concerning fees and charges. However, despite the requirements of the *Act*, less than half the respondents reported that a high level of explanatory information and information concerning fees and charges was provided to them by their financial planner.

Furthermore, over two-thirds of retirees indicated a moderate to low level of confidence in the reliability and usefulness of this information.

Conclusion

Over the last two decades, the superannuation industry in Australia has undergone dramatic growth. Projections indicate that assets held in superannuation funds will reach a trillion dollars by mid-2010 (Nicholson 2000). The industry has been boosted by government initiatives which have made superannuation contributions compulsory and encouraged voluntary savings above the mandatory level.

Given the enormity of the industry, the elements of compulsion in the superannuation system, and the relative lack of control of superannuation participants over their investments, ensuring consumer protection and satisfaction should be high on the list of priorities of both the government and the superannuation industry. The *Financial Services Reform Act* was introduced in 2001 to enhance investor confidence in the financial services industry, and thus promote superannuation savings, with increased disclosure and improved understanding and confidence key goals of the reforms.

However, despite the extensive and elaborate regulatory framework, which is designed to offer both protection and satisfaction, concerns over the adequacy of superannuation savings, performance, disclosure, understanding, and confidence persist. This research, which has reported on the perceptions of Australian retirees with respect to levels of understanding and confidence in superannuation fund information and performance, indicates that the *Act* has fallen short of its goal with the majority of retirees reporting only low to moderate levels of

understanding and explanatory information as well as a low level of confidence in the information provided to them. Furthermore, fund performance over the last three years did not meet the expectations of retirees, however this trend reversed over the past 12 months as domestic and overseas markets have improved.

This research highlights the need for not only additional information, but for additional information that is also understandable and useful to users. Further revisions of the ASIC fee disclosure model might, for example, streamline the fees applied to superannuation funds to minimise the number of fee types. A reduction in the volume and complexity of the information contained in the PDS may also assist the understandability and relevance of information provided to superannuation fund members. A shorter, simpler summary of explanatory information, similar to the concise annual reports which supplement the voluminous and often elaborate full annual reports, may go some way to addressing this issue. In sum, despite the government rhetoric of a superannuation industry that delivers transparent and high quality information, the low levels of satisfaction and confidence reported in this research suggest that further significant improvements will be necessary before Australians feel comfortable enough to support a system that encourages voluntary contributions and eases the burden on government funding.

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Appendix 1: Survey instrument

1) Gender:
Male
Female

2) Are you a:
Pensioner (part or full) through Centrelink
Service Pensioner (part or full) through Veterans' Affairs
Superannuant, in addition to receiving a pension
Self funded retiree
None of these

3) What was your salary on retirement? For a couple select the combined total.
Under $20,000
$20,000-$32,999
$33,000-$49,999
$50,000-$79,999
$80,000 and over

4) What is your current average yearly retirement income? For a couple select the combined total.
Under $20,000
$20,000-$32,999
$33,000-$49,999
$50,000-$79,999
$80,000 and over

5) Approximately was percentage of your current retirement income comes from
Superannuation
Government pension
Other

6) Prior to retirement, what was your level of understanding of the Australian superannuation system?

Low
Moderate
High

7) At what level did you engage in pre-retirement financial planning?

Low
Moderate
High

8) How many years has your retirement money been with your present financial planner?

Under 5 years
5 to 10 years
11 to 15 years
16 to 20 years
Over 20 years

9) Have you ever been with another financial planner?
Yes
No

If yes, why did you change?

10) How did you select your current financial planner?

Personal recommendation
Employer recommendation
Union/Professional body recommendation
Advertisement
Other

11) Please rank your level of understanding of how your retirement money is managed.

Low
Moderate
High

12) Has this level of understanding increased, decreased or remained same over the past 3 years?

Increased
Decreased
Remained the same

Please provide reasons:

13) Please rank your level of confidence in how your retirement money is managed.

Low
Moderate
High

14) Has this level of confidence increased, decreased or remained the same over past 3 years?

Increased
Decreased
Remained the same

Please provide reasons:

15) How do you think your retirement fund has performed, compared to the industry average?

Don't know
Poorly
On par with industry average
Well

16) Has the performance of your retirement fund met your expectations in the past:

12 months?	Yes	No
Three years?	Yes	No
Five years?	Yes	No

17) What level of explanatory information is provided to you by your financial planner?

Low
Moderate
High

18) What level of confidence do you have in the reliability and usefulness of this information?

Low
Moderate
High

19) What level of information is provided to you about the fees and charges applied to your retirement fund?

Low
Moderate
High

20) Please indicate your overall level of interest in the management of your retirement money.

Low
Moderate

High

21) Overall, how satisfied are you with the services provided by your financial planner?

Unsatisfied
Neutral
Satisfied

22) Please list any improvements that you feel could be made in the management of your retirement money.

Thank you very much for taking the time to complete this survey.