



C|T GROUP

# Financial Services Council

## Default Superannuation Product Research Report

February 2024

# Objectives and Methodology

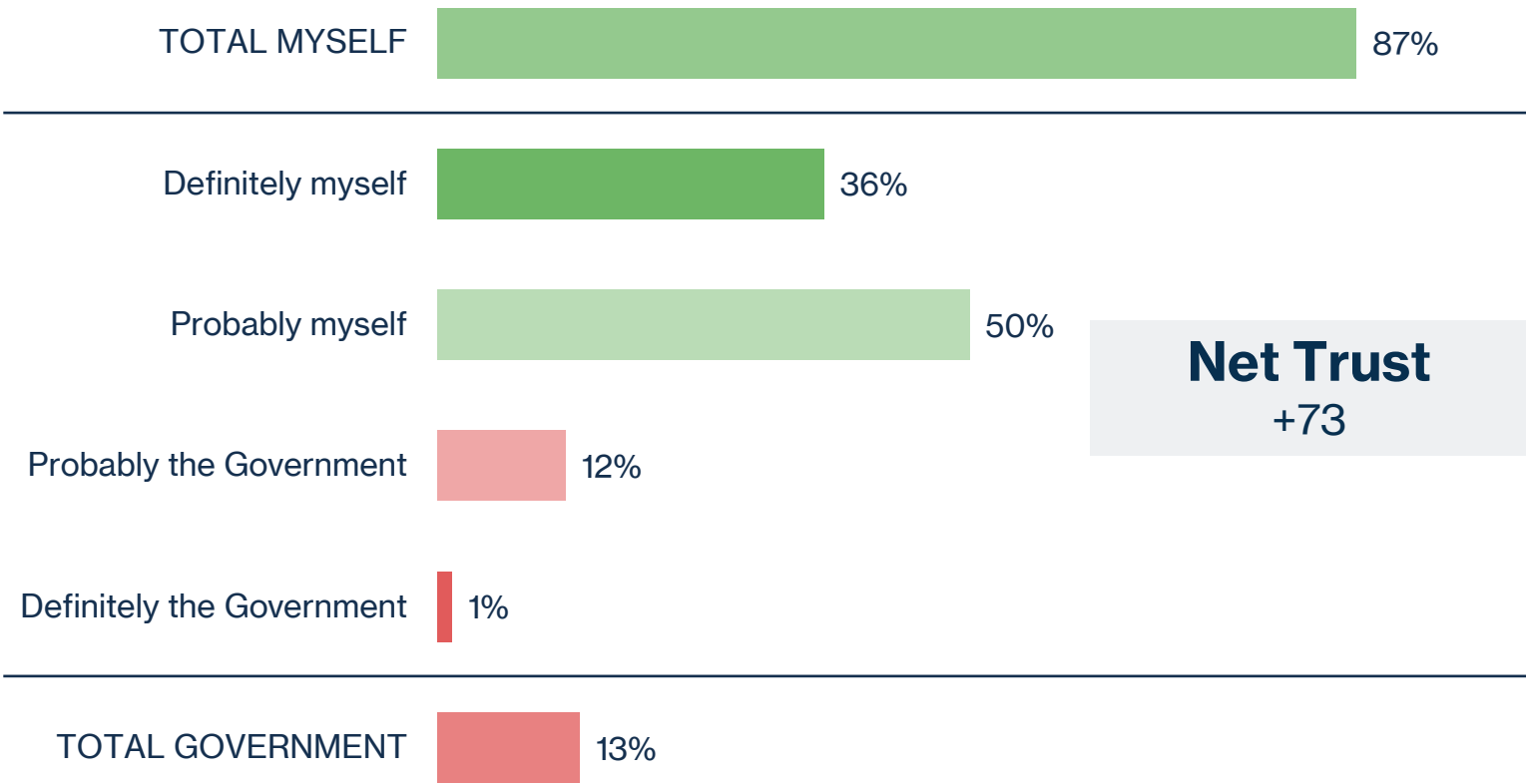
- This research intends to **identify the underlying support and opposition towards a default superannuation product among voters in Australia**, and the **ability of employees of financial institutions to provide simple financial advice** for the Financial Services Council.
  - An online survey was conducted among Australian voters aged 18+ between the dates 22 January and 1 February 2024.
  - In total, **n=2,531** participants took part.
  - Quotas and weighting were used in order for the sample to be representative by age, gender, location, education, and 2022 Federal Election vote.
  - The aggregate results are accurate to a maximum margin of error of  $\pm 2\%$  (95% confidence, simple random sample;  $\pm 4$  for nets); sub samples are subject to larger margins of error.
  - Comparisons where relevant have been made to previous Financial Services Council Research Report conducted in January 2023 (n=4,021).
  - A 'net' score represents the total proportion of participants who give a positive response (e.g., 'agree') minus the total proportion who give a negative response (e.g., 'disagree').



# Voters far more likely to trust themselves over Government

## Trust to make decisions on retirement product

Net trust = total myself - total Government



Almost all voters trust themselves rather than the Government to decide which retirement products they will use.

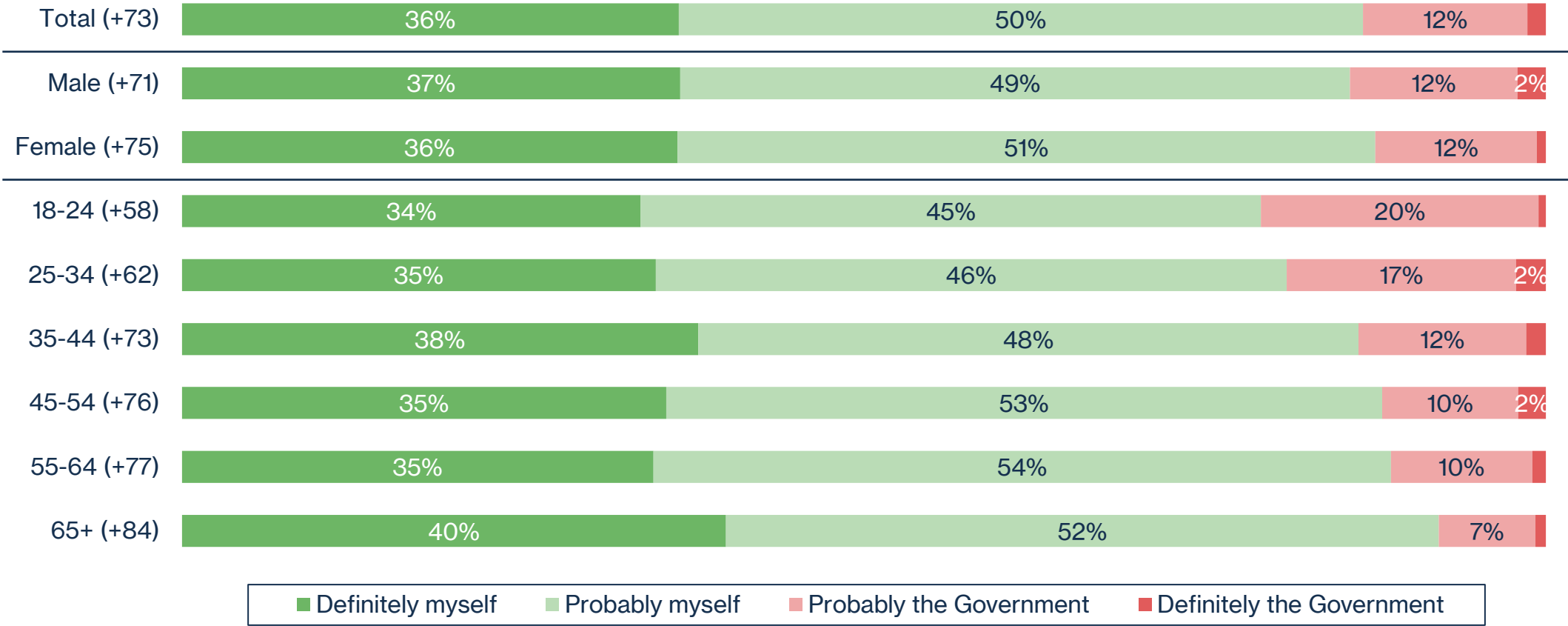
This is true across all demographic and voter groups.

Who do you trust more, the Government or yourself, to make decisions about which retirement product/s you use when you are retired?; Base: All participants n=2531

# All voters more likely to trust themselves over the Govt. to make retirement decisions

## Trust to make decisions on retirement product

Number in brackets: net trust = total myself - total Government

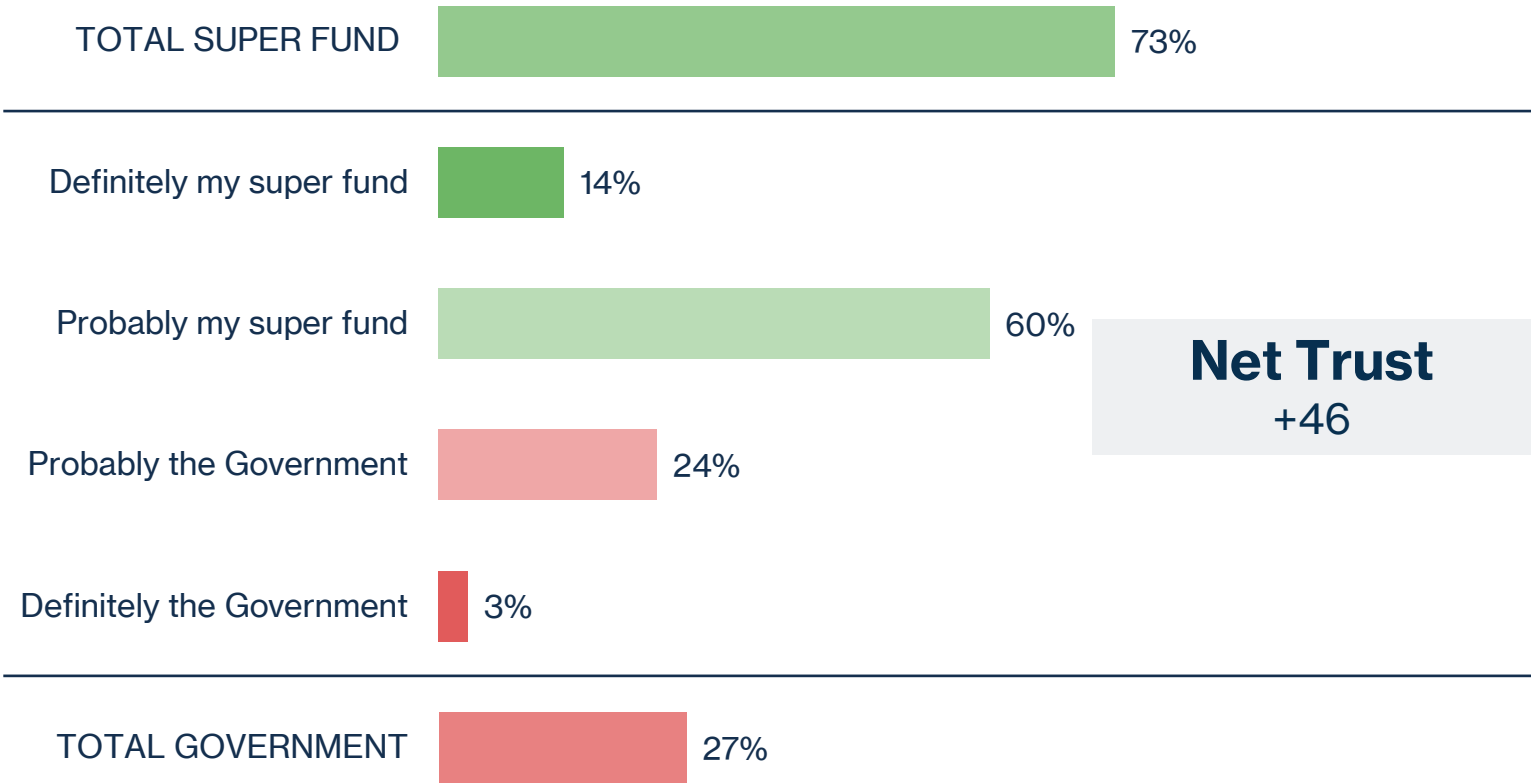




# Voters trust their super fund over the Government

## Trust to make decisions on retirement product

*Net trust = total my super fund - total Government*



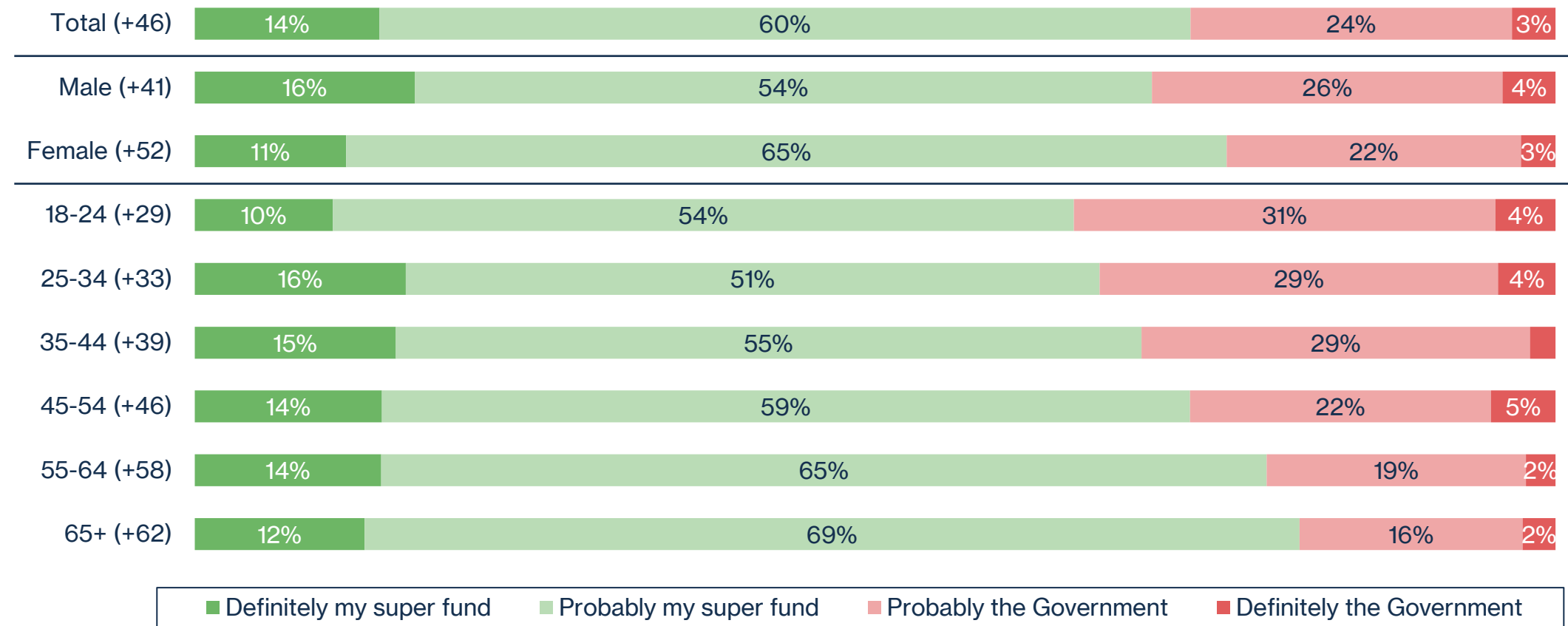
When faced with a choice between the Government and super funds, voters would rather their super fund make decisions on which retirement products they will use.

Who do you trust more, the Government or super fund, to make decisions about which retirement product/s you use when you are retired?; Base: All participants n=2531

# Voters more likely to trust super funds over the Govt. to make retirement decisions

## Trust to make decisions on retirement product

Number in brackets: net trust = total my super fund – total Government



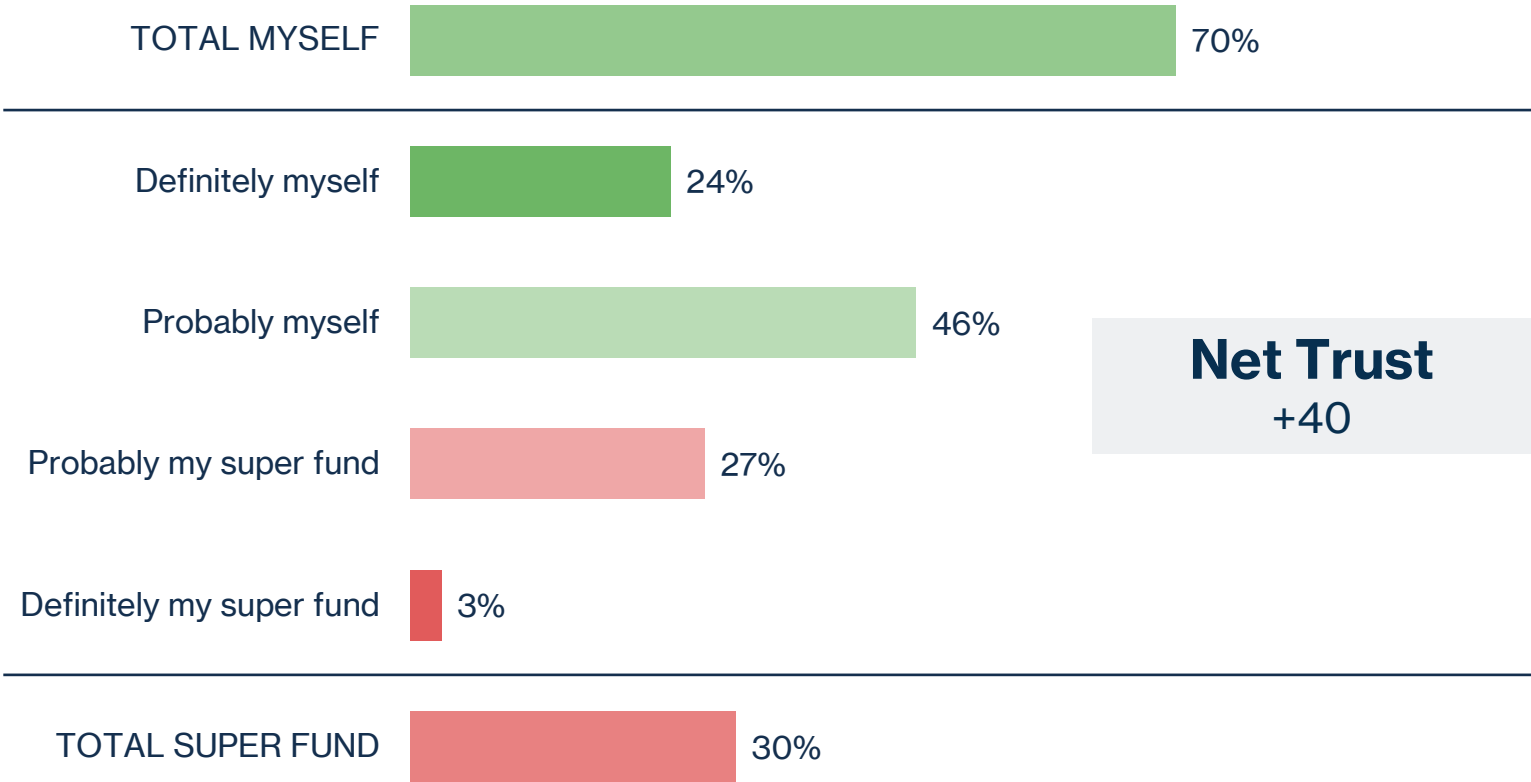
Who do you trust more, the Government or super fund, to make decisions about which retirement product/s you use when you are retired?; Base: All participants n=2531



# Voters more likely to trust themselves over super funds

## Trust to make decisions on retirement product

*Net trust = total myself - total my super fund*

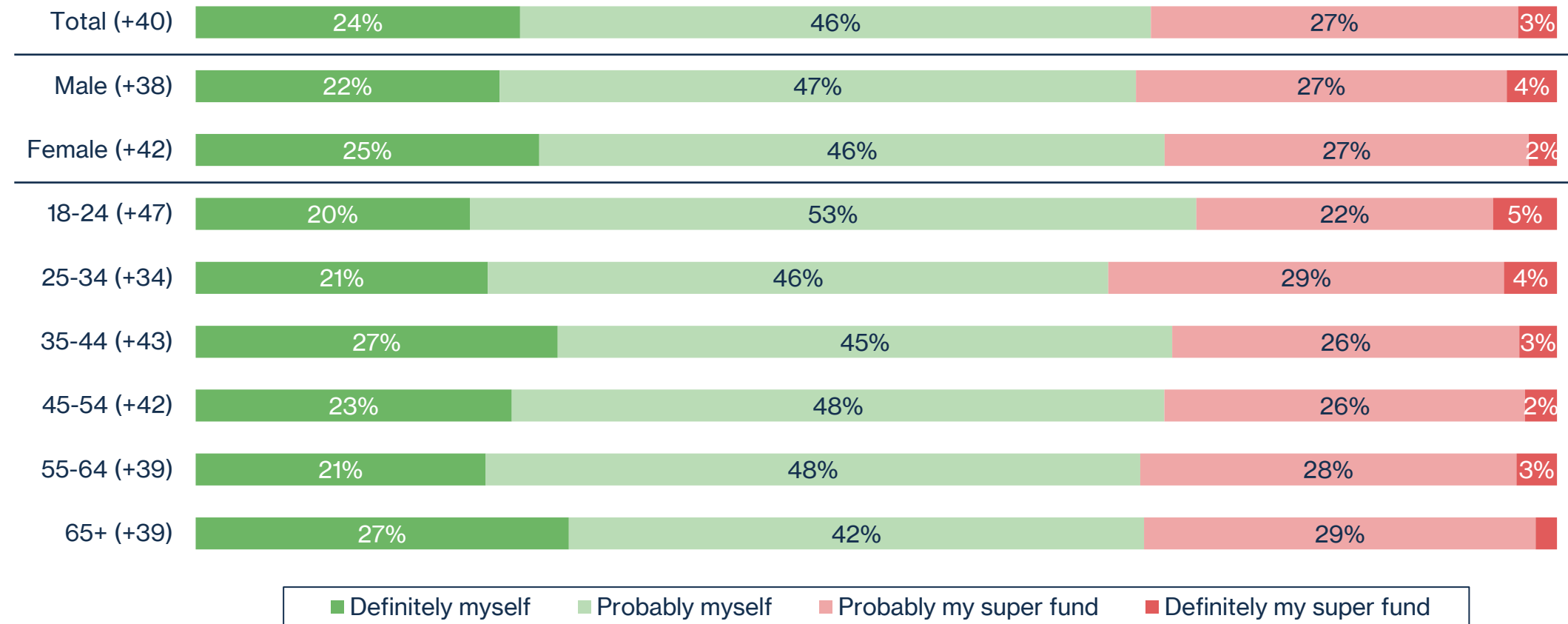


Who do you trust more, the super fund or yourself, to make decisions about which retirement product/s you use when you are retired?; Base: All participants n=2531

# Voters more likely to trust themselves over super funds to make retirement decisions

## Trust to make decisions on retirement product

Number in brackets: net trust = total myself – total my super fund

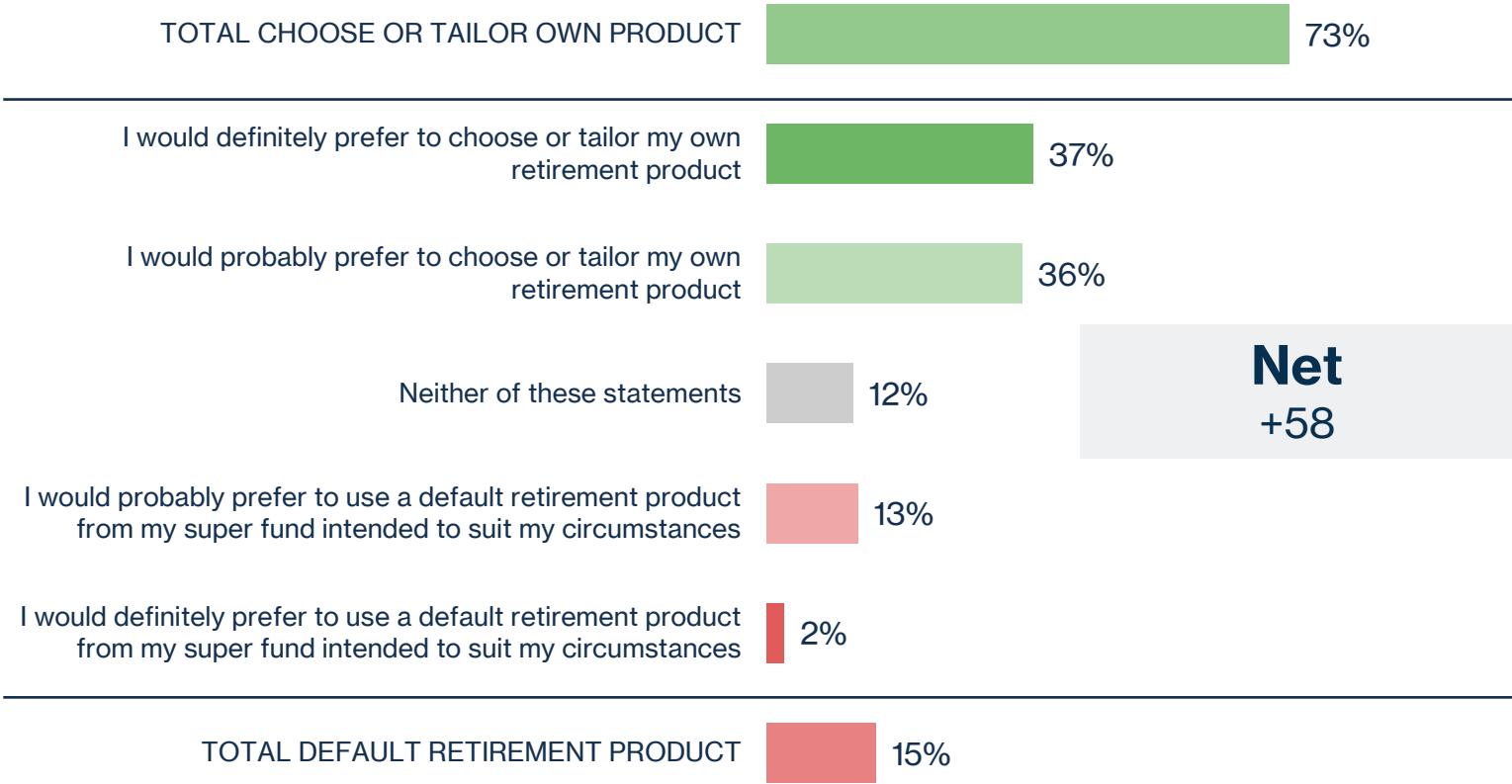




# Strong preference for choosing retirement product

## Choose or tailor vs default retirement product

Net = total choose or tailor own product – total default retirement product



There is a strong consensus amongst voters that they would prefer to choose or tailor their own retirement product rather than receive a default product.

This includes 37% who report that they *definitely* would, rather than using a default retirement product.

All voters are more likely to prefer to choose or tailor their own retirement product (net +58), but particularly those aged 45+ (+65).

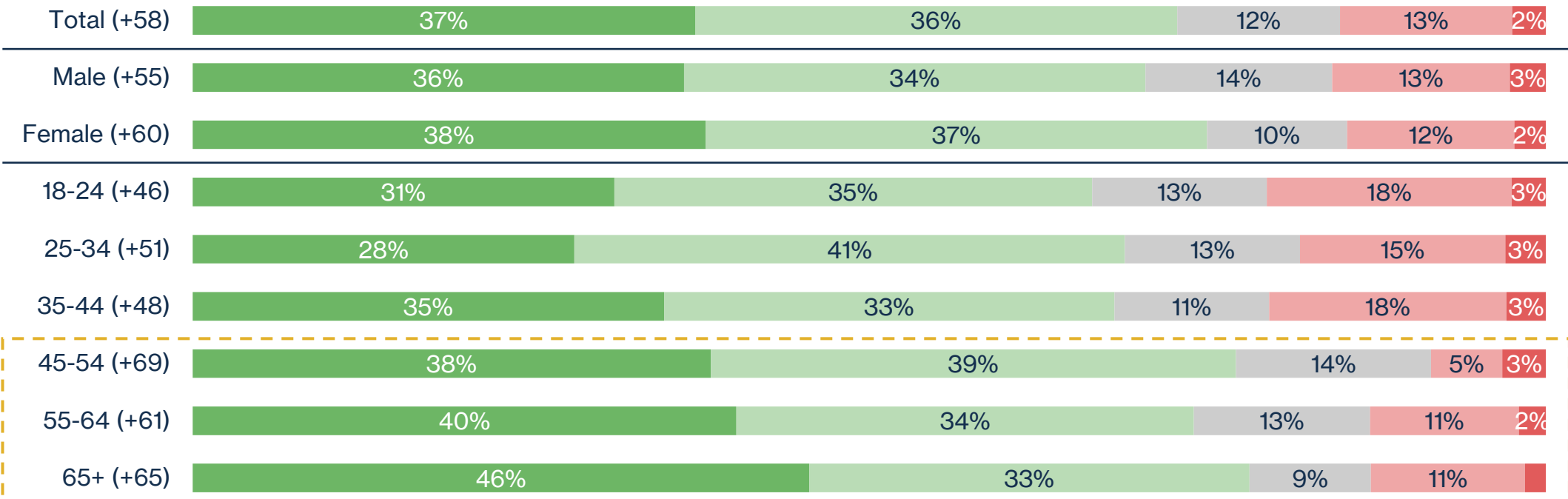
Greens voters (+70) are the most likely to want to choose or tailor, ahead of Coalition (+59), Labor (+47), and Soft Voters (+47).

Which of the statements below best describes your view on choosing your own retirement product or using a standardised retirement product?; Base: All participants n=2531

# Older voters especially likely to prefer to choose or tailor their retirement product

## Choose or tailor vs default retirement product

Number in brackets: net = total choose or tailor own product – total default retirement product



- I would definitely prefer to choose or tailor my own retirement product
- I would probably prefer to choose or tailor my own retirement product
- Neither of these statements
- I would probably prefer to use a default retirement product from my super fund intended to suit my circumstances
- I would definitely prefer to use a default retirement product from my super fund intended to suit my circumstances

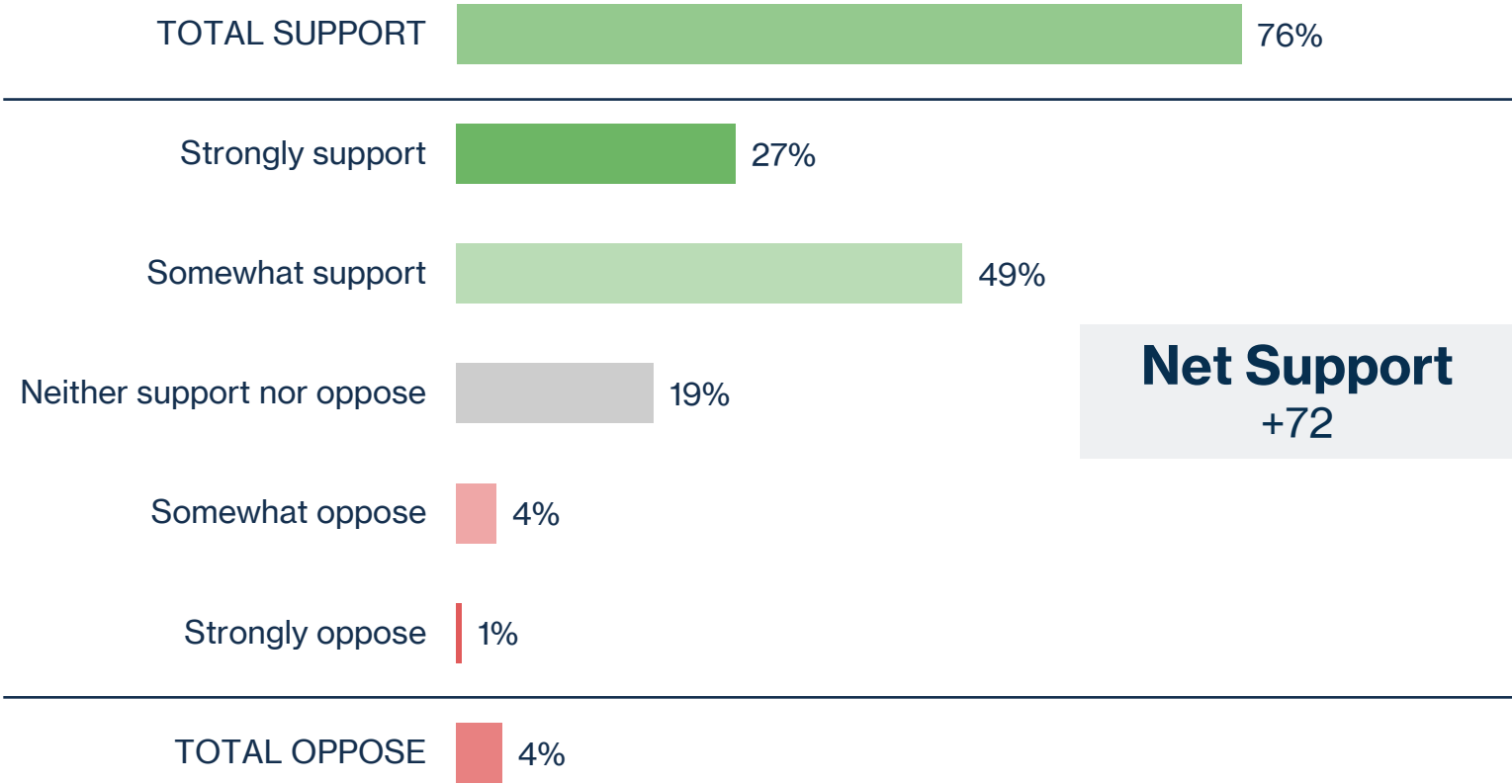
Which of the statements below best describes your view on choosing your own retirement product or using a standardised retirement product?; Base: All participants

n=2531

# Strong support for basic advice and guidance

## Support for retirement product advice

Net support = total support - total oppose



There is strong support amongst voters for super funds to be able to provide their members with basic advice and guidance in relation to retirement products that is relevant to their personal circumstances and goals.

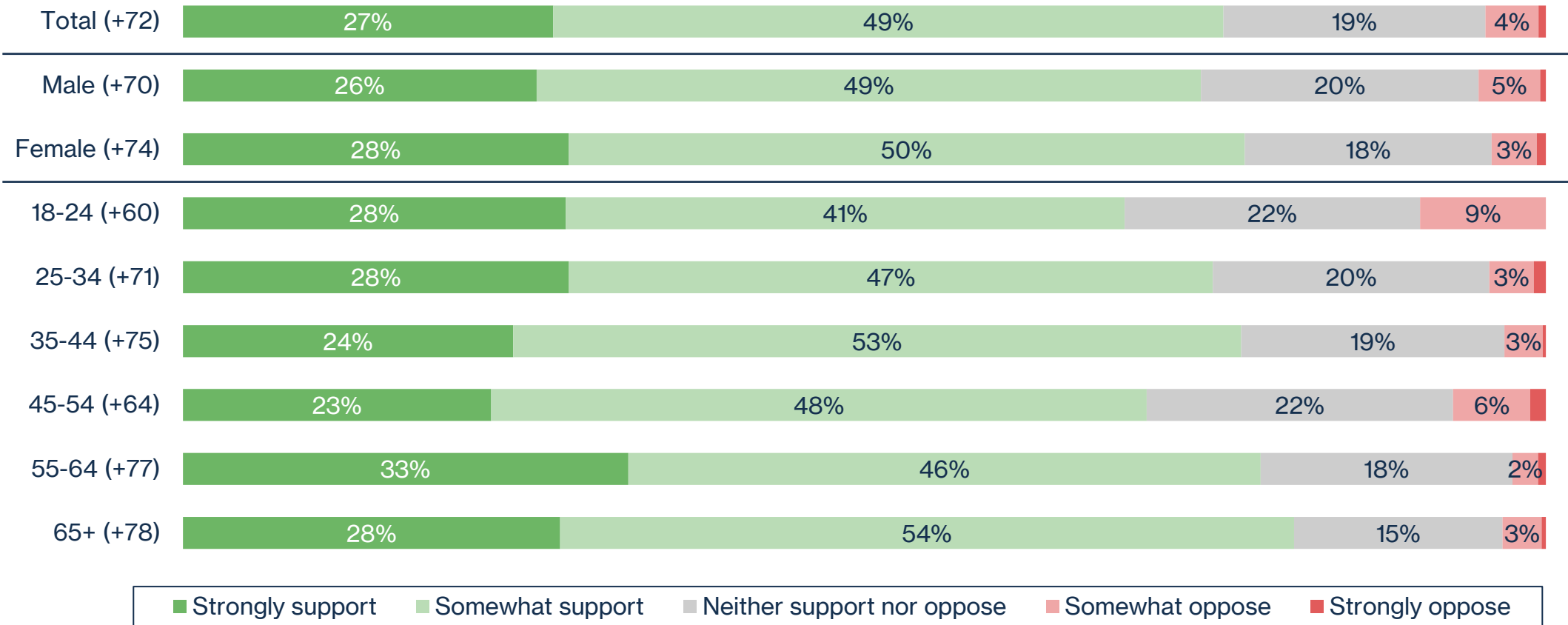
Almost no voters oppose this proposal.

To what extent do you support or oppose super funds being able to provide their members with basic advice and guidance about which retirement products to choose, based on their personal circumstances and goals?; Base: All participants n=2531

# All voters support super funds providing members with basic advice and guidance

## Support for retirement product advice

Number in brackets: net support = total support - total oppose

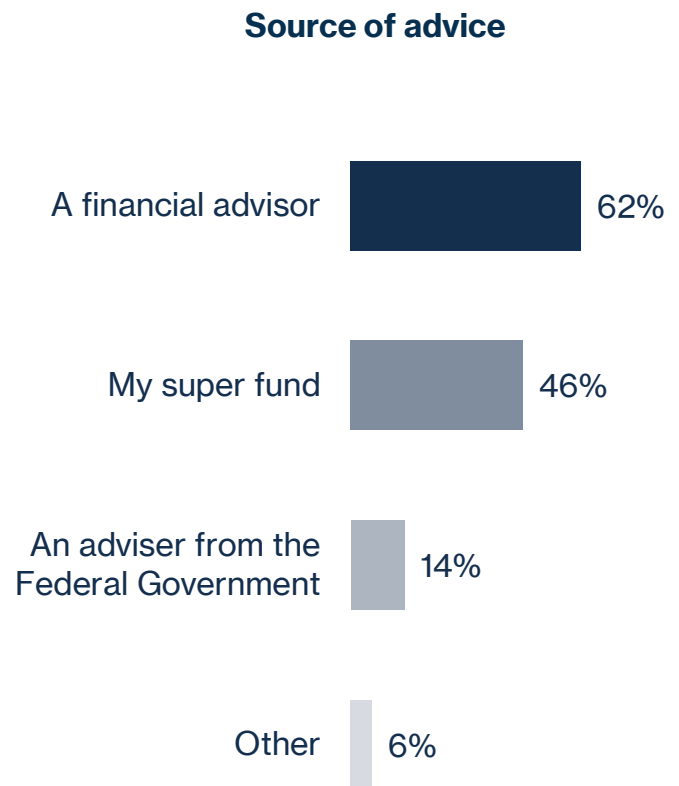
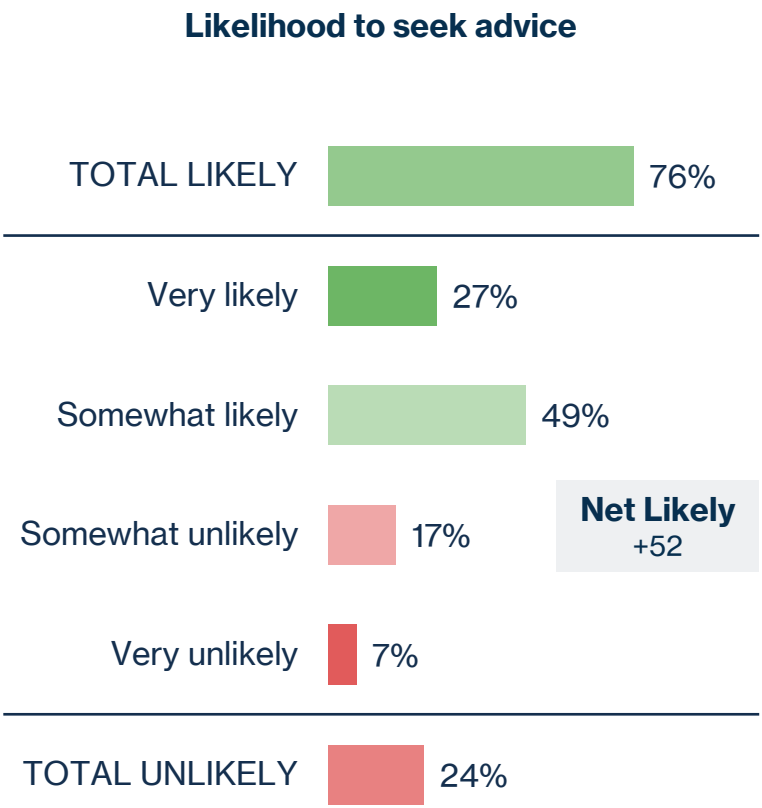


To what extent do you support or oppose super funds being able to provide their members with basic advice and guidance about which retirement products to choose, based on their personal circumstances and goals?; Base: All participants n=2531

# Those likely to seek advice would do so from a fin. advisor

## Advice on retirement products

Net likely = total likely - total unlikely



Most voters report that they are likely to seek advice on retirement products, and the source of this advice will be either a financial advisor or their super fund.

Voters are less likely to seek advice from the Federal Government.

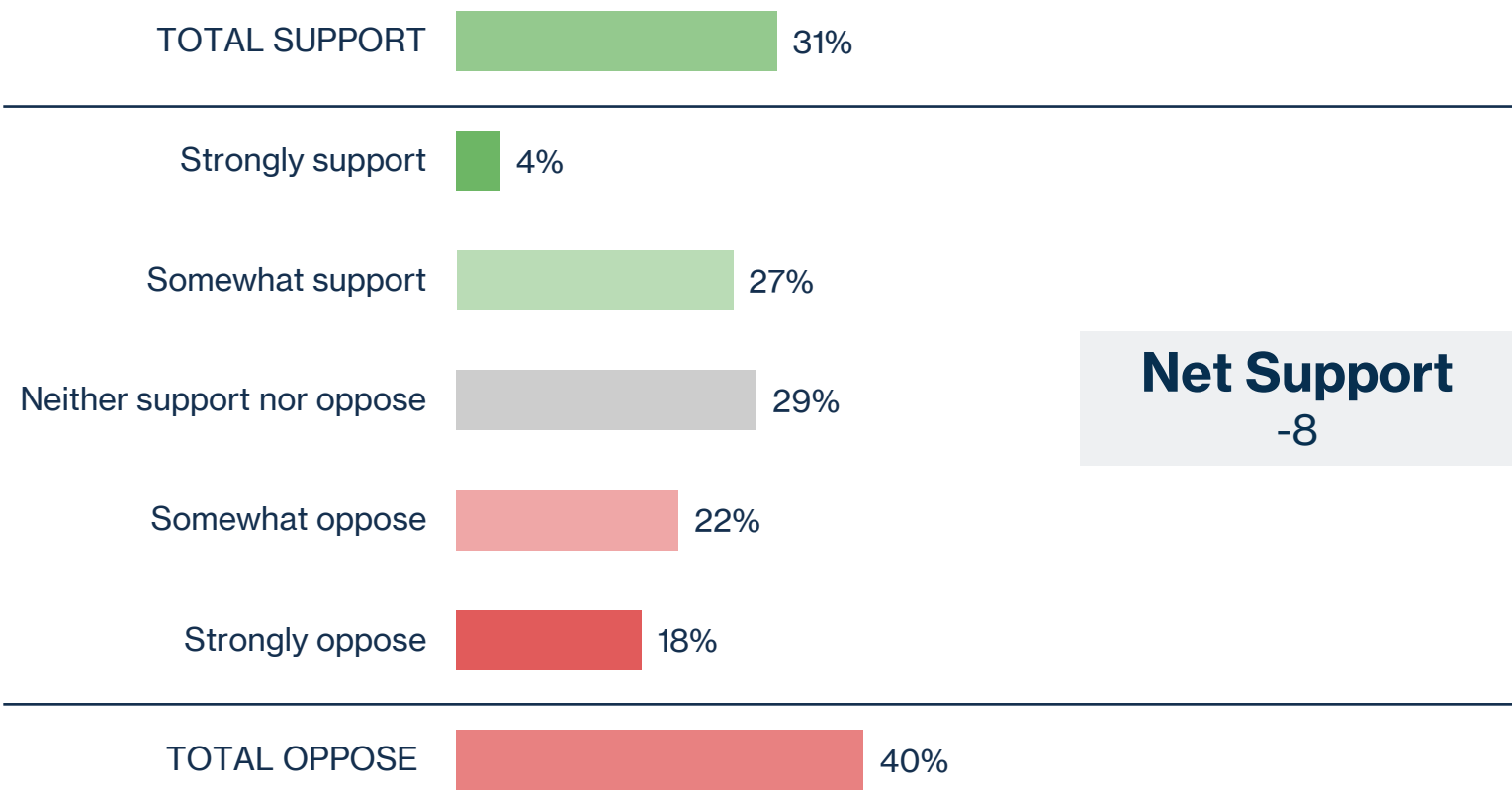
When you retire, how likely do you think you would be to seek advice on retirement products?; Base: All participants n=2531

And where would you rather get advice on retirement products from?; Base: Participants likely to seek advice on retirement products n=1958

# Opposition to Government's proposed standard product

## Government's proposed default product

Net support = total support - total oppose



When prompted with a description of the Government's proposed default retirement product proposal, voters are more likely to be opposed to the proposal (net -8).

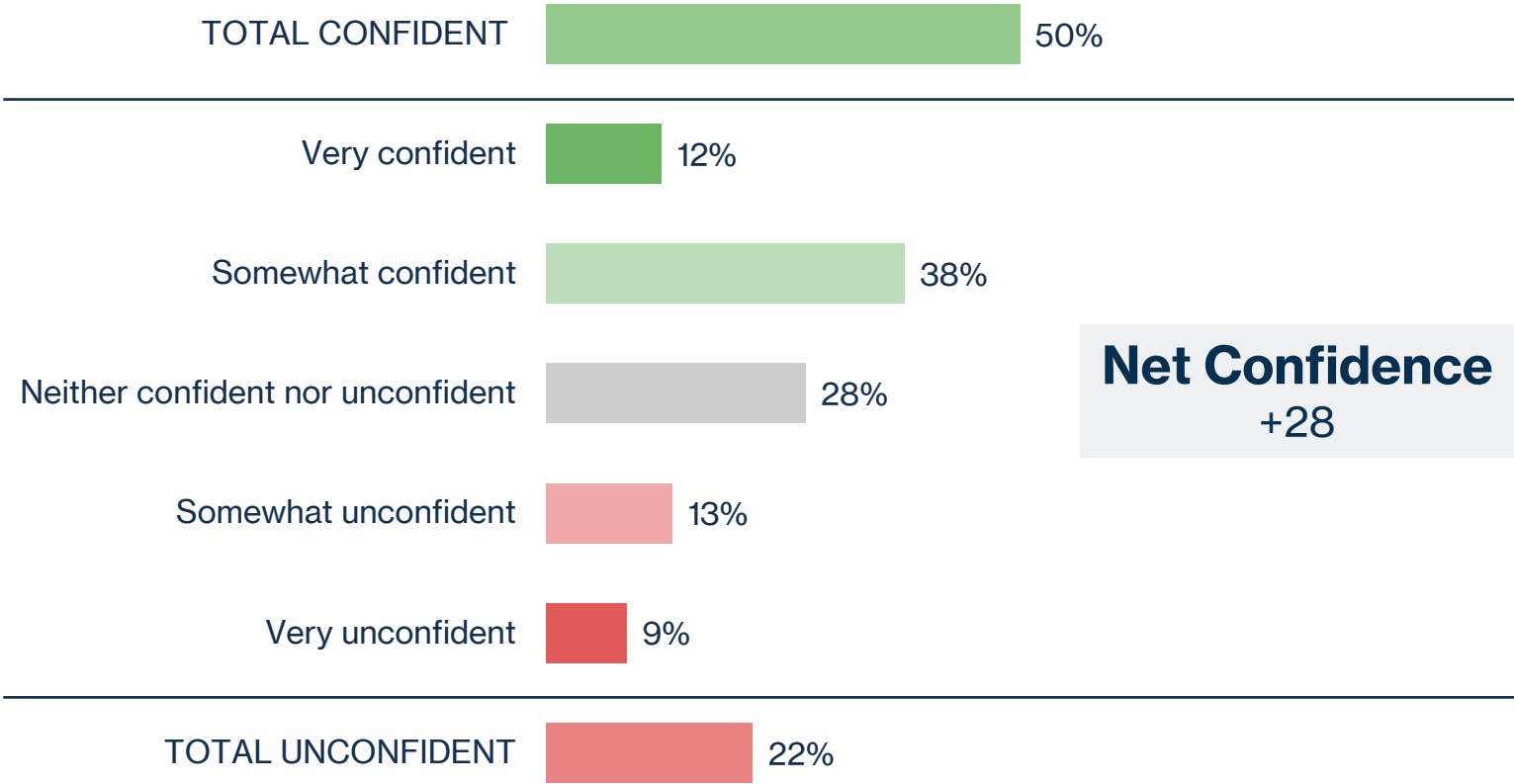
Notably, 18% of voters are *strongly opposed*.



# Most voters feel confident to manage their retirement

## Confidence managing income/investments

Net confidence = total confident - total unconfident



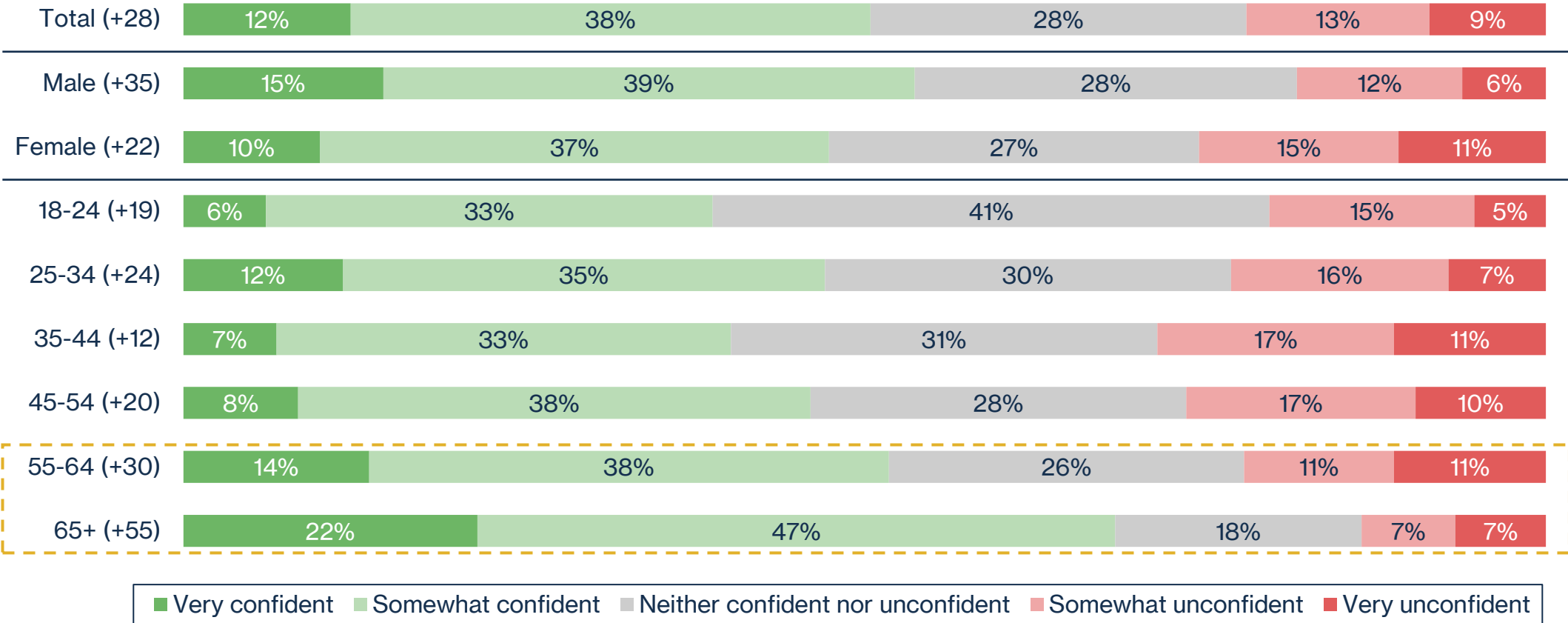
Half of voters believe they have the confidence to effectively manage their own income and investments in retirement, however only 12% report that they are *very confident*.

Thinking about your retirement, how confident are you that you will be able to manage your income and investments in your retirement effectively?; Base: All participants n=2531

# Older voters are especially likely to feel confident to manage their retirement

## Confidence managing income/investments

Number in brackets: net confidence = total confident - total unconfident



Thinking about your retirement, how confident are you that you will be able to manage your income and investments in your retirement effectively?; Base: All participants n=2531

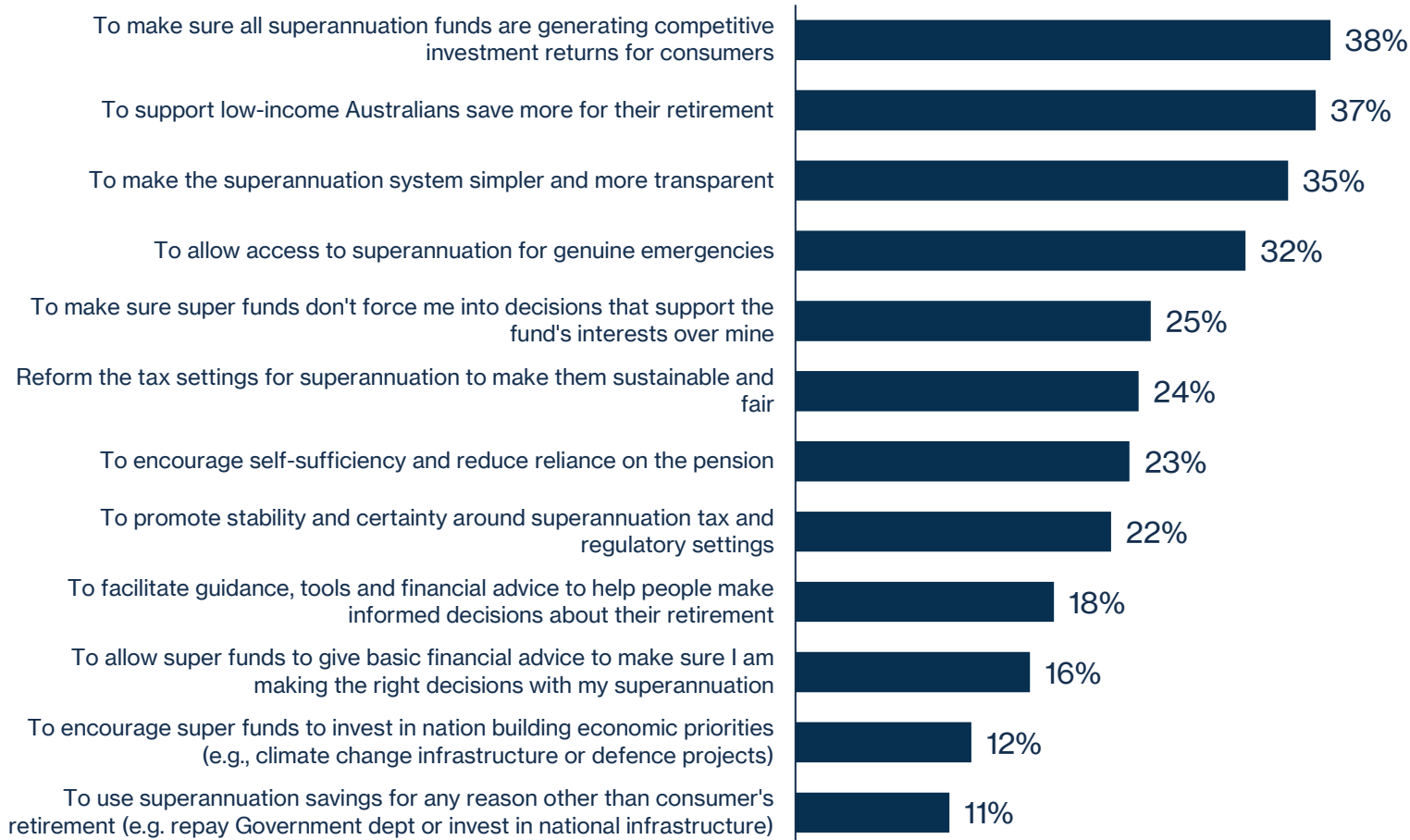




# Voters want Government to prioritise competitive returns

## Superannuation Government policy priority agenda

Prompted



In line with the desire for having enough superannuation savings to fund a comfortable retirement, voters are most likely to indicate that the Government should prioritise ensuring that funds generate 'competitive investment returns for consumers' and should 'support low-income Australians save more for retirement.'

Making the system for super 'simpler and more transparent' and ensuring access for 'genuine emergencies' are also priorities.

Thinking about the role of the Federal Government below is a list of priorities others have mentioned. Please indicate what you think should be the top 3 priorities for deciding superannuation policy? ; Base: All participants n=2531



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