



# SUPERRATINGS MEDIA RELEASE

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## AUSTRALIA'S BEST SUPERANNUATION FUNDS

A review of more than 620 superannuation products, covering 21 million super fund members, has found little correlation between size and overall net benefit to members. While large funds generally display the benefits of scale, many smaller funds provide excellent value for money.

This year's annual review of Australia's superannuation sector by SuperRatings once again also found fees alone are not the best criteria to judge good value. On the regulatory front, a more stable environment is crucial for the sector to thrive and to boost confidence by fund members

"The annual review reinforces our earlier analysis that size of fund does not necessarily mean a better net return for members," SuperRatings chief executive Adam Gee said.

"Although size can offer cost savings and benefits of scale this does not always mean large funds outperform smaller funds across all other criteria. Many smaller funds provide excellent value for money," Mr Gee said.

"We also believe the Government's blinkered focus on fees is a misguided measure of good value. Instead we apply a more thorough analysis, reviewing funds across a multitude of areas including investments, fees, insurance, administration, member servicing, advice and governance," he said.

"Each of these areas, individually, can have a big impact on the retirement benefit of all fund members and must be part of every assessment."

Overall the review found investment returns remained positive and fees continue to reduce throughout the sector. However, insurance and administration continue to be the most challenging areas for funds, with significant variations in costs and offerings between funds.

### REGULATION OVERVIEW

Having introduced ratings for super funds to Australia 13 years ago, SuperRatings' Founder Jeff Bresnahan said despite gradual improvements across the sector, a faster pace is needed.

"We continue to see incremental improvements across the industry, which is good news for most Australians, however, more importantly we need regulatory stability, instead of constant changes from the Government of the day," Mr Bresnahan said.

"Incredibly, we have seen seven ministers responsible for superannuation during the past eight years. If a corporate entity had this many chief executives during the same period, each with their own strategies and direction, the company would be broke.

"The superannuation system is far from broken, in fact it is booming, however, it needs consistency. This constant uncertainty creates a loss of confidence which can have a big impact on individual members and their ability to trust and plan for their future.

"Let the funds get on with what they do best, in a stable and certain environment, as they continue to improve the long term benefits for working and retired Australians," Mr Bresnahan said.



## FUND OF THE YEAR – QSUPER

The annual review by independent research firm SuperRatings looks for the strongest and best value end-to-end retirement solution, including both the accumulation and pension phases.

As a result of the five-month review, SuperRatings has named the \$59.2 billion, 550,000 member QSuper as the best value superannuation fund in Australia, awarding it the title of 2016 Fund of the Year.

“In this constantly changing superannuation environment, QSuper is a standout, performing consistently well across all of our key assessment criteria”, SuperRatings chief executive Adam Gee said. QSuper has a history of providing outstanding investment returns, coupled with competitive fees and outstanding service to its members, which has led to very strong member engagement.

Fund of the Year	
2016	QSuper
2015	Telstra Super
2014	REST Industry Super

## MYSUPER OF THE YEAR – QSUPER

QSuper has also been awarded the 2016 MySuper of the Year from a short list of 10 finalists and a total of 110 products assessed.

This category recognises the best value MySuper product. MySuper offerings are default products, generally designed for members who do not actively choose a fund or an investment option.

The 2016 MySuper finalists are:

Top 10 Funds – MySuper (alphabetical order)
CareSuper
Catholic Super
First State Super
HESTA Super
HOSTPLUS
Intrust Super
<b>QSuper – Highest Rated</b>
REST Industry Super
Sunsuper
Telstra Super



## CHOICE SUPER OF THE YEAR – CARESUPER

The \$10.4 billion, 250,000 member CareSuper has been awarded the 2016 Choice Super of the Year, offering the best value from a short list of 10 and a universe of 334 Choice products.

“The overall benefit provided to CareSuper members together with the fund’s flexibility of products has been very strong this year,” Mr Gee said.

The Choice Super of the Year Award recognises the best value product for members who are actively engaged with their super and want a higher level of control of investment choices. The 2016 Choice Super of the Year finalists are:

Top 10 Funds – Choice Super	
(alphabetical order)	
<b>CareSuper – Highest Rated</b>	
Equip	
HOSTPLUS	
Mine Wealth + Wellbeing	
Plum Superannuation Fund	
QSuper	
Sunsuper	
Telstra Super	
UniSuper	
VicSuper	

## PENSION OF THE YEAR – AUSTRALIANSUPER

AustralianSuper has been awarded 2016 Pension Fund of the Year ahead of an elite group of retirement offerings.

“The pension members of the \$91.8 billion, AustralianSuper, have benefitted from excellent investment returns, low fees and strong product flexibility. This provides members with a wide range of income options and easy access to their funds.

“AustralianSuper clearly recognises that people in retirement have different needs to those still accumulating wealth,” Mr Gee said.

The 2016 Pension of the Year finalists are:

Top 10 Funds – Pension	
(alphabetical order)	
<b>AustralianSuper – Highest Rated</b>	
Catholic Super	

Top 10 Funds – Pension (alphabetical order)
Club Plus Super
Mine Wealth + Wellbeing
OnePath OneAnswer Frontier
QSuper
REST Industry Super
Sunsuper
Telstra Super
VicSuper

Other best fund awards include:

### BEST NEW PRODUCT/INNOVATION – QSUPER MONEY MAP

This award recognises the fund that launched the most innovative product or feature during the past year. The assessment is based on the size of impact on a member's retirement outcome and the number of members it benefits. The winner, **QSuper's Money Map**, allows members to track their transaction accounts, savings accounts, credit cards, mortgages, loans and super in a single online dashboard.

### RISING STAR/MOST IMPROVED – LOCAL GOVERNMENT SUPER (NSW)

SuperRatings also identifies funds that offer the greatest improvements in their value for money offer during the past year but which were outside the top 10 finalists. **Local Government Super (LGS)** is the leading fund in this assessment. LGS demonstrated increasing member value, driven by significant changes to its administration, advice and investment structures during the year.

### FAST MOVER – ANZ SMART CHOICE SUPER

**ANZ Smart Choice Super** recorded the largest natural increase in funds under management (FUM) during the past year.

### 10-YEAR PLATINUM AWARDS

The annual review also acknowledges those funds that have achieved and maintained SuperRatings' highest Platinum rating for 10 consecutive years. Less than 10 per cent of funds have achieved this status, with **Catholic Super, Intrust Super, Mercer Super Trust, Plum Superannuation Fund** and **QSuper** added to this elite group.



## RELEASE ENDS

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