

Friday 8 May 2026

## Statement from MLC / Insignia Financial on annual super performance test consultation

**The below can be attributed to MLC's Chief Customer Officer, Renee Howie:**

"We welcome today's consultation on the annual superannuation performance test and the Government's openness to redesigning it to better represent Australians who invest their superannuation in non-MySuper investment options, including recognition that the current test was designed for ~\$50k MySuper balances.

MLC has always been supportive of the intent of the performance test to help protect Australians from being invested in underperforming super products.

We have, however, been vocal with the industry, Treasury and Government about flaws with how the test is applied to non-MySuper investment options. We have two key concerns with the test, in its current form:

1. Of the current \$20 billion platform trustee directed market (known as wrap platforms and referenced on page 25 of the consultation paper), only two providers make up ~80% of what is currently tested. Applying the test to such a small portion of the wrap platform market produces outcomes that misrepresent performance and may harm consumers.
2. It doesn't effectively take into consideration that individual investment options within wrap platforms are generally held as part of a personalised and diversified investment portfolio that is agreed by a member with their financial adviser. In a wrap platform, a member may have their super balance invested across multiple investment options, whereas a MySuper member would typically have their entire super balance invested in one option.

As we've previously said, a one-size-fits-all performance test does not necessarily produce the best result for members who make an active choice in how their retirement savings are invested. We look forward to continuing to work with the Government to help address these flaws.

In response to the Government considering extending the test to retirement products, we would caution that a test designed for the accumulation phase does not take into account the nuances of an individual member's retirement, and the fact that retirement is more than just a product."

**-ENDS-**

### About Insignia Financial

With origins dating back to 1846, today Insignia Financial is a leading Australian wealth manager. Insignia Financial provides financial advice, superannuation, wrap platforms and asset management services to members, financial advisers and corporate employers.

Further information about Insignia Financial can be found at [www.insigniafinancial.com.au](http://www.insigniafinancial.com.au)

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