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Senate Economics Legislative Committee  
Inquiry into *Treasury Laws Amendment  
(Supporting Choice in Superannuation and  
Other Measures) Bill 2025.*  
Submission by Super Consumers Australia

Feb 19, 2026



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## About us

Super Consumers Australia is the people's advocate in the superannuation sector. Super Consumers Australia advances and protects the interests of people on low and middle incomes in Australia's superannuation system. It was founded in 2013 and received funding for the first time in 2018.

# Introduction

Super Consumers Australia supports the *Treasury Laws Amendment (Supporting Choice in Superannuation and Other Measures) Bill 2025* (“the Bill”) in relation to:

- the employee onboarding reforms and
- the ban on advertising superannuation funds during onboarding.

As drafted, the Bill will reduce the real financial harm caused by duplicate superannuation accounts. It will ensure new employees are shown their existing stapled fund alongside any non-default advertised funds, reducing the risk of people ending up with accounts they didn’t want or need.

These reforms are complex, and we urge the Committee to recommend that Treasury does a post-implementation review in 2028 to ensure the benefits of the reform have been achieved.

However, Super Consumers Australia considers the Bill could be further strengthened by:

- Making it mandatory for the employer to check for a stapled superannuation fund, not merely enabling it. Everyone should have their current superannuation fund information presented to them as part of the employee onboarding process, not just in the situation where they are being presented with advertising.
- Banning all superannuation fund ads from the employee onboarding process. Superannuation fund ads have no place in the employee onboarding process. They add complexity, confusion and allow employers to monetise their employees by covering the costs of HR software via superannuation fund ads.

This submission provides details on our recommendations that would further strengthen the Bill.

# Summary of Recommendations

**Recommendation 1:** Make it mandatory for employers to inform their employees of their stapled super fund, if any, at the start of the onboarding process before they are presented with other superannuation options.

**Recommendation 2:** A total ban on super funds advertising during onboarding, including through employee onboarding software.

**Recommendation 3:** Instead of ads, require a prominent link to the ATO hosted Your Super Comparison Tool in the employee onboarding process to facilitate fact-based competition.

**Conditional Recommendation 3.1:** If the Committee supports the Bill allowing super advertisements during the onboarding process, regulations including consumer safeguards must be implemented.

**Recommendation 4:** The Standard Superannuation Choice Form (SSCF) should be updated to reflect the process change requiring employers to inform their employees of their stapled super fund at the beginning of the onboarding process.

**Recommendation 5:** The design of the onboarding process be subject to thorough consultation and consumer testing to ensure the process is streamlined, easy to navigate and consumer-friendly.

**Recommendation 6:** The ATO should collect and publish data to measure the impact of the reforms after implementation, including assessing the effectiveness in reducing duplicate accounts.

**Recommendation 7:** Treasury should conduct a post-implementation review of the reforms in 2028.

# Improving stapling for Australians

Schedule 1 of the *Treasury Laws Amendment (Supporting Choice in Superannuation and Other Measures) Bill 2025* enables an employer to request details of an employee's stapled fund from the ATO before, at or after the employee is given a standard choice form. Previously this step was only done after an employee had been given a standard choice form and had not chosen a superannuation fund.

Superannuation account stapling was a critical reform intended to prevent the costly cycle of duplicate accounts for Australians. Yet, the issue of unintended duplicate super accounts still persists with an estimated 4 million Australians holding two or more accounts as at 30 June 2025.<sup>1</sup>

It is clear that the current implementation of stapling is failing to achieve the original policy intent. To address this, it is important to consider that:

- There are many Australians that remain unaware of their fund provider and whether they have any duplicate super accounts and;
- The current process is confusing and complicated for many Australians to navigate.

In fact, a 2022 study found that 9% of Australians don't know the name of their fund provider<sup>2</sup> and an estimate of 7% of Australians remain unaware they have more than one super account.<sup>3</sup> For Australians who are aware of their duplicate accounts, more than one in four report that "it's too complicated" as the main reason why they have not taken any action to consolidate their accounts.<sup>4</sup>

Under the new Bill, employers will now be able to show employees their existing stapled superannuation fund earlier during onboarding. While this is a positive development, without a mandatory requirement, there is no guarantee employers and onboarding service providers will implement it.

One thing that is clear from the current stapling implementation is that employers will shift the administrative burden onto their employees unless they are required to do otherwise. Rather than stapling successfully keeping Australians with their current super fund, it has perversely resulted in employers encouraging new employees to choose a new fund, eliminating the

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<sup>1</sup> Australian Taxation Office. (2025). *Trend towards single accounts*.

<https://www.ato.gov.au/about-ato/research-and-statistics/in-detail/super-statistics/super-accounts-data/super-data-lost-unclaimed-multiple-accounts-and-consolidations/trend-towards-single-accounts>

<sup>2</sup> Finder. (2022). *Missing a super sale: 86% do not top up their super fund regularly*.

<https://www.finder.com.au/news/aussies-do-not-top-up-their-super-fund-regularly>

<sup>3</sup> 22% of the super population currently have multiple super accounts according to the ATO (see footnote 2). Meanwhile, in our nationally representative Pulse Wave 1 survey results, only 15% self-reported that they have multiple super accounts. The discrepancy of 22% and 15% implies that an estimate of 7% are unaware they have multiple super accounts.

<sup>4</sup> Based on the nationally representative Pulse Wave 1 survey results ( $N = 1,526$ ) in May 2024.

stapling check and reducing the employer's administrative burdens.<sup>5</sup> This has further exacerbated the very problem the reform intended to target – the reduction of duplicate accounts.

To help streamline the onboarding process for new employees and reduce confusion when selecting a superannuation fund, Australians need to be equipped with essential information about their fund provider. As such, employers must be required to present employees with their stapled fund at the beginning of onboarding. Without compulsion, it is highly unlikely that employers will voluntarily take the administrative step of checking for a stapled fund.

Concurrently, employers should provide employees a clear, easy English explanation of what a stapled fund is and why it is linked to them. This initial step helps any employees that are unaware of their existing fund, so that they can make an informed decision in the next step of the process. Employees should then be asked whether they wish to remain with their stapled fund or nominate an alternative fund, whether it be one of their own choosing or the employer's default fund. To facilitate choice, a link to the Your Super Comparison Tool could also be provided as a way to give free independent information about all available MySuper products.

By structuring the onboarding process in this manner, employees are empowered with essential information upfront, making it easier for them to navigate their options thereby reducing the risk of duplicate super accounts. This approach aligns with the original policy intent of stapling reforms, while promoting a smoother and more transparent onboarding process for employees.

If there are current technological barriers to implementing mandatory stapling checks at the start of the onboarding process for every person starting a new job today, a transition period can be built into the implementation of the legislation. This allows time for technology solutions to be developed, rather than watering down the legislation and failing to achieve the policy intent of eliminating unnecessary duplicate accounts.

**Recommendation 1:** Make it mandatory for employers to inform their employees of their stapled super fund, if any, at the start of the onboarding process before they are presented with other superannuation options.

## No role for advertisements during onboarding

Schedule 2 of the *Treasury Laws Amendment (Supporting Choice in Superannuation and Other Measures) Bill 2025* bans superannuation fund advertisements during employee onboarding except under certain circumstances.

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<sup>5</sup> The Conexus Institute. (2022). *Your Future, Your Super Review Consultation paper*. [https://treasury.gov.au/sites/default/files/2023-02/c2022-313936-conexus\\_institute.pdf](https://treasury.gov.au/sites/default/files/2023-02/c2022-313936-conexus_institute.pdf)

In 2023, ASIC raised concerns that advertisements during the onboarding process can weaken consumer protections and super stapling.<sup>6</sup> This is because advertisements can overcomplicate the process and often confuse employees, causing them to unintentionally open new duplicate accounts. This not only undermines the intended benefits of account stapling, but also contributes to the growing issue of duplicate super accounts.

Unintended duplicate superannuation accounts can lead to significant financial losses for Australian employees. The Productivity Commission Report (2018) estimated that the average person loses up to \$50,000 by retirement due to duplicate accounts, as they unknowingly incur multiple sets of fees and insurance premiums.<sup>7</sup> Collectively, this issue robs employees of approximately \$2.6 billion every year in unnecessary costs.<sup>8</sup> These unnecessary costs ultimately reduce retirement incomes, leaving many employees' financially worse off than they should be when they retire.

Super Consumers Australia supports a complete ban on superannuation fund advertising during employee onboarding. However, the Bill still allows for some advertising.

Ultimately, the onboarding process should be simplified for employees, so that it only includes the necessary legal requirements such as 1) stapled fund information, 2) information about the employer default fund and 3) the superannuation standard choice form (SSCF) to enable the right for an employee to choose their super fund.

Advertisements unnecessarily complicate this process for Australians, enabling onboarding service platforms to monetise employees and increase the risk of duplicate accounts.

**Recommendation 2:** A total ban on super funds advertising during onboarding, including through employee onboarding software.

## Encourage competition with information on fees and returns

One concern that has been raised in opposition to banning superannuation fund advertisements is that competition would be stifled.

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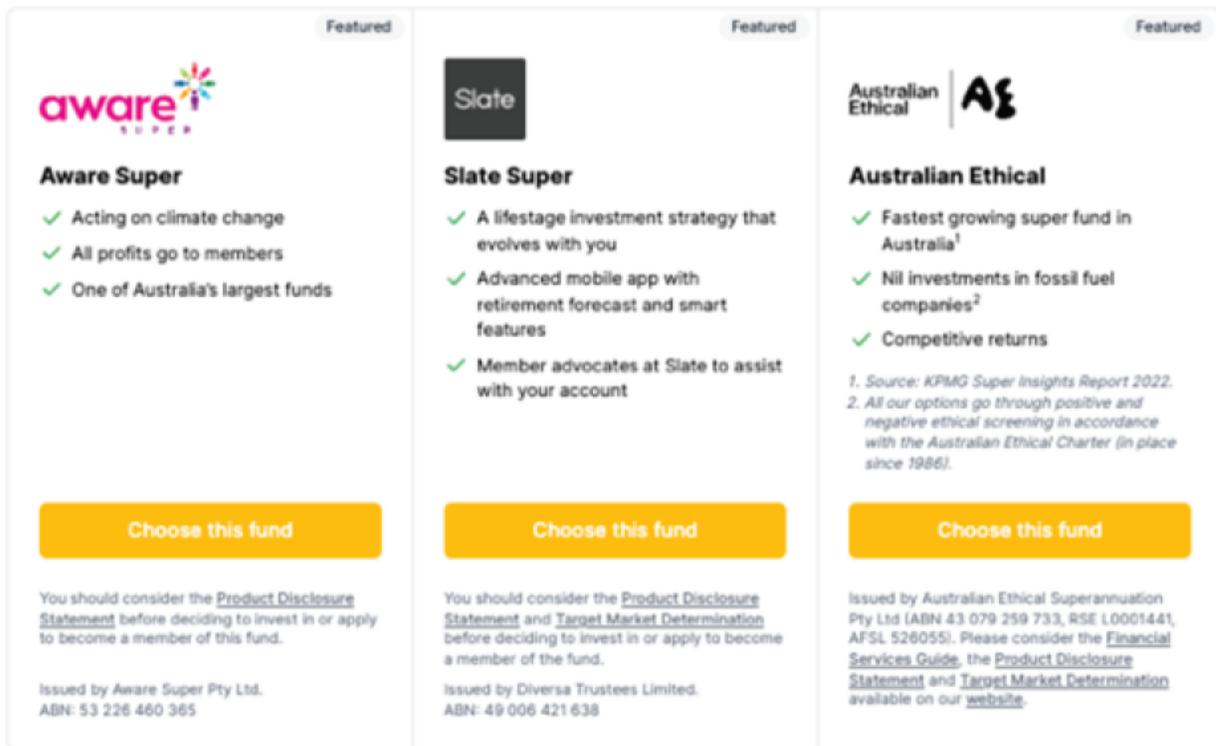
<sup>6</sup> Financial Newswire. (2023). *ASIC admits it has super worries about employee on-boarding*. <https://financialnewswire.com.au/superannuation/asic-admits-worries-about-employee-on-boarding/>

<sup>7</sup> Productivity Commission. (2018). *Superannuation: Assessing Efficiency and Competitiveness* (Inquiry Report No. 91).

<https://www.pc.gov.au/inquiries/completed/superannuation/assessment/report/superannuation-assessment.pdf>

<sup>8</sup> Ibid

We are concerned about the state of competition in super. But bombarding people with super fund advertisements when they start a job will do nothing to promote healthy competition. The advertisements we have viewed on these onboarding platforms contain no information on costs and returns, making them a useless consumer tool for fostering competition (see below).<sup>9</sup>



Featured	Featured	Featured
 <p><b>Aware Super</b></p> <ul style="list-style-type: none"> <li>✓ Acting on climate change</li> <li>✓ All profits go to members</li> <li>✓ One of Australia's largest funds</li> </ul> <p><b>Choose this fund</b></p> <p><small>You should consider the <a href="#">Product Disclosure Statement</a> before deciding to invest in or apply to become a member of this fund.</small></p> <p><small>Issued by Aware Super Pty Ltd. ABN: 53 226 460 365</small></p>	 <p><b>Slate Super</b></p> <ul style="list-style-type: none"> <li>✓ A lifestage investment strategy that evolves with you</li> <li>✓ Advanced mobile app with retirement forecast and smart features</li> <li>✓ Member advocates at Slate to assist with your account</li> </ul> <p><b>Choose this fund</b></p> <p><small>You should consider the <a href="#">Product Disclosure Statement</a> and <a href="#">Target Market Determination</a> before deciding to invest in or apply to become a member of the fund.</small></p> <p><small>Issued by Diversa Trustees Limited. ABN: 49 006 421 638</small></p>	 <p><b>Australian Ethical</b></p> <ul style="list-style-type: none"> <li>✓ Fastest growing super fund in Australia<sup>1</sup></li> <li>✓ Nil investments in fossil fuel companies<sup>2</sup></li> <li>✓ Competitive returns</li> </ul> <p><small>1. Source: KPMG Super insights Report 2022. 2. All our options go through positive and negative ethical screening in accordance with the Australian Ethical Charter (in place since 1986).</small></p> <p><b>Choose this fund</b></p> <p><small>Issued by Australian Ethical Superannuation Pty Ltd (ABN 43 079 259 733, RSE L0001441, AFSL 526055). Please consider the <a href="#">Financial Services Guide</a>, the <a href="#">Product Disclosure Statement</a> and <a href="#">Target Market Determination</a> available on our <a href="#">website</a>.</small></p>

A better way to inform people about alternative superannuation funds would be to provide a link to the ATO hosted [Your Super Comparison Tool](#). This provides free independent information based on APRA data about all MySuper products, not a sales pitch from one or two MySuper providers.

The information contained in the advertisements above contain vague claims about 'acting on climate change', 'competitive returns', that they are 'large', that they are not large but 'fast growing'. Again this is all useless 'marketing guff' and does not assist a consumer in making a comparison between these funds. It is also worth noting that one of these funds was performing so poorly that its trustee was forced to admit that it was "not promoting the financial interests of the beneficiaries invested in its accumulation product" because of its uncompetitive fees and poor investment performance in its Member Outcomes Assessment.<sup>10</sup>

By contrast the ATO's Your Super comparison tool presents digestible, comparable information on the fees charged, historical returns and whether the MySuper product has passed the annual

<sup>9</sup> Taken from the MYOB onboarding platform.

<sup>10</sup> Diversa, 2023, Slate Super, 'Member Outcomes Assessment', available at: <https://cdn.trusteecloud.com/28dd8eb7-5593-4460-8843-413649e635c4/slate-super-member-outcomes-assessment-fy22>

performance test. The only way for a person to get this complete competitive picture with ads from super funds would be if they had to wade through 52 ads from each of the super funds offering MySuper products!<sup>11</sup>

**Recommendation 3:** Instead of ads, require a prominent link to the ATO hosted Your Super Comparison Tool in the employee onboarding process to facilitate fact-based competition.

Should the Committee support the legislation as drafted, allowing advertisements to continue, adequate safeguards must be in place via regulations to protect consumers, including:

- The stapled fund information must be prominently displayed
- Advertised funds must not be displayed in a way that encourages a person to create a duplicate superannuation account.
- The YourSuper Comparison Tool should be prominently featured, on more prominent footing with advertisements, to counterbalance the marketing efforts during the onboarding process with unbiased and independent information about super investment options.
- Advertisements should be required to display a warning label, so new employees are warned about the risks of creating duplicate super accounts and that having a duplicate account is estimated to harm their retirement savings by \$50,000.<sup>12</sup>

**Conditional Recommendation 3.1:** If the Committee supports the Bill allowing super advertisements during the onboarding process, regulations including consumer safeguards must be implemented.

## Updating the Superannuation Standard Choice Form to reflect stapling reforms

One key part of the onboarding process is the Superannuation Standard Choice Form (SSCF).<sup>13</sup> Moving the stapling check to the beginning of the onboarding process will require the design and role of the SSCF to be updated to reflect these changes.

One consideration is the incorporation of the stapled fund into the SSCF, so that employees are clearly presented with the option to remain with their stapled fund. This approach would help streamline the onboarding process for Australian employees.

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<sup>11</sup> APRA (2025) The [Annual Performance Test for MySuper products](#) tested 52 MySuper products.

<sup>12</sup> Productivity Commission. (2018). *Superannuation: Assessing Efficiency and Competitiveness* (Inquiry Report No. 91).

<https://www.pc.gov.au/inquiries/completed/superannuation/assessment/report/superannuation-assessment.pdf>

<sup>13</sup> Australian Taxation Office. (2023). *Superannuation standard choice form*.

<https://www.ato.gov.au/forms-and-instructions/superannuation-standard-choice-form>

**Recommendation 4:** The Standard Superannuation Choice Form (SSCF) should be updated to reflect the process change requiring employers to inform their employees of their stapled super fund at the beginning of the onboarding process.

## Implementation of stapling and employee onboarding reforms need oversight

Implementing the onboarding reforms will require a significant process change for many stakeholders. Thus, careful consideration is needed to ensure the successful implementation of reforms and to measure the effectiveness of the reforms' impact and industry compliance.

Currently, the implementation of the original stapling reforms has been ineffective, partly due to the unintended consequence of placing the stapling check at the end of the onboarding process rather than at the beginning.

To ensure that the new onboarding process is efficient, simple and consumer-friendly for all Australians, it should be well-consulted on and undergo consumer testing before implementation.

Monitoring the implementation of these reforms will also be essential to evaluate their success and long-term effectiveness. In the interest of transparency, the ATO should collect and publish data measuring the impact of these reforms, in particular how many people stay with their stapled fund, how many exercise choice, how many consolidate accounts and how many people create a duplicate account. This reporting will allow relevant stakeholders to assess whether the current reforms are achieving their intended goals, or whether further policy improvements are necessary.

We also recommend that post-implementation review should be conducted in 2028 to assess whether the implementation has achieved the desired outcome. This would allow for a timely evaluation of whether the reforms are on track or require revisions to improve their effectiveness.

**Recommendation 5:** The design of the onboarding process be subject to thorough consultation and consumer testing to ensure the process is streamlined, easy to navigate and consumer-friendly.

**Recommendation 6:** The ATO should collect and publish data to measure the impact of the reforms after implementation, including assessing the effectiveness in reducing duplicate accounts.

**Recommendation 7:** Treasury should conduct a post-implementation review of the reforms in 2028.