

2 November 2012

KiwiSaver Periodic Disclosure Regulations
Investment Law
Ministry of Business, Innovation and Employment
PO Box 1473
Wellington

By email: to investment@med.govt.nz

SUBMISSION on
KiwiSaver (Periodic Disclosure) Regulations 2012

Thank you for the opportunity to comment on the KiwiSaver (Periodic Disclosure) Regulations 2012. This submission is from Consumer NZ, New Zealand's leading consumer organisation. It has an acknowledged and respected reputation for independence and fairness as a provider of impartial and comprehensive consumer information and advice.

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Submission by Consumer NZ: KiwiSaver (Periodic Disclosure) Regulations 2012

Clause number	Clause heading	Submission
6	Meaning of Publicly Available	We agree with the proposal to publish the information in an electronic format that allows for automated data extraction. This would enable third parties to quickly update databases so that the consumer has easy access to fund comparisons.
12	When Quarterly Disclosure Statements are to be completed.	Our experience is that fees and costs of Kiwisaver funds do not change very often. We believe consumers would be satisfied with 6-monthly disclosure of fees and costs, liquidity and debt ratio, portfolio holdings and turnover, liquidity and debt ratio, personnel and related party transactions. On a 6-monthly basis providers should be required to calculate up-to-date fees and costs information rather than relying on out-of-date annual data. Quarterly disclosure of returns information would still be useful and is probably already published by some providers.
23	Information about fund fees and costs.	The breakdown of fund fees and costs should be simplified. Consumers will want to compare costs overall without ploughing through detail. We suggest the percentage fees and costs are combined into four categories: 1) Management fees, 2) Trustee fees, 3) Admin fees, 4) Other. Consumers could be referred to annual reports/investment statements if they require more detail.
37	Information about key personnel	Consumers like to know who is involved in managing their investment. A chart in the Annual Disclosure Statement showing trustee, top-level fund manager and underlying fund managers for each fund would be a clear and accessible way to provide this information.