

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

**REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS
SUPERANNUATION SECTOR**

IOOF

IOOF165QW:

In dollar terms, how much advertising space did your fund book (directly or indirectly through a broker or agent) in the second half of 2020 that was unused on:

- a. radio?
- b. television?
- c. print?

Answer:

None.

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

**REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS
SUPERANNUATION SECTOR**

IOOF

IOOF166QW:

In minutes, how much advertising space did your fund book (directly or indirectly through a broker or agent) in the second half of 2020 that was unused on:

- a. radio?
- b. television?
- c. print?

Answer:

None.

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

**REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS
SUPERANNUATION SECTOR**

IOOF

IOOF167QW:

Please complete the table for the last five financial years outlining your financial contribution to Industry Super Australia.

Financial year	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
Contribution (\$)					

Answer:

Financial year	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
Contribution (\$)	0	0	0	0	0

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS
REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS
SUPERANNUATION SECTOR

IOOF

IOOF168QW:

What is your current policy on whether your funds are permitted to invest in:

- a. residential property?
- b. Build-to-Rent housing?
- c. social housing?

Answer:

The Trustee's Investment Policy allows investment in residential property equity which includes residential property, Build-to-Rent housing, and social housing.

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

**REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS
SUPERANNUATION SECTOR**

IOOF

IOOF169QW:

What data do you have on the home ownership rates of fund members?

Answer:

The Trustee does not collect data regarding the home ownership rates of fund members.

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

**REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS
SUPERANNUATION SECTOR**

IOOF

IOOF170QW:

Have you ever:

- a. completed *internal* research that includes retirement outcomes for fund members who own their home in retirement, compared to those who do not?
- b. commissioned *external* research that includes retirement outcomes for fund members who own their home in retirement, compared to those who do not?

Answer:

a. No

b. No

In each case we have regard to research and analysis commissioned by Industry Groups of which IOOF is a member.

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

**REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS
SUPERANNUATION SECTOR**

IOOF

IOOF171QW:

For the last five financial years, please complete the table for the average return on all your investments.

Financial year	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
Average return (%)					

Answer:

Financial year	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
*Average return (%)	3.85	7.70	8.79	7.66	0.13

*The Trustee offers a range of funds and a substantial number of investment options (300+) through ready-made, self-select, and MySuper options. For ease of clarity and comparison we have included responses for the IOOF MySuper option (IOOF Balanced Investor Trust). Returns have been calculated in accordance with APRA MySuper dashboard reporting requirements. The return is after investment manager fees, IOOF MySuper fees and superannuation taxes.

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS SUPERANNUATION SECTOR

IOOF

IOOF172QW:

For the last five financial years, please complete the table for investments across all your funds in all forms of residential property:

- in nominal value
- as a share of your total portfolio
- the average return on investment.

Financial year	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
Nominal value					
Share of portfolio (%)					
Average return (%)					

Answer:

Zero

Financial year	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
Nominal value	0	0	0	0	0
Share of portfolio (%)	0	0	0	0	0
Average return (%)	0	0	0	0	0

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS SUPERANNUATION SECTOR

IOOF

IOOF173QW:

For the last five financial years, please complete the table for investments across all your funds in Build-to-Rent property:

- a. in nominal value
- b. as a share of your total portfolio
- c. the average return on investment.

Financial year	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
Nominal value					
Share of portfolio (%)					
Average return (%)					

Answer:

Zero.

Financial year	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
Nominal value	0	0	0	0	0
Share of portfolio (%)	0	0	0	0	0
Average return (%)	0	0	0	0	0

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS SUPERANNUATION SECTOR

IOOF

IOOF174QW:

For the last five financial years, please complete the table for investments across all your funds in social housing property:

- a. in nominal value
- b. as a share of your total portfolio
- c. the average return on investment.

Financial year	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
Nominal value					
Share of portfolio (%)					
Average return (%)					

Answer:

Zero.

Financial year	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
Nominal value	0	0	0	0	0
Share of portfolio (%)	0	0	0	0	0
Average return (%)	0	0	0	0	0

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

**REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS
SUPERANNUATION SECTOR**

IOOF

IOOF175QW:

Please outline your policy on:

- a. Fund members using their superannuation fund for a deposit to buy their first home.
- b. Retirees using their superannuation to:
 - i. renovate their home;
 - ii. pay rent.

Answer:

- a. Trustee policy reflects current legislation regarding Fund members using their superannuation fund for a deposit to buy their first home.
- b. The Trustee does not have data available where a retiree uses their superannuation, post satisfying a condition of release, to renovate their home or pay rent.

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

**REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS
SUPERANNUATION SECTOR**

IOOF

IOOF176QW:

Within your fund, what percentage of retirees in each of the last five financial years used their superannuation to:

- a. renovate their home?
- b. clear their remaining mortgage?

Financial year	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
Super used for renovations (%)	-	-	-	-	-
Super used to clear mortgage (%)	-	-	-	-	-

Answer:

The Trustee does not collect data from retirees regarding use of their superannuation to renovate their home or clear their remaining mortgage and therefore is unable to answer this question.

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS SUPERANNUATION SECTOR

IOOF

IOOF177QW:

Insurance premiums

- a. Have you ever deducted insurance premiums from fund members for insurance policies that they are not covered by?
- b. Have you ever completed an audit to identify if insurance premiums have been deducted from fund members for insurance policies that they are not covered by?

Answer:

- a. Fund members can be covered by three types of insurance: Death, Total & Permanent Disablement, and Income Protection. Premiums are only intentionally deducted if the member is covered by one or more of those insurances.
- b. An audit has not been completed. Processes are established before premiums are deducted to ensure premiums are only deducted from insured members and in accordance with insurance arrangements. Further, the following measures are in place:
 - (i) a monthly integrity report is produced showing premium transactions and insurance records attached to members;
 - (ii) a monthly reconciliation is performed on behalf of the Trustee and the Insurer every month on data and premiums deducted;
 - (iii) a more detailed review is performed every 3 years by the Insurer including a site visit to review data and processes;
 - iv) the insurance premium process falls under the broad external audit scope generally, noting that this is not a specific external audit item.

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS SUPERANNUATION SECTOR

IOOF

IOOF178QW:

Material distributed to members

- a. Have you ever distributed materials to members that state and/or suggest that:
- i. members have coverage under insurance policies that they do not have?
 - ii. members are required to keep a minimum balance in their superannuation fund?
 - iii. their employer may be unwilling to contribute to another superannuation fund?
 - iv. members require a statement of any kind from their employer to move away from your fund?
- b. Have you ever completed an audit of materials distributed to members that state and/or suggest that members have coverage under insurance policies that they do not have?
- c. Have you ever completed an audit to establish whether you have distributed materials to members that state and/or suggest that:
- i. they are required to keep a minimum balance in their superannuation fund?
 - ii. their employer may be unwilling to contribute to another superannuation fund?
 - iii. they require a statement of any kind from their employer to move away from your fund?

Answer:

- a.
- i. No
 - ii. We are not aware of having distributed material to members requiring a minimum balance other than:
 - (a) minimums disclosed in Product Disclosure Statements to members on joining funds; or
 - (b) the requirement to maintain enough account balance to pay insurance premiums.
 - iii. No
 - iv. No
- b. A specific audit has not been completed. However, several review processes are in place before member communications are issued to members to ensure their content is in accordance with Regulatory requirements and insurance arrangements.
- c. i.-iii No.