

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

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

legalsuper

LEG121QW: 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:

- a. Nil
- b. Nil
- c. Nil

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LEG122QW: 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:

- a. Nil
- b. Nil
- c. Nil

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LEG123QW: 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 (\$)	\$120,538	\$122,105	\$124,669	\$132,697	\$122,743

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- LEGS124QW:** 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:

- a. Not currently invested in this area.
- b. Not currently invested in this area.
- c. Not currently invested in this area.

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LEG125QW: What data do you have on the home ownership rates of fund members?

Answer: Current membership data does not include data on home ownership rates for our members.

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LEG126QW:

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 such research conducted.
- b. No such research conducted.

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LEG127QW: For the last five financial years, please complete the table for the average return on all your investments.

Answer:

Financial year	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	2019/ 2020
Return	-0.1%	6.9%	9.1%	10.6%	3.5%

Note: The above returns are for legalsuper's MySuper option which reflect the returns received by most members.

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- LEG128QW:** 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:**
- Not applicable. No investment has been made in residential property.
 - Not applicable. No investment has been made in residential property.
 - Not applicable. No investment has been made in residential property.

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- LEG129QW:** 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:**
- a. Not applicable. No investment has been made in build-to-rent property.
 - b. Not applicable. No investment has been made in build-to-rent property.
 - c. Not applicable. No investment has been made in build-to-rent property.

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- LEG130QW:** For the last five financial years, please complete the table for investments across all your funds in social housing 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:**
- Not applicable. No investment has been made in social housing property.
 - Not applicable. No investment has been made in social housing property.
 - Not applicable. No investment has been made in social housing property.

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LEG131QW:

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. legalsuper does not have a policy on members using their super for a deposit to buy their first home.
- b. legalsuper does not have a policy on retirees using their super to renovate their home or pay rent.

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- LEG132QW:** Within your fund, what percentage of retirees in each of the last five financial years used their superannuation to:
- renovate their home?
 - clear their remaining mortgage?

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

- Answer:**
- Member data on file does not include whether members used their super to renovate their home.
 - Member data on file does not include whether members used their super to clear their remaining mortgage.

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- LEG133QW:** 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. No.
 - b. Audit procedures are undertaken to test that premiums are correctly deducted in accordance with applicable insurance policies.

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- LEG134QW:** 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:** Material distributed to members
- a.
 - i. No.
 - ii. No in most cases, however for partial exits members are required to maintain a minimum balance to fund insurance premiums and thereby maintain continuity of insurance.
 - iii. No.
 - iv. No.
 - b. Materials distributed to member are subject to review including in many cases legal review and sign off.
 - c. No.
 - i. Audit processes (internal and external) and legal review and sign off of material distributed have applied.
 - ii. Not applicable. No reference has been made to an employer being unwilling to contribute to another super fund.
 - iii. Not applicable. No statement has been required from a member's employer for them to move from legalsuper.