

## House of Representatives Standing Committee on Economics

### ANSWERS TO QUESTIONS ON NOTICE

Review of the Australian Prudential Regulation Authority Annual Report 2020

**Division/Agency:** Australian Prudential Regulation Authority

**Question No:** APRAQoN06

**Topic:** Industry Super Holdings

**Reference:** Page 12 Hansard, (29 March 2021)

**Member:** Jason Falinski

#### **Question:**

**Mr FALINSKI:** The sole purpose test is designed to ensure that these institutions, which Australians are forced to put their money into—they don't get a choice; it's not Woolworths and Coles—act to the benefit of members. Can you tell me how much money industry funds give to Industry Super Holdings and the industry super association?

**Mrs Rowell:** We'd need to take that on notice.

#### **Answer:**

Industry Super Holdings Pty Ltd (ISH) is a proprietary company owned by 27 industry Australian superannuation funds (the 27 Funds).

Pursuant to the publicly available Short Form ASIC Historical Company Extract of ISH obtained 13 April 2021, the number of shares issued to the 27 Funds is 836,745,397.

APRA is unaware of the original capital input (if any) into ISH by the 27 Funds. It is APRA's understanding that no subsequent financial contribution has been made to ISH by the 27 Funds.

Industry Super Australia Pty Ltd (ISA) is a proprietary company and subsidiary of ISH. ISA manages collective programs on behalf of 15 industry Australian superannuation funds (the 15 Funds).

Pursuant to the publicly available information on ISA's website, APRA understands that in the financial year 2019-2020, ISA's total revenue was \$23 million generated from the 15 Funds, determined by several factors including funds under management and the number of accounts held by a fund.

Currently APRA does not collect data on the annual payments to industry associations by RSE licensees, however such data will be part of the collection that is being implemented from 1 July 2021 (first reporting due 30 September 2021). Payments will be reported at the industry body level (under the Corporate Overheads category). Further to this, the Government's proposed Your Future, Your Super reforms package, if implemented, will require funds to provide members with an itemised list of all payments made to industry bodies or trade associations.