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HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS

NAB

NAB50QON:

CHAIR: What's the superannuation contribution that NAB pays their staff?

Mr McEwan: Ten per cent.

CHAIR: So not 9.5 per cent, the legal level?

Mr McEwan: No, it's at 10 per cent.

CHAIR: Okay. So when super is paid by NAB it's paid on what basis? How frequently?

Mr McEwan: Fortnightly.

CHAIR: When it's paid from the NAB payroll system through to the Plum system, how long does it take to transfer? So let's say it's paid on the 14th and the 1st of the month or thereabouts, on what date can it be seen and identified in individuals' accounts in the Plum system?

Mr McEwan: Shaun, are you aware of the actual details of that?

Mr Dooley: No, I'm not aware of the actual days lapsed, but it's something we can certainly investigate and come back to the committee on. There's no undue delay; I just couldn't tell you exactly how many days.

CHAIR: There's no intermediate clearing house in between?

Mr Dooley: Not that I'm aware of.

Mr McEwan: Not that I'm aware of, but we will come back to you on it.

Answer:

NAB's Enterprise Agreement (EA) facilitates a full choice of superannuation funds to employees for their superannuation contributions. The EA also contains a clause which stipulates that if an employee does not choose a superannuation fund, the default fund to which their superannuation contributions will be made by NAB is the MLC Super Fund (or successor).

NAB pays superannuation for employees fortnightly.

NAB Payroll utilises a clearing house provided by SuperChoice, an external company. The clearing house is offered by Plum (a division of the MLC Super Fund), which administers our default NAB Group Super Fund. The clearing house will transfer the funds to all super funds, including to Plum within one banking day if paid by Direct Credit, and within three banking days if paid by Direct Debit.

In relation to the default NAB Group Super Fund administered by Plum, the funds are credited to the members' accounts effective the date the funds are received by Plum, and sufficient information is provided to allocate the funds. The administrator, in line with SuperStream regulatory standards may take up to three business days to process the funds to the account, but they will be applied effective the date of receipt. The members are considered to be effectively invested from the date the funds are received by Plum.