

## HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

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

#### Maritime Super

**MAR144QW:** Unions

- a. What is the total sum Maritime Super has given to affiliated unions over the past three financial years through event sponsorships, donations or any other means?
- b. What analysis has Maritime Super undertaken to assess the benefits to members of sponsoring union events?
- c. Did Maritime Super's sponsorship of the Patricks Anniversary dinner in 2018, for example, lead to new members signing up?

**Answer:**

- a. Over the past three financial years Maritime Super has provided a total \$76,800 in sponsorships to the Maritime Union of Australia. This is an average of \$25,600 or approximately \$1 per member per annum.
- b. Maritime Super sponsors selected maritime union events in order to engage with members and stakeholders, promote the fund to the industry and facilitate the engagement of members with their superannuation.

Maritime Super has a presence at these events which allows members to have direct access to Maritime Super representatives, namely management, relationship staff and financial planners, providing members the opportunity to engage one-on-one with our team and address any questions about super generally or their benefits more specifically.

Through engaging with our members in an informal environment, our members learn more about their superannuation and their benefits. The benefit to members is therefore measured in the number of members who engage with our staff, conversations between planners and members, appointment bookings with planners, app sign ups, form requests and follow-up calls to our Member Services.

- c. The sponsorship of the Patricks Anniversary dinner provided an opportunity to support both the maritime industry's key stakeholder's – the union and employers – who have influence in superannuation matters for our members. The event was attended by executive and relationship staff who were able to engage with members and stakeholders. While we are unable to determine if sponsorship led directly to new members joining the fund, the fund's brand presence allowed for engagement with our members and stakeholder representatives and provided a vehicle for promoting the Fund's long history of supporting the industry.

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**MAR145QW:** Unity Bank

- a. What is the nature of the relationship between Unity Bank and Maritime Super?
- b. What portion of Maritime Super members' have banking relationships with Unity Bank?
- c. What benefits does the relationship with Unity Bank bring to Maritime Super members?
- d. How have conflicts of interest between directors who serve on both Maritime Super and Unity Bank board's been managed?

**Answer:**

- a. Maritime Super has no direct affiliation with Unity Bank. Both were set up to provide financial benefits for workers within the maritime industry and share similar members.
- b. We do not collect details of member bank accounts except in the normal course of administering a member's account, such as a benefit payment. Therefore, we do not monitor or report this information.
- c. We have in the past shared resources with Unity Bank on several occasions, including financial planning and member engagement.
- d. The Fund has a comprehensive Conflict of Interest Policy. Directors who have sat on both the Maritime Super board and the Unity Bank board have declared their interests which are publicly available. The Policy requires that potential conflicts of interest are declared in respect of an agenda item to be discussed at a board or committee meeting. The meeting's chair may exclude the director from participating in discussions when that conflict is material.

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**Maritime Super**

**MAR146QW:** Events

- a. Has Maritime Super ever held events at Sydney's Glass restaurant?
- b. If so, what was the total sum paid for these events?

**Answer:**

- a. No, Maritime Super has not held events at Sydney's Glass restaurant.
- b. Not applicable

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**MAR147QW:** Board Remuneration

- a. Will Maritime Super's board have their remuneration cut following the deal with Hostplus to outsource investment management?
- b. If so, by how much?
- c. If not, why??

**Answer:**

- a. No, remuneration to directors will not be reduced as the responsibilities of the Fund and the Board have not changed. .

The Trustee remains responsible under the SIS Act for members best financial interests and continues to meet all SIS and prudential standard obligations of an RSE (a Trustee); in particular,

- SIS section 52 (including best interest and fairness duties, duty to promote financial interest of beneficiaries, responsibility for the Fund's investment strategy) and
  - SPS 530 Investment Governance (including an investment governance framework; determining, implementing and monitoring the Fund's investment strategy)
- b. Not applicable
  - c. The responsibilities of the Fund and the Board have not changed. The Trustee retains responsibility under the SIS Act and prudential standards for investment governance and acting in the members' best financial interests.

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**Maritime Super**

**MAR148QW:** Overseas Travel by Board

- a. Does Maritime Super fund board members to travel overseas for business?
- b. If so, please provide details of the total sum and purpose of travel over the past five financial years

**Answer:**

- a. Maritime Super has a policy of reimbursing costs for directors’ travel to attend meetings, training and other events that are undertaken as part of their directorship and which are considered appropriate for their role and add value to the board in fulfilling its fiduciary duties. Overseas travel is rarely required, but occasionally opportunities do occur which can be deemed to be of significant benefit to the board and Fund.
  
- b. Maritime Super have only paid for overseas travel on two occasions in the past five years; details are provided in the table below.

<i>Director Name</i>	<i>Destination and Purpose</i>	<i>Date</i>	<i>Item</i>	<i>Amount</i>
Lynelle Briggs	Amsterdam Transatlantic Conference / Global Pension Dialogue. A combined conference of four global organizations – the Australian Institute of Superannuation Trustees (AIST), the European Association of Paritarian Institutions (AEIP), the Federation of the Dutch Pension Funds, and the World Pension Alliance (WPA) including the NCCMP – presenting a consolidated agenda covering pension topics affecting pension plans throughout the world.	May 2018	Flight Accommodation	\$12,431.29 \$2,500
Paddy Crumlin	San Francisco Attendance at the UN PRI Conference and Council of Workers Capital conference. (flights were paid by union as part of global trip that included other non-super related meetings).	Sept 2018	Accommodation	\$5,206.40