

**House of Representatives Standing Committee on Economics  
REVIEW OF THE FOUR MAJOR BANKS & OTHER FINANCIAL INSTITUTIONS**

**MEDIA SUPER RESPONSES TO QUESTIONS IN WRITING – 01 MAY 2020**

| #       | Member | Question   |
|---------|--------|--|
| MED63QW | Wilson | Can you please advise what arrangements you have provided to <b>defer</b> the payment of rent for tenancies for <b>assets owned</b> by your fund as a result of keeping SMEs operational during the COVID-19 pandemic? And to what dollar value has that reduced revenue to your fund since 1 February 2020?       |
|         |        | <b>Answer</b><br>N/A – Media Super does not directly own any tenanted properties.  |
| MED64QW | Wilson | Can you please advise what arrangements you have provided to <b>defer</b> the payment of rent for tenancies for <b>assets controlled</b> by your fund as a result of keeping SMEs operational during the COVID-19 pandemic? And to what dollar value has that reduced revenue to your fund since 1 February 2020?  |
|         |        | <b>Answer</b><br>N/A – Media Super does not control any tenanted properties.   |
| MED65QW | Wilson | Can you please advise what arrangements you have provided to <b>adjust</b> the payment of rent for tenancies for <b>assets owned</b> by your fund as a result of keeping SMEs operational during the COVID-19 pandemic? And to what dollar value has that reduced revenue to your fund since 1 February 2020?      |
|         |        | <b>Answer</b><br>N/A – Media Super does not directly own any tenanted properties.  |
| MED66QW | Wilson | Can you please advise what arrangements you have provided to <b>adjust</b> the payment of rent for tenancies for <b>assets controlled</b> by your fund as a result of keeping SMEs operational during the COVID-19 pandemic? And to what dollar value has that reduced revenue to your fund since 1 February 2020? |
|         |        | <b>Answer</b><br>N/A – Media Super does not control any tenanted properties.   |

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| <b>MED67QW</b> | Wilson | On 1 January 2020 what was your percentage share and nominal value of your listed and unlisted assets?   |
|                |        | <p><b>Answer</b></p> <p>As at 31 December 2020 Media Super held \$3.4 bn of Listed Assets (representing 52.9% of funds under management) and \$3.0bn of Unlisted Assets (representing 47.1% of funds under management). We note that Unlisted Assets includes cash, fixed interest, debt and other assets that are not listed on any exchange but are liquid assets.</p>   |
| <b>MED68QW</b> | Wilson | On 1 January 2020 did your fund have liquidity issues resulting from honouring obligations to members?   |
|                |        | <p><b>Answer</b></p> <p>No.</p>  |
| <b>MED69QW</b> | Wilson | What write down, if any, has been made to the value of unlisted assets?  |
|                |        | <p><b>Answer</b></p> <p>All unlisted property and infrastructure assets held by the Fund are regularly subjected to independent valuations. These valuations are undertaken in accordance with accounting standards and the prudential standards and guidance on the valuation of assets, including SPS 531 Valuation and SPG 531.</p> <p>We can only answer the question generically because no time period is given.</p> |
| <b>MED70QW</b> | Wilson | Listed companies holding infrastructure assets have had write downs of around 40 per cent:<br>a. How does this compare to your write down of unlisted assets?<br>b. If there is a difference, why is there a difference?   |
|                |        | <p><b>Answer</b></p> <p>All unlisted property and infrastructure assets held by the Fund are regularly subjected to independent valuations. These valuations are undertaken in accordance with accounting standards and the prudential standards and guidance on the valuation of assets, including SPS 531 Valuation and SPG 531.</p> <p>We can only answer the question generically because no time period is given.</p> |
| <b>MED71QW</b> | Wilson | Have you had any liquidity issues in honouring your obligations to members as a result of the:   |

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|                |        | <p>a. recent decline in the share market?</p> <p>b. permission by the Federal government to allow members to remove up to \$10,000 per financial year if they lose their job?</p>  |
|                |        | <p><b>Answer</b><br/>No.</p>   |
| <b>MED72QW</b> | Wilson | <p>What has been the current reduction of the value of your fund, and the unlisted and listed components since 1 January 2020?</p>   |
|                |        | <p><b>Answer</b><br/>From 31 December 2019 to 24 April 2020 funds under management fell in value from \$6.3bn to \$5.7bn. The value of listed assets fell by \$0.5bn and unlisted assets by \$0.1bn. We note that Unlisted Assets includes cash, fixed interest, debt and other assets that are not listed on any exchange but are liquid assets.</p>  |
| <b>MED73QW</b> | Wilson | <p>How many members have <b>requested the early release</b> of their superannuation since 12 March 2020, and to what value?</p> <p>Please also provide monthly updates on the first of the month for the remainder of 2020 to the secretariat.</p>   |
|                |        | <p><b>Answer</b><br/>Between 12 March and 28 April 2020, 65 members requested the early release of their superannuation accounts under the Financial Hardship or Departing Australia provisions of the SIS Act and Regulations.</p> <p>Applications for early release of superannuation on Compassionate Grounds are made to and approved or rejected by the Australian Taxation Office, not the Fund.</p> <p>Details of <i>requests</i> for early release of superannuation on Compassionate Grounds are held by the ATO.</p> |
| <b>MED74QW</b> | Wilson | <p>How many members have <b>had approved the early release</b> of their superannuation since 12 March 2020, and to what value?</p> <p>Please also provide monthly updates on the first of the month for the remainder of 2020 to the secretariat.</p>  |
|                |        | <p><b>Answer</b><br/>Between 12 March and 28 April 2020, the fund paid \$136,389 to 23 members under the Financial Hardship or Departing Australia provisions of the SIS Act and Regulations. 17 applications were declined because they did not meet the</p>  |

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|                |        | <p>regulatory conditions for early release. 25 applications are currently being assessed.</p> <p>Applications for early release of superannuation on Compassionate Grounds are made to and approved or rejected by the Australian Taxation Office, not the Fund. From 19 April to 29 April 2020 the ATO approved applications from 3,178 members for early release of \$27.9m of their super under the special COVID-19 early release (Compassionate Grounds) scheme.</p> <p>Details of <i>approvals</i> for early release of superannuation on Compassionate Grounds are reported to and available from APRA, which will publish the data on a monthly basis.</p> |
| <b>MED75QW</b> | Wilson | <p>If some members have required the early release of their superannuation since 12 March 2020 and not been approved, please provide details of the grounds on which they have not been approved.</p>  |
|                |        | <p><b>Answer</b></p> <p>Applications for early release of superannuation on Financial Hardship grounds or for members Departing Australia are only rejected if they do not meet the requirements of the relevant provisions of the SIS Act and Regulations.</p> <p>We are unable to say how many applications for early release from members' accounts on Compassionate Grounds were rejected, as applications are made to and approved or rejected by the ATO, not the Fund.</p>  |
| <b>MED76QW</b> | Wilson | <p>Liquidity management:</p> <ol style="list-style-type: none"> <li>a. What is your fund's process for complying with APRA's prudential framework which requires trustees to have a liquidity management plan?</li> <li>b. How is the plan being reported to the trustee directors?</li> <li>c. Who is responsible for the day-to-day liquidity management for the fund?</li> </ol>  |
|                |        | <p><b>Answer</b></p> <ol style="list-style-type: none"> <li>a) The Fund has a Liquidity Management Plan as required by SPS530.</li> <li>b) The Trustee Directors approve the Liquidity Management Plan, and fund liquidity is included in reports to the Investment Committee and the Board.</li> <li>c) Chief Executive Officer and Chief Investment Officer.</li> </ol>  |