

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

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

Mine Super

MINE109QW: Please advise the total remuneration package of your:

- a. company secretary, and
- b. Chief Executive Officer, including:
 - i. total remuneration
 - ii. base salary
 - iii. annual bonuses
 - iv. deferred bonuses
 - v. equity or other options
 - vi. additional compensation not covered in the above.

Answer: The total remuneration of key management personnel including the Chief Executive Officer and company secretary (Chief Governance Officer) is publicly disclosed on the Mine Super website (see [Governance and disclosure](#)).

The disclosure includes details of:

- total remuneration (sum of disclosed remuneration components);
- base salary (fixed annual remuneration);
- annual bonuses (STI paid);
- deferred bonuses (LTI paid); and
- additional compensation not covered in the above (non-monetary benefits, superannuation, leave accrued and post-employment benefits).

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Mine Super

MINE110QW: For each year of the past decade, please advise the:

- annual remuneration of the average worker who contributes to your fund
- average annual superannuation contribution from an employee to your fund
- multiple your CEO is remunerated compared to the annual remuneration of the average worker who contributes to your fund.

Answer:

- Mine Super does not have remuneration details for each member and, accordingly, is unable to provide the Committee with a statistically significant response. Whilst Mine Super receives income information from a limited subset of members (who apply for specific levels of income protection cover), this data would not be reflective of an average worker as it is customised in accordance with that member's individual insurance needs.
- The following table shows the average annual superannuation employer contribution from an employee to Mine Super for each year over the past decade. Mine Super notes this data is not reflective of a member's actual remuneration given the average contribution does not account for individual working patterns, additional sources of income, third-party contributions and/or contribution caps (among other things).

\$000	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
Average annual superannuation contribution from an employee to your fund	\$10,575	\$10,622	\$10,242	\$10,418	\$10,535	\$10,803	\$11,523	\$11,635	\$11,877	\$12,292

- Details of CEO remuneration have been disclosed under MINE109QW. As noted above Mine Super does not have sufficient information on the remuneration of an average member to provide the Committee with a meaningful response.

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Mine Super

MINE112QW: For each of the following categories, please provide the percentages of employees that are women, men, or who identify otherwise:

- a. all employees
- b. non-executive employees
- c. executive employees
- d. senior executive employees.

Answer: The following table represents staff employed by AUSCOAL Superannuation Pty Ltd (**Trustee**) and Mine Super Services Pty Ltd (a wholly owned subsidiary of the Trustee which operates under a material outsourcing arrangement) as at 30 June 2020:

Response	Women	Men	Otherwise	Total
a. all employees	59%	41%	0%	100%
b. non-executive employees	61%	39%	0%	100%
c. executive employees	49%	51%	0%	100%
d. senior executive employees	36%	64%	0%	100%

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Mine Super

MINE113QW: Do you have a target for the employment of:

- a. women as a share of:
 - i. all employees?
 - ii. executive employees?
 - iii. senior executive employees?

- b. people who are gender non-binary as a share of:
 - i. all employees?
 - ii. executive employees?
 - iii. senior executive employees?

Answer: Whilst Mine Super does not have gender-related employment targets, the gender composition of the Group is closely monitored. The following table represents staff employed by AUSCOAL Superannuation Pty Ltd (**Trustee**) and Mine Super Services Pty Ltd (a wholly owned subsidiary of the Trustee which operates under a material outsourcing arrangement) as at 30 June 2020:

Response	Women	Men	Non-binary	Total
all employees	59%	41%	0%	100%
non-executive employees	61%	39%	0%	100%
executive employees	49%	51%	0%	100%
senior executive employees	36%	64%	0%	100%

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Mine Super

MINE114QW: Since the introduction of Superstream, which has standardised the transfer of funds, has there been:

- a. A reduction in the cost to the fund for transferring funds, and if so, by how much?
- b. A reduction in the fees charged to members reflecting any saving, and if so, by how much?

Answer:

- a. Mine Super does not track this specific information. Whilst the introduction of Superstream has enabled the automation of transferring funds (and the mitigation of costs associated with manual processing), these costs are (in part) re-deployed towards the implementation and maintenance of Superstream in addition to handling an increased volume of fund transfers.
- b. Mine Super will pass on cost savings to members where possible, including passing on savings gained through operational efficiencies. Mine Super has since eliminated all switching and withdrawal fees in addition to reducing administration fees for members (from \$1 per week and 0.39% of balance, to \$2 per week and 0.16% of balance) over the last decade.

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Mine Super

MINE115QW: Greenhouse gas emissions

- a. Does your fund have an internal target for your own greenhouse gas emissions footprint by:
 - i. 2030?
 - ii. 2035?
 - iii. 2040?
 - iv. 2045?
 - v. 2050?
- b. Does your fund have a target for reducing greenhouse gas emissions from investments by:
 - i. 2030?
 - ii. 2035?
 - iii. 2040?
 - iv. 2045?
 - v. 2050?
- c. Does your fund intend to divest from investments if they do not reach their greenhouse gas emissions reduction targets by:
 - i. 2030?
 - ii. 2035?
 - iii. 2040?
 - iv. 2045?
 - v. 2050?

Answer:

- a. Mine Super does not have an internal target for greenhouse gas emissions footprint.
- b. Mine Super does not have a target for reducing greenhouse gas emissions from investments.
- c. Mine Super does not have any plans to divest from investments that do not reach their greenhouse gas emissions reduction targets.

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SUPERANNUATION SECTOR**

Mine Super

MINE116QW: The New Daily

- a. Have you ever completed a cost benefit analysis of The New Daily to your fund?
 - i. If so, when did you complete this cost benefit analysis?
 - ii. Please provide a copy of the cost benefit analysis.

- b. Have you ever completed a cost benefit analysis of The New Daily to your members?
 - i. If so, when did you complete your cost benefit analysis of the New Daily to your members?
 - ii. Please provide a copy of the cost benefit analysis.

Answer: Mine Super does not use the services of The New Daily and has not completed a cost benefit analysis of The New Daily to the fund or its members.

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Mine Super

MINE117QW: Financial advisers remuneration

- a. Are your financial advisers paid:
 - i. a base salary?
 - ii. non-salaried remuneration, including bonuses?
- b. Are your financial advisers, who are only remunerated with a base salary, eligible to provide:
 - i. personal advice?
 - ii. general advice?

Answer:

- a. AUSCOAL Superannuation Pty Ltd does not employ any financial advisers or provide personal financial advice. Mine Super Services Pty Ltd (**Mine Services**) provides financial advice to members where financial advisors are paid a base salary and do not receive any bonuses.
- b. Mine Services qualified financial advisers are authorised to provide personal (scaled and comprehensive) advice and/or general advice.

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Mine Super

MINE118QW: Have any technology innovations within the fund reduced the cost of operating the fund over the past decade?

If so, please outline:

- a. the technological innovations
- b. the cost saving
- c. the cost saving passed through to fees charged to members.

Answer: Mine Super has invested in a range of technology initiatives over the past decade with multiple objectives that include (but are not limited to):

- compliance with changing regulatory standards;
- delivering strategic objectives;
- enhancing information security;
- leveraging economies of scale; and
- improving usability / accessibility / systems stability.

Where cost savings are produced as an incidental benefit from an initiative (the specific details of cost savings are commercially sensitive) they are typically re-deployed to meet ongoing regulatory changes, and to improve products and services for members.

Mine Super will pass on cost savings to members where possible, and has eliminated all switching and withdrawal fees in addition to reducing administration fees for members (from \$1 per week and 0.39% of balance to \$2 per week and 0.16% of balance) over the last decade.

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Mine Super

MINE122QW: Do you use an internal clearing house to receive the superannuation payments from employers, or their payroll representatives, before they are allocated to an individual member's account and/or fund?

If so:

- a. What is the name of the clearing house?
- b. Why do you use a clearing house?
- c. How much does it cost annually to use the clearing house?
- d. How much does it cost annually to each member to use the clearing house?
- e. What happens to interest accrued from funds held in the clearing house?
- f. What happens to non-interest income and/or capital gains accrued from funds held in the clearing house?

Answer: Mine Super does not use an internal clearing house to receive the superannuation payments from employers, or their payroll representatives, before they are allocated to an individual member's account and/or fund.

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

Mine Super

MINE123QW: Do you use an external clearing house to receive the superannuation payments from employers, or their payroll representatives, before they are allocated to an individual member's account and/or fund?

If so:

- a. What is the name of the clearing house?
- b. Who owns the clearing house?
- c. Why do you use an external clearing house?
- d. How much does it cost annually to use the external clearing house?
- e. How much does it cost annually to each member to use the external clearing house?
- f. What happens to non-interest income and/or capital gains accrued from funds held in the external clearing house?

Answer:

- a. QuickSuper.
- b. Westpac Banking Corporation.
- c. Mine Super utilises QuickSuper as the benefits of scale can be passed back to members.
- d. The cost associated with using an external clearing house provider is deemed to be commercially sensitive.
- e. Members are not charged a specific fee or cost for the use of QuickSuper. The costs associated with QuickSuper are covered under the Fund's administration fees (as disclosed in the relevant Product Disclosure Statement).
- f. Monies awaiting clearance are held in a non-interest bearing account. All Superstream transactions are processed by Mine Super against an effective date which provides members with value for the date of the transaction.

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Mine Super

MINE124QW: If you use an internal clearing house please outline when money is received into the clearing house:

- a. On average, how long does it stay in the clearing house before it:
 - i. is allocated to a member's account and/or fund?
 - ii. is allocated to purchase units for a member's account and/or fund?
 - iii. appears in a member's account and/or fund statement and/or online record?
- b. What is the longest time that it has stayed in the clearing house before it:
 - i. is allocated to a member's account and/or fund?
 - ii. is allocated to purchase units for a member's account and/or fund?
 - iii. appears in a member's account and/or fund statement and/or online record?
- c. What is the shortest time that it has stayed in the clearing house before it:
 - i. is allocated to a member's account and/or fund?
 - ii. is allocated to purchase units for a member's account and/or fund?
 - iii. appears in a member's account and/or fund statement and/or online record?
- d. For interest accrued from holding funds in the clearing house for the member, is it then subsequently allocated to:
 - i. the individual member's account and/or fund?
 - ii. a different account and/or fund? If so, what is its name?
- e. For non-interest income and/or capital gains accrued from holding funds in the clearing house for the member, is it then subsequently allocated to:
 - i. the individual member's account and/or fund?
 - ii. a different account and/or fund? If so, what is its name?

Answer: Mine Super does not use an internal clearing house.

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Mine Super

MINE125QW: If you use an external clearing house please outline when money is received into the clearing house:

- a. On average, how long does it stay in the clearing house before it:
 - i. is allocated to a member's account and/or fund?
 - ii. is allocated to purchase units for a member's account and/or fund?
 - iii. appears in a member's account and/or fund statement and/or online record?
- b. What is the longest time that it has stayed in the clearing house before it:
 - i. is allocated to a member's account and/or fund?
 - ii. is allocated to purchase units for a member's account and/or fund?
 - iii. appears in a member's account and/or fund statement and/or online record?
- c. What is the shortest time that it has stayed in the clearing house before it:
 - i. is allocated to a member's account and/or fund?
 - ii. is allocated to purchase units for a member's account and/or fund?
 - iii. appears in a member's account and/or fund statement and/or online record?
- d. For interest accrued from holding funds in the clearing house for the member, is it then subsequently allocated to:
 - i. the individual member's account and/or fund?
 - ii. a different account and/or fund? If so, what is its name?
- e. For non-interest income and/or capital gains accrued from holding funds in the clearing house for the member, is it then subsequently allocated to:
 - i. the individual member's account and/or fund?
 - ii. a different account and/or fund? If so, what is its name?

Answer:

- a. One business day.
- b. If payments cannot be reconciled within three business days, the clearing house provider will arrange to return the money to the employer.
- c. One business day. If the payment and accompanying data is received before 4:00pm EST, all reconciled payments are paid away on the following business day.
- d. Funds held by the clearing house provider awaiting clearance are held in a non-interest bearing account.
- e. No non-interest income or capital gains accrue at the external clearing house. All Superstream transactions are processed by Mine Super against an effective date which provides members with value for the date of the transaction.