

20/01/2025

Senate Economics References Committee

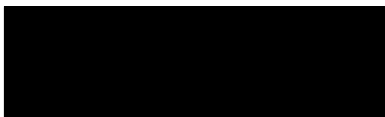
Via email: **Economics.Sen@aph.gov.au**

Dear Senator Bragg,

Please find below our responses to your additional written questions on notice following our appearance before the Committee on 14 November 2024. We have also provided links where the information is publicly available.

If you would like to discuss this further, please contact Nick Coates, Head of Government Relations and Public Policy (████████████████████).

Kind regards,

A solid black rectangular box used to redact the signature of Paula Benson.

**Paula Benson**  
Chief Strategy Officer

## Reponses to questions on notice

**How many organisations/associations is your fund a part of?**

- **How much do you pay in subscription fees to be part of these associations/organisations? Please provide a breakdown and total of these costs.**
- **What legal advice, if any, have you received that justifies your position within these organisations under BFID standards?**

We have interpreted this question as referring to key superannuation industry organisations/associations that AustralianSuper is a part of (i.e. organisations with whom AustralianSuper has an industry strategic partnership and not, for example, memberships held with organisations such as the Australian Securitisation Forum or Diversity Council Australia).

AustralianSuper currently has industry strategic partnerships with four key organisations/associations. The amounts paid in relation to FY 2023/24 (excluding GST) to each of the four organisations were:

<b>Organisation/association</b>	<b>Term</b>	<b>Total amount (\$)</b>
<b>Australian Council of Superannuation Investors</b>	12 months	\$432,000
<b>Industry Super Australia Pty Ltd</b>	12 months	\$5,256,000
<b>Super Members Council of Australia Limited</b>	9 months (1 Oct 2023 – 30 June 2024)	\$1,592,000
<b>The Association of Superannuation Funds of Australia Limited</b>	12 months	\$277,570
<b>Total</b>		\$7,557,570

Any legal advice received would be protected by legal professional privilege and AustralianSuper should not be expected to waive that privilege.

**Have you had any birthday parties or events for your fund in the last 5 years? If so, please provide details of any parties/events held, including costs associated with hosting these events.**

AustralianSuper has not held any events to celebrate birthdays for the Fund in the last 5 years.

**Could you please specify all payments that have been made to unions?**

- **Of the payments made to unions, which ones are kept by individual directors (if they are directors fees), and which ones are kept by the unions?**
- **What legal advice, if any, have you received that justifies BFID standards in relation to any payments made to unions?**

AustralianSuper discloses payments to unions and payments to employer associations on the AustralianSuper website. The disclosure includes the nature of the expenditure and specifies whether it was paid for directors' fees. AustralianSuper does not have access to information as to if/how directors' fees are dispersed following payment. The most recent disclosures can be found in the detailed payment lists which are **available here**.

All directors' fees, including the organisation or individual that the Fund paid the directors' fees to, are also disclosed in AustralianSuper's Fund Annual Financial Report which is **available here**. See page 20 for details on director fee payments.

Any legal advice received would be protected by legal professional privilege and AustralianSuper should not be expected to waive that privilege.

**Do you support the "Compare the Pair" campaign?**

- **If so, how much money has been provided for this purpose over the past 5 years?**

Compare the Pair is a marketing campaign that is produced by Industry Super Australia (ISA). AustralianSuper participates in the campaign. More information on ISA, including its membership can be found on **their website**.

AustralianSuper makes payments to ISA for delivery of marketing services that include the Compare the Pair marketing campaign.

Payments to ISA are disclosed in AustralianSuper's Fund Annual Financial Reports available in the **Financial Statements** section of the AustralianSuper website.

Payments made by AustralianSuper to ISA for the past 5 years were:

<i>FY20</i>	<i>\$ 5,070,000</i>
<i>FY21</i>	<i>\$ 5,070,000</i>
<i>FY22</i>	<i>\$ 5,172,000</i>
<i>FY23</i>	<i>\$ 6,100,000</i>
<i>FY24</i>	<i>\$ 5,256,000</i>

**Is AustralianSuper running their financial advice services cheaper than the average retail financial advisor?**

- **Are these services profitable or loss-making?**
- **Are these services run by using members money?**

AustralianSuper provides members with access to a variety of general and personal advice services. These include single issue general and personal advice relating to a member's account provided over the phone, and comprehensive personal advice provided via both internal (employed) advisers and referrals to external financial advisers (referrals were provided to 145 external advisers in 2024).

Given the variety of advice types provided by AustralianSuper and the range of business models employed by retail financial advisers, a meaningful comparison is problematic.

Where comprehensive personal advice is provided by advisers employed by the Fund, an advice fee is charged directly to the member. This fee is based on a number of factors, including the nature and complexity of the advice. In cases where a member receives comprehensive personal advice via a referral from the Fund to an external retail financial adviser, the member also meets the cost of that advice.

There is no additional cost to the member for the provision of most over-the-phone advice (i.e. general advice and 'intrafund' advice, within the definition of s99F of the Superannuation Industry (Supervision) Act 1993) because this is included in the administration fee. The Fund provides these advice services to help improve members' retirement outcomes.