

MEDIA RELEASE

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ROYAL COMMISSION FINANCIAL REFORMS DESERVE CARE

Legislation to implement the recommendations of the banking Royal Commission should be treated with the same diligence and rigor as any other new bills to be brought before parliament, Financial Services Council CEO Sally Loane said today.

In Canberra today, Ms Loane said the FSC understood the appetite for immediate reform and was broadly supportive of the Commission's recommendations.

"With the release of the final report, there is a real and justifiable desire to get on with the job of strengthening and improving our financial system," Ms Loane said.

"There are already several important superannuation reform bills languishing in Parliament that have not yet been passed into law. The FSC would like these passed without delay.

"The next tranche of financial system reform needs to be treated with the same rigor and scrutiny as any other legislation or regulation would receive.

"While we must move quickly to repair the sector's damaged reputation and ensure that consumers are able to trust the people, products and services in our sector, it was only eight days ago that the final report of the Royal Commission was released by the Government.

"In some important areas of reform, further information has been either been sought by Treasury or further analysis is required. We need comprehensive industry consultation to ensure that the unintended consequences of any technical changes are identified and dealt with.

"We cannot end up in a situation where well-intended reforms deliver poor customer outcomes down the track. It makes no sense to ram through new reforms in a way that could damage our economy, hurt small business or harm consumers."

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About the Financial Services Council

The Financial Services Council (FSC) is a leading peak body which sets mandatory Standards and develops policy for more than 100 member companies in Australia's largest industry sector, financial services. Our Full Members represent Australia's retail and wholesale funds management businesses, superannuation funds, life insurers, financial advisory networks and licensed trustee companies. Our Supporting Members represent the professional services firms such as ICT, consulting, accounting, legal, recruitment, actuarial and research houses. The financial services industry is responsible for investing almost \$3 trillion on

behalf of more than 14.8 million Australians. The pool of funds under management is larger than Australia's GDP and the capitalisation of the Australian Securities Exchange, and is the fourth largest pool of managed funds in the world.