



## MEDIA RELEASE

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### ACCELERATING AUSTRALIA'S ECONOMIC RECOVERY

After steering Australia successfully through our most serious health crisis in a century, the National Cabinet faces the daunting challenge of creating jobs and getting Australia back to work - the financial services sector must be part of this critical recovery operation.

To that end, the Financial Services Council (FSC) has developed a report - [Accelerating Australia's Economic Recovery](#) - which offers new policy ideas as well as solutions to older, intractable problems, to assist economic growth, and also help people manage their own financial challenges during the current economic downturn.

FSC CEO Sally Loane said the centrepiece of the FSC's report is an initiative to fully utilise Australia's \$2.7 trillion pool of retirement savings – new investment vehicles to expand and democratise investment in critical domestic infrastructure, making these projects accessible and attractive to every Australian with money in superannuation.

“The new Australian Superannuation Infrastructure Investment Vehicles (ASIIVs), will unlock a large chunk of funds - around \$1.7 trillion in choice and Self-Managed Superannuation Funds (SMSFs) - for infrastructure projects from investors who today have limited access to them,” Ms Loane said.

“ASIIVs will allow National Cabinet to turbocharge asset recycling programs by selling assets into a common vehicle to finance new job-creating infrastructure projects. They will also enable the creation of tailored vehicles for greenfield projects, such as community housing.”

*Accelerating Australia's Economic Recovery* also recommends that National Cabinet:

- Abolish stamp duties on life insurance products and property transactions. Stamp duties on life insurance cost Australians \$644 million each year and erode superannuation savings by \$235 million each year through their application to group insurance policies;
- Align the company tax rate to 25 per cent for all companies. The cut in the company tax rate for small businesses has had a positive impact on employment and investment, and the same incentives to invest should exist for all Australian companies;
- Establish a co-contribution scheme for Australians who have accessed the 'early release' hardship scheme and need to top up their superannuation. The Government would contribute \$1 for every \$5 a member contributes, up to a maximum \$10,000 in member contributions;
- Older Australians be offered a once-off higher superannuation cap of \$50,000, to be 'carried forward' if unused;
- Encourage business investment to modernise outdated financial products through a specialised tribunal, aimed at lowering the cost of financial advice for Australians;

- Accelerate the Significant Investor Visa (SIV) program to support migration and build on the \$11 billion it has already contributed to direct investment; and
- Remove legislative barriers so life insurers can fund medical treatment to help injured Australians get back to work.

“The FSC and its members want to help drive Australia’s long-term economic recovery. By implementing the reforms raised in this report, the National Cabinet and Commonwealth Government can get the best bang for the nation’s buck and get Australia back up on its feet.”

A copy of the full report can be found on the [FSC website](#).

**ENDS**

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**About the Financial Services Council**

The Financial Services Council (FSC) has over 100 members representing Australia's retail and wholesale funds management businesses, superannuation funds, life insurers, financial advisory networks and licensed trustee companies. The 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.