



MEDIA RELEASE

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Investment Manager Regime legislation is significant for financial services trade

The Government's revised Investment Manager Regime [draft](#) legislation released today is a significant step in completing the Johnson reform recommendations and in bolstering financial services trade, according to the Financial Services Council.

Sally Loane, CEO of the FSC said: "The revised IMR legislation will provide foreign investors with clarity and certainty on the tax treatment of their investments."

"It removes the tax impediments which have deterred foreign entities from using Australian fund managers and paves the way for Australia to capitalise on its comparative advantage in funds management."

"There is much to win," Ms Loane said. "Less than five per cent of Australia's \$2.4 trillion in funds under management are currently sourced from overseas."

"While this has been growing and delivering significant benefits to the economy, there is the potential for an exponential increase in foreign sourced funds with the right policy settings. It is essential that the outstanding recommendations in the Johnson Report are implemented so Australian fund managers can develop new products which attract new money from offshore investors and are competitive across borders."

The Asia Region Funds Passport - which will provide a regulatory framework for mutual recognition of fund operators and investment funds between participating countries – stands to benefit from these reforms.

It will be piloted from January 2016 and will make it easier for two way flow of funds between Fund Passport nations.

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About the Financial Services Council

The Financial Services Council represents Australia's retail and wholesale funds management businesses, superannuation funds, life insurers, financial advisory networks, trustee companies and Public Trustees. The Council has over 130 members who are responsible for investing more than \$2.5 trillion on behalf of 11 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. The Financial Services Council promotes best practice for the financial services industry by setting mandatory Standards for its members and providing Guidance Notes to assist in operational efficiency.