

**MEDIA RELEASE**

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**ChAFTA must pass Parliament during October sittings**

The Financial Services Council has set a deadline for the Parliament to show bipartisan support for the China-Australian Free Trade Agreement legislation by passing it during the October sittings.

This follows the introduction of the enabling legislation by Trade Minister Andrew Robb.

ChAFTA provides unprecedented access to the Chinese market and financial sector which is not available to our financial centre competitors such as Japan, the U.S. and most of Europe.

Andrew Bragg, Acting CEO of the FSC said: "We are the first major financial centre with broad access to China. ChAFTA builds essential architecture Australian companies need to export our services which our competitors do not have."

"ChAFTA legislation must be passed in October. Any delay would slow down implementation and damage our head start in China."

"Australia cannot afford to have this agreement held hostage by fear campaigns and misinformation."

Creation of trade architecture for services sectors is considerably complicated and time consuming when compared to agriculture or minerals exports which largely rely on tariff removal.

"Certain financial services components of the agreement will take years to implement via agreements with central banks and corporate regulators."

"ChAFTA will boost Australian employment, economic growth and tax collection. The jobs created in financial services through this agreement can help to fill the gap created by the slowing of mining investment," Mr Bragg said.

"Along with the Free Trade Agreements with Japan and Korea, the Asia Region Funds Passport and Mark Johnson's funds management reforms, which are progressing with bipartisan support, ChAFTA has the potential to create at least 10,000 new jobs in financial services alone."

Mr Bragg also said: "China's household savings pool, at US\$8 trillion, is four times the size of our superannuation system. Over the next 15 years, there will be one billion middle class Chinese who will require services and investment opportunities outside their economy."

"ChAFTA provides an opportunity which we must capitalise on by quickly passing this legislation.

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**About the Financial Services Council**

The Financial Services Council (FSC) has over 115 members representing Australia's retail and wholesale funds management businesses, superannuation funds, life insurers, financial advisory networks, licensed trustee companies and public trustees. The industry is responsible for investing more than \$2.6 trillion on behalf of 11.5 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 third 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.