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MEDIA RELEASE: FSC welcomes launch of Pacific Alliance Free Trade Agreement negotiations

The Financial Services Council (FSC) supports the opening of negotiations for a Pacific Alliance Free Trade Agreement between Australia, Mexico, Colombia, Chile and Peru by the government.

A trade agreement is likely to have a positive impact on the Australian financial services industry by allowing Australian firms access to these important markets on a level playing field.

Mexico and Chile in particular have sophisticated and growing pension systems with their combined funds management industries accounting for more than US\$150 million, according to statistics from the US-based Investment Company Institute (ICI).

FSC CEO Sally Loane said: “Financial Services is Australia’s largest industry. As stewards of our world class superannuation system, our fund managers’ expertise in managing large pools of institutional capital is highly sought in overseas markets.”

“Currently only 3.6 per cent of our domestic funds under management is sourced from offshore. If we are to successfully transition from a mining to a services led economy, we must seize opportunities to ease global trade.

“Like the similar trade agreement with South Korea, a Pacific Alliance Free Trade Agreement would have the potential to significantly boost the export of Australia’s financial services, contributing to the enduring strength of our economy.”

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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 more than \$2.7 trillion on behalf of 13 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 FSC promotes best practice for the financial services industry by setting mandatory Standards for its members and providing Guidance Notes to assist in operational efficiency.