



## MEDIA RELEASE

Friday 4 February 2022

### **FSC WELCOMES BIPARTISAN SUPPORT FOR RETIREMENT INCOME COVENANT AND CORPORATE COLLECTIVE INVESTMENT VEHICLE**

The Financial Services Council (FSC) welcomes the release of a Senate Inquiry report confirming bipartisan support for the Corporate Collective Investment Vehicle (CCIV) and the Retirement Income Covenant.

FSC Acting CEO Blake Briggs said, “The FSC strongly supports the CCIV and the Covenant, and is encouraged to see that the Senate Committee’s support for these measures.

“The FSC welcomes the recommendation by the Senate Committee that the Bill implementing the Covenant and CCIV be passed ‘as soon as practicable’ to provide certainty to the industry and stakeholders,” Mr Briggs said.

“The CCIV will underpin major export opportunities for the Australian funds management industry and help our financial services industry contribute to Australia’s post-COVID recovery.”

“The CCIV should help address an export gap for Australia, with foreign capital currently only five per cent of investment into Australian managed funds,” Mr Briggs said.

The CCIV regime will permit fund managers to use a company structure with flowthrough tax treatment – this will be more familiar to international investors who are more used to corporate investment structures.

Mr Briggs said, “The FSC also strongly supports the Retirement Income Covenant, which will require superannuation funds to develop a retirement income strategy for fund members who are retired or nearing retirement.”

“The Retirement Income Covenant will help a growing proportion of Australians plan with certainty as they move into their retirement.”

- 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 15.6 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.