



MEDIA RELEASE

Wednesday, 22 January 2025

FINANCIAL SERVICES INDUSTRY CALLS FOR ECONOMIC GROWTH AGENDA

The financial services industry is calling on both sides of politics to commit to an economic growth agenda, an evidence-based tax review, and to form a red tape razor gang responsible for slashing inefficient regulation to lift Australia out of its economic malaise.

The Financial Services Council (FSC) has today published its Federal Election Policy Priorities, which includes economic modelling demonstrating a growth-focused economic agenda would generate an additional \$19 billion of Gross Domestic Product (GDP) over the next decade and support a private sector-led economic recovery.

Modelling 12 financial services-specific policy recommendations, FSC research concludes that reform and deregulation would deliver almost \$2 billion in financial services exports, an extra \$1.7 billion per year in economic growth, and an \$800 million-a-year increase in the sector's productivity.

CEO of the FSC Blake Briggs said: "The upcoming federal election is an opportunity to refocus on economic growth and allow the private sector to lead Australia out of its economic malaise.

"As one of the largest contributors to the domestic economy, the financial services industry has an important role to play in achieving sustainable economic growth and higher living standards for Australians.

"The FSC has recommended policy proposals that would increase financial services exports by almost \$2 billion a year and lift the sector's productivity by \$800 million a year through a combination of reducing regulatory costs and lowering fees and investing in new markets.

"Reforms to bolster the competitiveness and economic contribution of the financial services industry would contribute \$19 billion to Australia's GDP over the next decade," Mr Briggs said.

Policies recommended by the FSC include:

- Commit to forming a red tape razor gang responsible for slashing inefficient regulation, including simplifying the breach reporting regime, providing a level playing field under the foreign investment framework, allowing for the rationalisation of legacy superannuation and managed investment products and the introduction of a product labelling regime for sustainable and responsible investments;
- Undertake a holistic and evidence-based review of the tax system, instead of piecemeal tinkering with superannuation taxes that undermines consumer confidence in the system; and
- Boost productivity and growth through implementing simple tax and funds management regulatory changes that will enhance Australia's global competitiveness, implementing an investment component in the National Innovation Visa, and finalising the Quality of Advice Review reforms.

The FSC recognises that tax reform has the capacity to re-invigorate growth in the Australian economy. The financial services industry would welcome and participate in a holistic, evidence-based tax review.

At 30 per cent, Australia's company tax rate is uncompetitive with an OECD average rate moving towards 20 per cent, impacting Australia's international competitiveness and discouraging domestic investment.

On the topic of tax reform, Mr Briggs said: "A mature tax reform debate requires all options to be left on the table, including taxes on superannuation, the company tax rate and the GST.

"The history of superannuation tax changes under both major parties has been tinkering that undermines confidence in the system. If the major parties do not commit to a holistic, evidence-based tax review, the FSC calls on both sides of politics to rule out changes to superannuation taxes."

The report can be found [here](#).

- ENDS -

Media Contact: Kylie Adoranti - 0423 715 955 - kadoranti@fsc.org.au

About the Financial Services Council

The FSC is a peak body which sets mandatory Standards and develops policy for more than 100 member companies in one of Australia's largest industry sectors, financial services. Our Full Members represent Australia's retail and wholesale funds management businesses, superannuation funds and financial advice licensees. Our Supporting Members represent the professional services firms such as ICT, consulting, accounting, legal, recruitment, actuarial and research houses. The financial services industry is responsible for investing more than \$3 trillion on behalf of over 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 one of the largest pools of managed funds in the world.