



MEDIA RELEASE

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FSC throws support behind new infrastructure financing

The Financial Services Council has thrown its strong support behind Joe Hockey's announcement today between the Commonwealth and state governments of an in principle agreement to drive new infrastructure financing.

"Australia's superannuation funds have a strong appetite for infrastructure. We are willing buyers of proven assets. We urge the States to take up Joe Hockey's funding offer," FSC CEO John Brogden said.

"This initiative is the opportunity to give the superannuation sector the pipeline of assets we've been looking for.

"Australian superannuation funds and infrastructure investing are a natural fit because of the long-dated nature of funds' investment horizon. Recent FSC research conducted by EY demonstrates that superannuation funds are constantly looking for new investment opportunities in infrastructure that are not currently being met domestically."

The government's proposed asset recycling initiative will match proven assets with superannuation large pool of capital, freeing up much need financing for new government projects.

Superannuation funds currently manage \$1.7 trillion in retirement savings.

A staged process for bringing to market the \$100 billion in commercial infrastructure assets that are currently tied up on government balance sheets would see taxpayers receive a strong return for those assets, and ensure their long term ownership remains within the Australian superannuation system.

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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 \$2.3 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 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.