



## GATEWAY INSIGHTS

### December 2010

# # 21 The Financial Services Council (FSC) - representing the industry

The Financial Services sector is now the largest industry in the economy, representing over 10% of GDP and the Financial Services Council (formerly IFSA) is one of the largest and most significant representative organisations in the sector.

The Financial Services Council's membership includes Australia's retail and wholesale fund managers, superannuation funds, life insurers and financial advisory firms. They range from domestic players to international firms; from small partnerships to large listed companies.

Collectively members manage \$1.4 trillion on behalf of Australia's superannuation investors. By 2030, this is anticipated to rise to \$5 trillion.

For this Insight Gateway has asked Emma Grainge, Director of Member Services, from the FSC to co-author this article about what the FSC is doing for you as an industry and why membership is something to consider now or in the future. Gateway has in fact, this year, taken out a Supporting Membership so we can find out in more detail the benefits to you. We hope you find this contribution as interesting and useful as we did.

### **A significant voice**

The Financial Services Council represents the interests of member companies, their clients, fund members and life insurance policy holders. This is done by engaging in the development of the policy and regulatory framework in which member companies operate in order deliver outcomes which better serve their clients and customers.

The significance of the industry, the size of membership and the experience of the Secretariat team gives the Financial Services Council a significant voice on important national debates. In 2010 alone Financial Services Council efforts delivered a number of important wins for the industry:

- Tax reforms to Managed Investment Trusts;
- Regulatory relief for Mortgage Trusts;
- The repeal of the Foreign Investment Fund Rules;
- The adoption of the Council's recommendations to the Johnson Report which aims to secure Australia's future as a leading financial centre;
- A commitment to the increase in the Superannuation Guarantee to 12%;
- Restoring the concessional contribution cap for over 50s; and
- Development of the Superannuation Member Charter.

Reputation alone is not enough to get your voice heard over all the other voices. By convening working groups – open to all members with a vested interest in the issue under consideration – the FSC facilitates the meeting of expert minds from all areas of the industry to form a view to put to the government and regulators.

Being part of the Financial Services Council gives members the opportunity to shape the industry's position on a range of social, economic and regulatory policy debates and have their voice heard.

### **Beyond policy**

The Financial Services Council is also well known for its member communication, engagement and events.

The members-only area of the website provides access to a range of publications, research resources and position papers. A monthly newsletter provides an update to all member company employees on industry, regulatory and political developments. A regular CEO Bulletin allows senior staff to hear directly from John Brogden, CEO of the Financial Services Council, on significant issues as they arise.

With over 30 member-only briefing sessions a year, the employees of member companies have access to industry experts on economic issues, policy developments, research and compliance matters.

Member CEOs also have access to a range of invitation-only briefings where John Brogden provides the latest information on policy and political developments. In addition the Financial Services Council's CEO Boardroom Series gives members the opportunity to hear from high profile political and regulatory contacts.

The Financial Services Council calendar of events includes the Leadership Luncheon Series – a luncheon series at which leading political and business figures address the industry on breaking and emerging issues. Some 1600 people attended six of these functions in 2010. Leading political figures have been keen to appear at these events including:

- Prime Minister, the Hon Kevin Rudd MP;
- Deputy Prime Minister & Treasurer, the Hon Wayne Swan MP;

- Assistant Treasurer, Senator the Hon Nick Sherry;
- Minister for Financial Services, the Hon Chris Bowen MP;
- Assistant Treasurer & Minister for Financial Services and Superannuation, the Hon Bill Shorten MP; and
- Shadow Minister for Finance and Debt Reduction, the Hon Andrew Robb AO MP.

### **The Trustmark and raising standards**

Members of the Financial Services Council must comply with 16 standards set by the Council. Compliance with these standards demonstrates the commitment of members to providing Australians with quality products and services.

Following the launch in 2011, Australians will see the Financial Services Trustmark displayed on the financial products and services provided by member companies as a symbol that they comply with the Council's Standards.

The Trustmark will provide a signal to consumers that they are dealing with a company that is committed to being ethical, transparent and reliable.

### **Relevance**

Membership of the Financial Services Council provides companies with a range of opportunities that are otherwise not available. Regardless of size, all members have the chance to be heard as decisions are being made about the industry's future. A seat at the table can provide the knowledge, access and networking opportunities vital for business opportunities.

### **Contact**

Should you be interested in discussing membership of the Financial Services Council please contact Emma Grainge or Sharon Sherry on (02) 9299 3022.