



MEDIA RELEASE

Financial Markets Welcome Significant Investor Visa

25 May 2012

The Australian Financial Markets Association today welcomed the announcement by Minister Shorten and Minister Bowen of a significant investor visa. The visa is a step in the right direction for encouraging capital investment and will increase the attractiveness of Australia as a destination for business people and investors.

The mobility of both people and capital is important for economic growth and wealth creation through investment and entrepreneurship. So the new visa aligns well with the Government's aspirations for Australia to benefit from the Asian century as it will increase the mobility of both people and capital for development and strengthen linkages between Australia and Asia.

Business investors need flexibility with regard to their investments and we are pleased that the range of allowable investments has increased under this new program.

Australia needs measures such as this to be attractive when competing with other regional financial centres for successful people and global capital.

The new visa announcement follows the Government asking the Board of Taxation to look at removing the LIBOR cap, which will lower foreign bank funding costs, and so help to lower the cost of capital for Australian investors and businesses. AFMA looks forward to working with the Government to continue to address the tax and other regulatory barriers to Australia's competitive position in the region.

Notes for Editors:

The Australian Financial Markets Association (AFMA) is the leading industry association promoting efficiency, integrity and professionalism in Australia's financial markets and provides leadership in advancing the interests of all market participants. These markets are an integral feature of the economy and perform the vital function of facilitating the efficient use of capital and management of risk. Market participants perform a range of important roles within these markets, including financial intermediation and market making.

AFMA represents over 130 members, including Australian and international banks, leading brokers, securities companies, state government treasury corporations, fund managers, traders in electricity and other specialised markets and industry service providers.

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