



Friendly Societies of Australia

31 March 2014

Mr David Murray AO
Chairman
Financial System Inquiry

Sent via: fsi@fsi.gov.au

Dear Mr Murray

A Road Map to Greater National Savings and Increased Budget Revenue

Submission to the Financial System Inquiry

The Friendly Societies of Australia (FSA) welcomes the opportunity to contribute our priorities to the 2014 Financial System Inquiry. The FSA is the industry association that represents 10 of Australia's 12 APRA-registered friendly societies.

Friendly societies assist Australians to plan and set aside personal savings to fund future life-events through the provision of savings, investment and insurance products.

This submission makes three recommendations in the section titled *TAXATION OF FINANCIAL ARRANGEMENTS* in response to the Inquiry's terms of reference number 6.

If adopted, these recommendations will lead to a reduction in government social welfare spending, and Australians will be better placed to adequately fund their future needs.

This submission also proposes a range of policy options, for consideration, in the section titled *PHILOSOPHIES, PRINCIPLES AND OBJECTIVES* in response to the terms of reference number 2 (5) that, we believe, can improve the regulatory framework under which friendly societies operate.

Please contact me on 08 8236 4704, or Jim Aliferis, Senior Policy Adviser, on 02 8035 8442 or jaliferis@coba.asn.au to discuss any aspect of this submission.

Yours sincerely

MATT WALSH
FSA President