



MEDIA RELEASE

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GOVERNMENT URGED TO DELIVER AFFORDABLE AND ACCESSIBLE FINANCIAL ADVICE

The Financial Services Council (FSC) has today called for the implementation of the Quality of Advice Review proposals paper and flagged additional changes to ensure the cost of providing advice is reduced.

In its [submission](#) on the Review's Proposals Paper, the FSC welcomes the Proposals Paper as a sensible roadmap for affordable financial advice that allows consumers to access advice on topics they need, through a provider that suits them.

CEO of the FSC Blake Briggs said: "The policy challenge now is to achieve a regulatory framework that not simply stops bad advice but offers every incentive to deliver good advice for individual consumers.

"Unnecessary red tape has pushed the cost of providing advice to more than \$5,000, meaning fewer consumers are able to access advice, leaving a generation of Australians - many who are approaching retirement, unadvised and at risk of poor financial decisions."

With recommendations on advice reforms due by the end of this year, the FSC calls for this final report to include proposals such as:

- Co-design of the reforms with industry and implemented in full, as soon as possible and with a 12-month lead-in time.
- The new principles-based framework should enable level of regulatory oversight to industry, or an independent body equipped with the technical expertise to administer that framework.
- The proposed redefinition definition of personal advice, reforms to documentation (e.g. abolition of the Statement of Advice) and introduction of a Good Advice Duty and the amendment of the Code of Ethics, subject to practical refinements that freeing up advice providers to determine how they present advice to consumer that is more bespoke to their individual needs and circumstances.

"Failure to fix the regulatory framework will have severe consequences for the financial decisions and empowerment of millions of Australians which is why the Government should commit to implementing these reforms to make advice affordable and accessible.

"Financial Services Minister Stephen Jones has made it clear to the financial advice industry he understands there is an urgent need to reform financial advice rules, with 2,600 advisers leaving the profession in the last year alone. The proposals paper and our additional recommendations deliver a blueprint for him to address that."

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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, life insurers 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 \$3 trillion on behalf of more than 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 the fourth largest pool of managed funds in the world.