



MEDIA RELEASE

14 November 2023

GOVERNMENT DELIVERS A DOWN PAYMENT ON FINANCIAL ADVICE REFORM AGENDA

The FSC has today welcomed the Government's commitment to legislating the removal of red tape that has held back the delivery of affordable financial advice to millions of Australians.

CEO of the FSC, Blake Briggs said: "The Government's release of exposure draft legislation is a down payment on their commitment to make financial advice more affordable and accessible to Australian consumers.

"The Government's first tranche of legislation contains a modest but important package of reforms that will start to simplify the regulatory framework without reducing consumer protections, and has the support of the financial services industry.

"This modest package of changes is just the start, however, to ultimately reduce the cost of providing financial advice, which has been pushed to over \$5,000 by layers of regulation and red tape."

The Government has held over key recommendations from the Quality of Advice Review, including abolishing the safe harbour steps for meeting the Best Interests Duty and simplifying statements of advice, in favour of consultation under 'phase two' of its process, which focuses on retirement advice.

"It is a missed opportunity to have deferred implementing key recommendations on abolishing the 'safe harbour steps' and simplifying statements of advice, which would achieve the most in reducing the regulatory cost burden on financial advice

"The FSC is pleased, however, that the Assistant Treasurer has offered a clear commitment to have a finalised Government policy position on statements of advice and abolishing the safe harbour steps before the end of the year," Mr Briggs added.

- ENDS -

Media Contact: Ben McAlary - 0417351724 – bmcalary@fsc.org.au

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 more than \$3 trillion on behalf of over 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 one of the largest pools of managed funds in the world.