



MEDIA STATEMENT

Wednesday, 27 March 2024

FSC STATEMENT ON FINANCIAL ADVICE REFORM BILL

The Financial Services Council (FSC) notes the Government's introduction of tranche one of its *Delivering Better Financial Outcomes* reform package on financial advice into Parliament today.

The financial services industry shares the Government's objective of making financial advice more affordable and accessible for Australian consumers, however this requires an ongoing commitment to take every opportunity to remove unnecessary red tape and duplication on financial advisers and their clients.

This first round of measures introduced to Parliament today will implement positive changes supported by the industry, including streamlining fee consent requirements, enabling greater flexibility around the provision of Financial Services Guides and tightening the ban on conflicted remuneration.

The FSC is concerned the current drafting of the Government's Bill, however, risks missing the opportunity to remove costly regulatory duplication that currently requires both financial advisers and superannuation trustees to approve advice fee deductions from superannuation accounts.

CEO of the FSC Blake Briggs said: "Industry encourages the Assistant Treasurer to make the most of the opportunity to remove onerous duplication and red tape that has contributed to advice becoming unaffordable for millions of Australian consumers.

"We support the Government's aim of ensuring more Australians can access financial advice through their superannuation, but despite the many positives in the Bill we are concerned that it will entrench unnecessary obligations on superannuation trustees that would be costly to maintain and act against the delivery of affordable financial advice.

"The FSC encourages the Government to continue to consult through parliamentary processes to address industry's concerns and to ensure financial advice is more affordable for Australian consumers."

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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 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.