



**Parliamentary Joint Committee on Corporations and Financial Services**

**Inquiry into proposals to lift the professional, ethical and education standards  
in the financial services industry**

**Public Hearing 14 October 2014**

**FPA Opening Statement**

Thank you Senator Fawcett, we thank the committee for the opportunity to present the views of the FPA.

The issues this committee has been asked to address are complex, indeed what we refer to as the financial services “eco-system” is complex. Financial services has many participants that are mutually reliant upon each other and yet at the same time compete with each other. At the heart of our eco-system must sit the consumer, a point that appears to have been lost by those embroiled in the scandals that have plagued us in recent years.

This committee has received submissions and heard evidence from a number of stakeholders in financial services, in particular from those that represent financial products, superannuation funds and Banks.

The FPA believes in having a clear separation of product and advice, we speak for professional financial planners and advice.



As the leading professional body for financial planners in Australia we are asking for this committee to look beyond the noise and vested interest from those we consider industry groups or lobby groups. These groups are not professional bodies and do not speak for professional financial planning practitioners. The solution that we all seek must rest with the financial planning professional community, of which the FPA represents over 50% of financial planners in this country.

The FPA submission provides a solution to the two distinct but linked issues of education and professional standards. Our submission does this in a way in which existing regulatory and statutory bodies form part of the solution without the need for more red tape or expense. We believe our submission will provide the consumer protections sought, it will enable our fledging profession to self - discipline through co-regulation and it will change the culture in financial planning - it is only through cultural change that standards, ethics and education become embedded. Our submission shows this committee that the FPA wishes to lead, has the resources to do so, has the framework already in place regarding professional standards and we are willing to gift our Financial Planning Education Council for the good of all in our Eco-system. In this endeavour the FPA is standing with Australians for a better financial future.



The FPA has provided a supplementary submission including a one page diagram describing to the committee our proposed framework to lift the professional, ethical and education standards for financial planners in Australia.

The FPA implores the committee to recognise the value of the existing structures and systems that the profession itself has developed and implemented, and has a proven track record of raising standards for greater consumer protection.

Chair, we welcome questions from the committee.