



Demographics

466*

submissions received from:

- 242 financial advisers**
- 40 licensees**
- 68 were both adviser and licensee**
- 111 other stakeholders****
- 45 licensees that made submissions employ and/or authorise between 1 to 10 advisers**
- 152 advisers who made submissions work for a large licensee employing 100 or more advisers.**

** incl. 45 accountants, 16 industry associations, 6 super funds, 2 risk insurers, 2 consumer groups, 2 academics, 6 legal firms/ lawyers

Cost of advice



What respondents identified as contributing to the cost of advice:

- overheads and fixed costs
- SOA preparation (incl. client and product research)
- rising regulatory and governance costs
- conservative licensee policies and procedures requiring compliance above what is required by law.

146 respondents supported allowing greater use of ROAs

Limited advice

Majority of respondents preferred the term 'limited advice'

- 199** respondents indicated they already provide limited advice
- 53** additional respondents indicated they provide it rarely

Top impediments to providing limited advice:

- too costly to provide
- regulatory requirements for comprehensive and limited advice are the same
- concerns about meeting the FASEA Code of Ethics
- some advisers unclear about regulatory requirements for limited advice
- advisers restricted from providing limited advice by licensee or other party.

Common topics for limited advice were adequacy of insurance and super contributions.

ASIC guidance



Key issues with *RG 244 Giving information, general advice and scaled advice*:

- RG 244 is too long and needs restructuring
- the guidance clashes with the FASEA Code
- advisers' licensee policies don't allow for RG 244 to be followed.

Key issues with *RG 90 Example Statement of Advice: Scaled advice for a new client*:

- example SOA is long, repetitive and not client-friendly.

Strategic advice

Majority of respondents felt strategic advice could benefit consumers

- 138** respondents thought additional examples of giving compliant strategic advice would be useful

Key issues in providing strategic advice:

- uncertainty about legal requirements leading to concern about providing compliant strategic advice
- licensees limiting adviser ability to provide strategic advice
- more ASIC guidance is needed.

Digital advice



Most respondents do not provide digital advice services.

148 of **215** respondents said they do not provide digital advice and do not intend to in the future

Key issues identified with provision of digital advice:

- lack of demand
- consumer preference for human adviser
- compliance concerns.

Next steps



ASIC held roundtables in April with advisers, licensees, and industry associations to discuss key issues raised in CP 332 and possible solutions. Based on feedback received in submissions to CP 332 and roundtable discussions, we have identified a range of ASIC-led initiatives that we think will help industry participants to provide good-quality, affordable personal advice to consumers. ASIC intends to move forward with these initiatives as resources permit.

Industry feedback on issues relating to law reform has been provided to Treasury. This infographic does not include ideas requiring law reform.

* While respondents were not required to answer all questions in CP 332, submissions that did not answer any of the questions were not considered.