



Australian Government



Australian
**Small Business and
Family Enterprise**
Ombudsman

11 May 2021

Adviser and Brokers Unit
Financial System Division
Treasury
Langton Cres
Parkes ACT 2600

via email: SDBconsultation@treasury.gov.au

Dear Sir/Madam

Single Disciplinary Body for Financial Advisers

We join relevant industry associations in their broad support for the creation of a single disciplinary body for financial advisors (FAs). Based on concerns raised with us during meetings with industry associations we make the below suggestions to help strengthen the operation of the Financial Services and Credit Panel (FSCP) model:

1. To ensure the FSCP does not result in an unnecessary time or cost burden to the industry the legislation should explicitly allow ASIC to:
 - Apply a triage process to reported breaches similar to that used by AFCA, which fast tracks simple matters and offers a case manager level resolution at first instance;
 - Explicitly exclude “meritless” matters at the reporting and investigation stage; and
 - Deal with substantially similar breaches as a ‘batch’.
2. As FA’s are migrated from the Tax Practitioners Board (TPB) we recommend that the professional, ethical and educational standards applied to FAs providing tax advice are tailored for financial advisory services and remain aligned with those applied to tax practitioners. This will ensure an enduring standard of care and protection for customers receiving advice.
3. To ensure the appropriate professional standards apply to the financial services sector, we recommend that ongoing advice from industry associations, consumer groups, ASIC and the TPB is obtained when setting standards and educational requirements.

As the implementation of the FSCP model will constitute a significant change in the disciplinary and registration process for FAs, we strongly recommend the legislation and outcomes undergo a full review after a period of two years.

Thank you for the opportunity to comment. If you would like to discuss this matter further, please contact Ms Jac Frater on 02 6213 7434 or at jac.frater@asbfeo.gov.au.

Yours sincerely

The Hon. Bruce Billson
Australian Small Business and Family Enterprise Ombudsman

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