

Under embargo until 12.01AM, Friday 20 September 2019

Accountants' exemption argument misses the real issue, says CA ANZ and CPA Australia

Chartered Accountants ANZ and CPA Australia strongly believe that accountants should be able provide services that benefit their clients and support the public interest.

But reintroducing a mechanism that, due its extreme limitations, is no longer relevant in this current, increasingly complex financial advice environment is unlikely to achieve this objective.

"There is widespread agreement amongst members that the current regulatory and licensing regime for strategic advice needs work," said Simon Grant, Group Executive, Advocacy and International.

"So rather than putting a band-aid over a very deep wound, we need to look at the issue holistically and find a solution for strategic advice that is fit-for-purpose, permanent and serves Australian mums and dads.

"Both professional bodies are undertaking extensive consultation to find a solution, ranging from a public practice member survey to nation-wide workshops to gather feedback."

"The objective of the Future of Financial Advice reforms was to ensure advice is in the best interests of clients and advice should not be put out of reach of those who would benefit from it, and this has arguably not been achieved," said Paul Drum, CPA Australia, External Affairs General Manager.

"CA ANZ and CPA Australia are calling for a wholesale review of the current financial advice frameworks to address regulatory complexity.

"This complexity has been caused by years of layered regulatory reforms, without appropriate consideration to ensure these reforms are meeting their policy intent.

"The wholesale review must identify policy changes needed to ensure that consumers can access quality affordable advice from their choice of trusted adviser."

The joint bodies [submitted on behalf of members and in the public interest](#) that:

- Tax is a key consideration for the majority of financial planning strategies, it is material to the advice and recommendations and not incidental.
- The accountants' exemption only permitted the recommendation to either establish or wind up an interest in an SMSF. It was so limited that it did not even allow a recommendation to not establish an SMSF. Restoring such a limited exemption is not going to address the need to enable affordable, accessible and quality advice by trusted advisers.

Contact: Priya Kumar DDI +61 2 9080 5852 M +61 424 491 584 Priya.Kumar@charteredaccountantsanz.com

Vanessa Richards M +61 400 395 559 Vanessa.Richards@cpaaustralia.com.au

Representatives of the Australian Accounting Profession



cpaaustralia.com.au



charteredaccountantsanz.com