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Financial Markets Policy
Building, Resources and Markets
Ministry of Business, Innovation & Employment
PO Box 1473
Wellington 6140
New Zealand

Via email: FMALevyReview@mbie.govt.nz

Discussion Paper: Review of Financial Markets Authority Funding and Levy

CPA Australia represents the diverse interests of more than 164,000 members working in 150 countries and regions around the world. We make this submission on behalf of our members and in the broader public interest. We provide our below comments in response to question 1 – “Do you have any feedback on the objectives of the review?”. We have not commented on the other questions raised in the Consultation.

CPA Australia is of the view that a well-functioning, efficient capital market that operates with integrity, encourages competition and is accessible to the vast majority of people, is a public good and that the funding of the Financial Markets Authority (FMA) should reflect this. In this context, we are supportive of a funding model of the FMA that includes appropriate contributions from both the Crown and levy-based fees. In setting levy-based fees, it is important to consider their possible impact on small businesses subject to such fees, and hence to competition and consumer choice.

We note that one of the primary drivers of this review is the new financial advice regime that will fall within the regulatory remit of the FMA. We presume the costs of implementing this new regime, including ongoing regulation, were considered when the underlying legislation and regulatory framework were developed and established. This Consultation does not appear to make reference to any cost considerations that may have been part of the development of the new financial advice regime.

The Consultation proposes funding, recovery options and levies based on a four-year time window. Whilst this is not immediately apparent from the Consultation, we presume this takes into consideration the longer-term sustainability of the funding model based on projected increases/decreases in regulated entities who pay the levies.

If you require further information on the views expressed in this submission, please contact Ram Subramanian, Policy Adviser – Reporting, on +61 3 9606 9755 or at ram.subramanian@cpaaustralia.com.au.

Your sincerely



Dr. Gary Pflugrath

Executive General Manager, Policy and Advocacy