

20 December 2013

Financial advice changes will make it harder to give super fund members simple advice

The peak body for Australia's not-for-profit super funds, the **Australian Institute of Superannuation Trustees (AIST)**, today warned that the Government's proposed changes to the Future of Financial Advice Reforms (FOFA) could make simple financial advice less accessible for super fund members.

AIST CEO Tom Garcia said super funds are concerned the proposed changes to FOFA will restrict their ability to provide accessible financial advice to members through changes to the intra-fund provisions.

"Super funds have long recognised that access to financial advice is a key tool in helping members build their super and improve their retirement outcomes," Mr Garcia said. "We think it is very important that the bulk of the population - who do not currently see a financial advisor - are able to access straightforward financial advice through their super fund".

Mr Garcia said the existing FOFA laws were an important consumer protection measure that should be given a chance to be properly implemented before any review.

"The existing FOFA laws are all about providing consumers with the confidence that any financial advice they receive is in their best interests, free from commissions and free from conflicted forms of remuneration".

Mr Garcia said AIST supported calls to have the FOFA laws reviewed as part of the 2014 Financial Systems Inquiry.

Further media enquiries:

AIST CEO Tom Garcia: 0433 687 850: AIST Media Manager Janet de Silva: 0448 000 499

AIST is the peak industry body for the \$600 billion not-for-profit super sector which includes industry, corporate and public sector funds covering the super interests of nearly two-thirds of the Australian workforce.