

## QUALITY OF ADVICE REVIEW – PROPOSALS PAPER

HESTA welcomes the opportunity to make a submission on the *Quality of Advice Review Proposals Paper* consultation.

### About HESTA

HESTA is an industry super fund with a strict profit-to-members model that was created to meet the specific needs of employees working in the health and community services sector.

HESTA holds \$68 billion of assets on behalf of more than 900,000 members in the health and community services sector, 80% of whom are women.

HESTA advocates and acts to improve financial systems so they deliver more gender equal outcomes for our members and financial disadvantage is reduced. We advocate for a fair, healthy community and a sustainable economy so that our members can face the future with confidence.

### Submission

The existing regulatory regime has been developed to protect consumers from product providers that use advice for acquisition rather than to provide help. It has resulted in regulatory requirements that reduce our ability to efficiently provide the help our members need and proposals to streamline some of these regulatory requirements would be welcome.

However, regulatory reform of financial advice must have primary regard for the impact to consumers. Proposals that would enhance access to advice for the sake of access must be assessed through the primary lens of consumer protection and must have regard as to whether the streamlining and deregulation of the regulatory regime retains appropriate member safeguards against unscrupulous behaviour.

The Proposals Paper seeks to address important issues on the provision of advice that relate to affordability and accessibility, whilst seeking to balance the quality aspect of advice.

Proposals that would streamline regulation to allow wider access to advice and would remove barriers that prevent members from seeking financial help must be a sensible balance between improving access and maintaining safeguards for consumers. Increasing the risk of consumer harm should not be the price of deregulation.

HESTA will continue to advocate for the primacy of members' interests and advocate for safeguards that ensure any changes to the regulatory regime are commensurate with the risks associated with deregulation.