

18 April 2013

Committee Secretary
Parliamentary Joint Committee on Corporations and Financial Services
PO Box 6100
Parliament House
CANBERRA ACT 2600

Email: corporations.joint@aph.gov.au

Dear Sir/Madam,

Inquiry: Corporations Amendment (Simple Corporate Bonds and Other Measures) Bill 2013

The Australian Institute of Superannuation Trustees (AIST) is an independent, not-for-profit professional body whose mission is to protect the interests of Australia's \$500 billion not-for-profit superannuation sector. AIST's members are the trustee directors and staff of industry, corporate and public-sector superannuation funds, who manage the superannuation accounts of two-thirds of the Australian workforce.

Although AIST supports the creation of a simple and transparent corporate bond market, our comments will be restricted to Schedule 2 of the Bill, which relates to the expressions, 'financial planner' and 'financial adviser'.

AIST strongly supports this measure and considers this protection to be absolutely necessary to ensuring that consumers are not misled. We welcome the certainty that this brings to the profession into the future.

Use of the titles 'financial planner' and 'financial adviser'

AIST supports the provisions contained in the proposed section 923C(4)(a) where the terms 'financial adviser' and 'financial planner' are restricted. We also welcome subsections (i) and (ii) of subsection (4)(a), which covers similar terms, or other terms to be specified in the regulations.

We believe that this measure goes a long way towards providing the certainty that consumers require when looking for a professional to provide them with financial advice.

However, the measure could go further, as we indicated in our submission to Treasury of December 2012¹. In that submission, we indicated that we would support the strengthening of this measure to ensure that advisers be required to display the title 'financial planner' or 'financial adviser' publicly. Furthermore, we encourage the initiation of a campaign by ASIC to ensure that the public is aware of who can provide personal financial advice by looking for financial planners/financial advisers for their advice needs.

If you have any further questions regarding this submission, please contact Richard Webb, Policy & Regulatory Analyst on .

Yours sincerely,

Tom Garcia
Chief Executive Officer

¹ AIST (2012) *Submission on Exposure Draft - Legislative amendments relating to the use of the expressions 'financial planner' and 'financial adviser'* .[pdf] Melbourne: Australian Institute of Superannuation Trustees. <http://is.gd/4k1hhe> [Accessed: 16 April 2013].