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23rd August 2006

The Committee Secretary
Parliamentary Joint Committee on
Corporations and Financial Services
Department of the Senate
P.O.Box 6100
Parliament House
CANBERRA ACT 2600



Dear Sir

Inquiry into Structure of Superannuation Industry

I wish to provide this submission to the committee for its consideration on the issue of "the role of advice in Superannuation".

We would like to bring to the committees attention the impossibility of providing advice to low and medium income Australians because of the inability of these people to pay fees that would compensate us for our time and our large business overheads.

These people who desperately need proper planning advice are not prepared to pay (read, can't afford) fees and we are skeptical of offering advice that is trail commission based because of the significantly poor publicity to all financial planners orchestrated by ASIC where trail fees rather than upfront are applied.

Because of the regulatory obstacles we confront to provide advice which in most cases requires considerable research and a high level of understanding of the complex rules and strategies not to mention hours of compliance papers it is extremely disappointing that we have to refer people to seek the assistance of Industry funds where you will be aware no proper advice and importantly no ongoing service or advice will be provided.

We trust that the outcome of this inquiry assists the Committee to understand that the complex regulation that governs our industry is a significant barrier to the provision of advice. Please recommend the reduction of the overly complex legislation so that the provision of proper advice can be affordable to us and therefore to the community.

Sincerely
JAMES E CONNOR

BLAIR J CONNOR