



“Reducing and eliminating unnecessary regulatory cost is central to creating a more efficient operating environment for financial planners.”

DANTE DE GORI CFP®
FPA CHIEF EXECUTIVE OFFICER

A consistent voice to drive advocacy change

The past year has been a year of considerable progress for our members and the profession. We dealt with a full agenda of legislative, educational and practice changes while enduring a recession and the first and second wave of COVID-19.

Our five-year MAC strategy, with a focus on member engagement, public policy advocacy, and consumer education, is now well established and starting to deliver results for members, the wider professional community and, most importantly, the Australian public. And as we look towards 2022, we have a bit of breathing room to refocus on serving the Australian public without the prospect of another raft of “reforms” heading our way. A long train of investigation, introspection and reform stretching back through the Hayne Royal Commission to the 2014 Financial System Inquiry appears now to have run its course.

A significant milestone in FPA's advocacy efforts

As we were preparing this report for our members, we received great news that the levy to fund ASIC's activities has been frozen at 2019-20 levels for at least two years while the government conducts a review of the sector's funding model. This is a major win for our members and the profession, who have been advocating on the issue for the past 24 months before this decision. It is also a tremendous reflection of the engagement by our members to write and call their local member of parliament to halt unpredictable and unsustainable increases in

the levy that put affordable advice further out of reach for many Australians. I would like to thank our members for helping to amplify our concerns.

Strength in numbers

In fact, the level of engagement by our members has been a real personal highlight of this year. While physical events have not been possible – and we have had to postpone our annual national Professionals Congress for a second straight year, our members have flocked to our online forums and webinars. That same phenomenon has helped accelerate the take-up of technology that is helping streamline and improve the delivery of service to clients.

For many, there has been a silver lining to the COVID-19 cloud in that it has spurred interest in seeking professional financial advice.

It was also gratifying that myself, Marisa and other members of the FPA were able to use the brief window between March and late June to meet with so many of our members at our national Roadshow and hear about your challenges and triumphs firsthand.

For many, there has been a silver lining to the COVID-19 cloud in that it has spurred interest in seeking professional financial advice. Being homebound has given many Australians an opportunity to pause and reflect on many aspects of their lives, including their finances, and allowed the time and motivation to do something about it.

This will be a welcome development for many of you and for the profession, but it also poses a challenge for the profession to meet that pent up demand. Numbers leaving the profession due to stricter educational and regulatory requirements and the exit of big banks and financial institutions cannot be quickly or easily replaced. However, on the plus side, it is an opportunity for those weighing up whether to undertake the education and training required that there will be a big and growing market (i.e. employers and clients) for their services at the other end.

Leading advocacy change

On the policy and advocacy front it has been another busy year. We are now in the second year of the five-year Affordable Advice, Sustainable Profession policy platform and have, with the help of members, chalked up some impressive achievements, headlined by the temporary ASIC levy relief. The removal of FASEA and the Tax Practitioners Board from oversight of the profession has also contributed to the overall aim of reducing the cost of regulation to the profession.

At the heart of the FPA's policy platform is the desire to reduce red tape and the duplication of regulation in the profession. Reducing and eliminating unnecessary regulatory cost is central to creating a more efficient operating environment for financial planners, and in turn, ensuring the cost of advice remains accessible to more Australians.

Further challenges remain, including the compensation scheme of last resort and the single disciplinary body, but I have been encouraged by the growing realisation among legislators about the impact of added and sometimes duplicate layers of regulation on the cost and availability of advice. In that same vein, we continue to advocate for the cost of advice to become a tax-deductible expense for clients of financial planners.

Adapting to changing times

As the market changes, so does the FPA. After consulting and listening to members' concerns about our membership structure, we have completed a review to better align it with the market and the needs of our members. Next year we plan to announce new membership tiers to take effect from the 2022 renewal period starting in April. This will include membership opportunities to become more inclusive and open the association to others who have significant roles in the delivery of advice, such as paraplanners. Offering this new pathway to full membership - including obtaining Certification - and an overhaul of tools and resources are two ways we continue to evolve our proposition to ensure we remain the leading professional association for financial planners in Australia.

This is my last Chief Executive Officer's report after six years leading the FPA. It has been an honour and a privilege to be able to represent the interests of the financial planning profession on the national and international stage. It has not always been easy, particularly given the sustained program of reform and scrutiny to all facets of the financial services sector in that time. But I leave with the satisfaction that this period is now coming to a close and the FPA has made a meaningful contribution to shaping the reforms in the interests of members. Thank you for all the support throughout my time as CEO and I look forward to seeing the FPA continue to lead the financial planning profession in the years ahead.



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