

Media Release

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ClearView unveils top three priorities for industry reform

Slashing advice paperwork, no further changes to risk commissions and measures to support stable, sustainable income protection solutions should be top of the financial services industry's reform agenda as it prepares for a landmark regulatory review, according to ClearView Wealth.

Releasing the group's 2022 reform agenda, ClearView Managing Director Simon Swanson said it was crucial that regulatory settings facilitated easy access to financial advice and protection for consumers, citing recent local and global events as adding further pressures on household budgets.

"The devastating impact of COVID-19 and a spate of natural disasters, including the recent floods in NSW and Queensland, have heightened awareness of the importance and value of professional advice," Mr Swanson said.

"However, this trend is occurring at a time when the cost of operating an advice business is significantly increasing and, in turn, pushing advice fees higher. It is important that our regulatory system is fit for purpose and does not add unnecessary complexity."

ClearView is calling for a slimmed down Record of Advice (**RoA**) to replace the Statement of Advice (**SoA**) in situations where simple advice is being delivered, as well as the removal of the Safe Harbour steps, in line with the recommendation of the Financial Services Royal Commission.

The group's reform agenda cited research that showed the cost of a SoA had risen more than 30 per cent in the past four years¹.

ClearView has also reiterated its support for the life insurance commission model and welcomed the Australian Prudential Regulation Authority's recent decision to defer five-year contract terms for income protection (**IP**) products for at least another two years.

"It is crucial for life insurance solutions, including IP insurance, to be stable, sustainable and simpler for consumers," Mr Swanson said.

"ClearView welcomes the revised approach and we support APRA's ongoing sustainability work. We recognise the importance of engaging with Treasury on issues about product rationalisation and quality of advice, and strongly advocate for engagement with financial adviser bodies, licensees and advisers."

ClearView is committed to being a passionate advocate for public policy that underpins a strong, vibrant financial services industry, and will participate in the Quality of Advice Review, which submits its final report to government in December.

Read more here on [ClearView's reform agenda](#) for 2022.

¹ <https://fpa.com.au/news/the-national-opportunity-that-is-financial-planning>

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About ClearView

ClearView is an ASX-listed diversified financial services company which partners with financial advisers to help Australians protect and build their wealth, achieve their goals and secure a comfortable financial future. The Group's two business segments: Life Insurance and Wealth Management are focused on delivering quality products and services.

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