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Financial Services and Products Inquiry Chair to address Investors conference

The Chairman of the Federal Parliamentary Joint Committee on Corporations and Financial Services Mr Bernie Ripoll will address the Australian Investors' Association's National Conference at the Gold Coast on 29 July.

AIA president Jolyon Forsyth said Mr Ripoll's attendance at the Conference was very important as the issues being considered by the Committee's Inquiry into Financial Products and Services in Australia were of critical importance to investors.

"The AIA has provided a submission to the Inquiry, in which the Association has highlighted its opposition to the payment of commissions to financial advisers," he said.

"We welcome the opportunity to hear directly from Mr Ripoll as Committee Chair on the progress of the Committee. Further public hearings by the Committee are planned."

"As an Association, we hope this wide-ranging inquiry will provide real change to the delivery of financial products and services."

The Inquiry was launched into the issues associated with recent financial product and services provider collapses, such as Storm Financial, Opes Prime and other similar collapses.

The Inquiry's terms of reference are:

1. the role of financial advisers;
2. the general regulatory environment for these products and services;
3. the role played by commission arrangements relating to product sales and advice, including the potential for conflicts of interest, the need for appropriate disclosure, and remuneration models for financial advisers;
4. the role played by marketing and advertising campaigns;
5. the adequacy of licensing arrangements for those who sold the products and services;
6. the appropriateness of information and advice provided to consumers considering investing in those products and services, and how the interests of consumers can best be served;
7. consumer education and understanding of these financial products and services;

8. the adequacy of professional indemnity insurance arrangements for those who sold the products and services, and the impact on consumers; and

9. the need for any legislative or regulatory change.

The Committee will also investigate the involvement of the banking and finance industry in providing finance for investors in and through Storm Financial, Opes Prime and other similar businesses, and the practices of banks and other financial institutions in relation to margin lending associated with those businesses.

The AIA National Investors Conference will be held at Surfers Paradise Marriott Resort and Spa, Gold Coast from 26 to 29 July.

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