



## FPRJ VOL 9 EDITORIAL

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Another year, same old arguments. As we draft this editorial, the Australian Senate is considering (and amending) the “Delivering Better Financial Advice Outcomes” Bill in a further attempt to “ensure Australians have access to reliable and affordable financial advice” in response to the recommendation of the Quality of Advice Review (Commonwealth Government, 2023). The Minister also argues these reforms will keep up the “tradition of ensuring all Australians benefit from the financial system” and address “the high cost of advice, better protect consumers, bolster ethical standards and ensure Australians can access helpful information that could make a meaningful difference to their quality of life in retirement.” Noble intentions indeed, which fully align with the notion of financial advice being a true profession. Interestingly, a seasoned campaigner would find this intention familiar. A review of more than two decades of reform attempts and multiple reviews including Financial Services Reform (2001), Future of Financial Advice (2012), Financial System Inquiry (2014), Life Insurance Framework (2016), the Hayne Royal Commission (2019), and Quality of Advice Review (2022) have all grappled with similar concepts and made numerous recommendations, few of which are fully implemented with the intent in which they were made. Perhaps Commissioner Hayne said it best in warning about new layers of regulation rather than arguing that “much of the complication comes from piling exception upon exception, from carving out special rules for special interests. And, in almost every case, these special rules qualify the application of a more general principle to entities or transactions that are not different in any material way from those to which the general rule is applied” (Hayne 2019, p 16). It should also be noted that the Minister advised this would be the first of three streams of reforms that have the potential to once again fundamentally change the advice landscape, suggesting that the later stages will:

- Broaden the definition of personal advice.
- Remove the general advice warning.
- Allow non-relevant providers to provide personal advice.
- Introduce a good advice duty.
- Amend the Design and Distribution Obligations.

Time, as it always does, will tell in relation to the efficacy of the latest round of reforms.



This ongoing reform and re-reform agenda was the subject of conversation at a recent FPRJ Editorial Board meeting (albeit in a global advice context) and has informed the focus of the next special edition of FPRJ. This will be on the Future of the Financial Advice Profession – look out for the call for papers soon!

It is in this context that we bring you the latest edition of FPRJ, the academic journal of the Financial Advice Association Australia. In this edition, we have four (4) papers, the first of which, by Tanya Staples, Ashlyn Rollins-Koons, Gregory Anderson and Blake Gray, examines Canadian retirement planning and savings behaviour, motivated by concerns that Canadians are not saving enough for retirement. The authors argue that those who anticipate relying on government provided pensions are less likely to save or even calculate retirement needs, contributing to retirement savings shortfalls.

The second paper looks at buy now pay later (BNPL) services and young adults. Levon Blue, Louisa Coglan, Thu Pham, Imke Lammer, Ryan Menner, and Chrisann Lee surveyed young adults about their use of these services, concluding that they are easier to use to manage cash flow rather than save. Concerned about this outcome, the paper argues for further investment in compulsory financial education for our youth.

The challenges and opportunities of alternative finance products, cryptocurrencies and non-fungible tokens (NFTs) in particular, with Indigenous peoples is the focus of the third paper in this edition by Levon Blue, Congcong Xing, Thu Pham and Kerry Bodle. Seeking to understand the demographics of Indigenous Australians who utilise these assets, the paper uses a survey to investigate the challenges and opportunities with these asset classes that Indigenous investors report. The authors report challenges with asset storage and opportunities as long-term investments, calling for the availability of more education and advice on these alternative financial products.

Finally, Young Baek, Ronald Chenail and Florence Neymotin examine the relationship between couples' financial transparency and marital satisfaction. The paper finds that couples with higher financial transparency with each other have higher marital satisfaction and thus argue that financial trust and open financial discussions including making joint financial decisions, financial planning, and budgeting are important.

Finally, we are pleased to announce that after an almost 12-month project, FPRJ has moved onto the Sciendo journal management platform. Our new website (and submission portal) is up and running at <https://sciendo.com/journal/FPRJ>. Have a look—any feedback is welcome!

We have also taken the time with the FAAA to reform the FPRJ Editorial Board. Thank you first to Professors Robert Bianchi, Brett Freudenberg, Adam Steen, Sharon Taylor, Abdullahi Dahir Ahmed, Abu Molloy and Searat Ali and Anne Palmer from the FAAA for all their contributions to FPRJ, in most cases since the inception of the journal. We are also excited to welcome the following colleagues to the Board: Professors Bomikazi Zeka, Chet Bennetts, Dale Pinto, Daniel Richards, Elisabeth Sinnewe, Kirsten MacDonald, Megan McCoy, Tanya Staples and Louise Trevaskis from the FAAA. They now collectively carry the custodianship of the journal. We are pleased that our new board also includes international representation.

We thank all who have contributed to this and previous editions of FPRJ and look forward to the journal continuing to contribute to the rich debate on all elements of Financial Planning.



## References

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