

Australians reluctant to pay up for advice

By LII editorial
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Australians are a tight-fisted bunch when it comes to paying for investment advice, indicates a study conducted by Australian research firm Investment Trends.

According to Investment Trends, its research revealed that the average Australian investors believe financial advice should cost A\$300 (\$304) for each consultation.

This is hardly great news for independent financial advisers (IFA). Investment Trends found that just to break even, the average IFA has to charge A\$2,700 for providing comprehensive advice and A\$1,200 for providing less comprehensive advice.

Investment Trends' findings come against the background of calls for the abolition of commissions in Australia and the adoption of a fee-only financial advisory system. Among powerful organisations making this call on the Australian government is superannuation industry body the Industry Super Network.