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## More advisers paid by fees, says FPA

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More than 50% of the Financial Planning Association's (FPA) members are now being paid through fees rather than commissions, according to new research by Investment Trends.

The research, which was conducted for the FPA, found 54% of members are being paid by fee-based revenue. This compares to the industry average of 43%.

FPA CEO Mark Rantall told the association's annual conference in Brisbane last week that members are "on track" to deal with the Future of Financial Advice (FOFA) reforms.

"FPA Certified Financial Planners have indicated almost 70% of their revenue will come from fees by 2014, versus 60% for the industry as a whole," he said.

"It's clear the FPA's 2009 remuneration policy, which laid the groundwork for a fee-based world well before FOFA, has given our members a head-start for the transition."

While accepting most of the FOFA reforms, the association has continued its attack on the "opt-in" proposals in the bill before Parliament.

The survey of members found most believe this will have a negative impact on their clients, but "the FPA remains opposed to the 'opt-in' requirements", Mr Rantall said.

"It is redundant and adds nothing but cost and administrative red-tape when the introduction of a 'best interests' duty and banning of commissions already ensures consumers get the advice they need and know what they're paying for that advice."

He says clients need all the financial advice they can get, and those who forget to renew their contracts with their adviser will be left vulnerable.

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