

WE ARE YOUR VOICE

Why your support matters

NIBA works each and every day to make sure your views are heard. We work with governments, Members of Parliament, regulators and industry to protect, enhance and promote the business of professional insurance broking in Australia.

Key wins for members in 2015/2016

Future of Financial Advice

Four years ago, there was pressure to abolish commissions across most areas of financial services and advice. The FOFA legislation did abolish commissions in many areas, and introduced comprehensive statutory duties to act in the best interests of the client and to always manage potential conflicts of interest in favour of the client.

NIBA was able to show that the concerns giving rise to these reforms did not arise in general insurance broking, and as a result there were no changes to commission payments in general insurance.

Industry funding of ASIC

Late last year the Federal Government issued a proposed model for industry funding of the regulatory functions of ASIC. This would have cost financial advice companies, including insurance brokers, around \$90 million each year. The annual cost of an AFS licence from ASIC could have risen from around \$800 to as high as \$11,000 – a direct hit to brokers' bottom line.

NIBA and others showed the government the proposed model would not work, and the proposal has been withdrawn.

ASIC has released a further discussion paper on this issue. NIBA will examine the proposals carefully and consult with members on the likely implications for their businesses.

Professionalism in financial advice

There was also a proposal in place to require advisers to have university degrees, undertake "professional year" training, and be subject to an industry standards body.

NIBA was able to show the government that brokers had a clear education path to achieve and maintain the right to claim to be a Qualified Professional Insurance Broker. Using FOS statistics, we were able to show that there were no systemic issues regarding brokers and no concerns expressed about their quality of advice. General insurance won an exemption.

If implemented, the proposal could have cost insurance brokers up to \$30,000 each to upgrade their qualifications from a Diploma of Insurance Broking to a relevant university degree, not to mention the time off from work to complete their studies.

This is why your support matters. These are only a few examples of how NIBA represents you and fights on your behalf. For information on these and any related matters, please contact NIBA CEO Dallas Booth on 0488 088 478 or dbooth@niba.com.au



Snapshot: NIBA Year in Numbers



New Insurance Adviser: About brokers, for brokers

In April 2016, NIBA launched the monthly *Insurance Adviser* magazine. The new publication is a merger of NIBA's two previous magazines – the *NIBA Gazette* and *Insurance & Risk Professional*.

Insurance Adviser does not only tell you what's in the news, it shows you how it impacts on your business and provides you with tools to meet the challenge. Each issue of *Insurance Adviser* contains:

- regulatory and government submission updates
- news on developments from across the intermediated insurance community
- latest professional development opportunities
- interviews with the biggest influencers in the Australian insurance market



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- technical features on emerging areas of risk
 - broker best practice case studies.
- Plus, classifieds and the latest insurer ratings from Standard & Poor's.

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