



## 2017–18 ASIC business plan summary Older Australians

ASIC's Corporate Plan 2017–18 notes that the proportion of Australians aged over 65 continues to grow, and that in light of this demographic change and the increasing importance of retirement issues, ASIC has formed an internal working group to better coordinate the work we are doing to address issues affecting older Australians and their use of financial products and services. These issues include the challenges involved in making complex financial decisions and financial products and selling practices that target older Australians.

ASIC's initiatives range across our regulatory, operational and education work, and often involve collaboration with other government agencies. They include the following projects and activities:

Key projects	Project status	Focus
<b>Stakeholder engagement</b>		
Communicating with industry and government organisations	Ongoing	<ul style="list-style-type: none"> <li>◆ Engagement and consultation with a broad range of groups about the key financial issues facing older Australians. This includes: Council of the Ageing (COTA), National Seniors Australia, national and state-based seniors' rights organisations, consumer legal centres, carers' associations, not-for-profit organisations and industry associations</li> <li>◆ Contributing to the work of the International Organization of Securities Commission (IOSCO) on senior investor vulnerability</li> <li>◆ Communicating with the public about the work we are doing, to confirm our commitment to helping older Australians make financial decisions</li> <li>◆ Insurance: Engaging with industry about the minimum standards in the codes of practice that might affect older Australians' ability to access appropriate cover (e.g. claims handling and product design)</li> <li>◆ Retirement products and superannuation: Participating, with the Australian Taxation Office, Australian Prudential Regulation Authority and the Department of Social Services (DSS), in a streamlined 'One Stop Shop' for product providers that are developing new income stream products with a longevity component, under recent changes to legislation</li> <li>◆ Financial advice: Considering the specialised training and competence requirements for advice relating to aged care funding and other issues</li> <li>◆ Financial capability: Promoting financial capability resources for Older Australians to other government agencies, including the DSS, Department of Human Services and Department of Health.</li> </ul>
<b>Education</b>		
Financial capability	Ongoing	Developing new targeted information and resources for Older Australians and their supporters, based on research findings regarding the key financial issues impacting older Australians.
Maintaining and updating the resources available to Older Australians	Ongoing	Maintaining and updating relevant MoneySmart website resources including: <ul style="list-style-type: none"> <li>◆ Retirement products and superannuation: retirement planner, superannuation calculators and information about retirement income and aged care</li> </ul>



- ◆ Financial advice: financial advice toolkit
- ◆ Home equity release products: reverse mortgage calculator and information on lending and guaranteeing loans for family members
- ◆ Insurance: information on health, funeral and life products.

### Guidance

Applications for relief	Ongoing	Considering applications for relief for home reversion schemes and managed investment schemes that have a home equity release component.
Research	Continuing from 2016–17	<ul style="list-style-type: none"><li>◆ Publication of quantitative and qualitative segmentation research about older Australians</li><li>◆ Conducting further focus group research to refine our understanding of Older Australians to identify key knowledge gaps, information requirements and priorities.</li></ul>

### Surveillance

Retirement products and superannuation	Ongoing	Disclosure and advertising for superannuation and managed investment products that target retirees.
Financial advice	Continuing from 2016–17	Testing the quality of self-managed super fund (SMSF) advice by reviewing advisers' and accountants' legal compliance with their best interest duty in providing advice to consumers who set-up an SMSF.
Home equity release products	Ongoing	Reverse mortgages selling practices to Older Australians and those approaching retirement. Includes testing compliance with responsible lending obligations and measuring consumer understanding of the products.
Insurance	Ongoing	<ul style="list-style-type: none"><li>◆ Claims handling relating to total and permanent disability cover insurance products that tend to have a high proportion of claims declined or withdrawn from Older Australians</li><li>◆ Monitoring advertising of funeral insurance products to Older Australians.</li></ul>

### Enforcement

Investigating and taking administrative, civil, criminal or other action	Ongoing	Investigating and taking action, where appropriate, to address misconduct identified through surveillance and reports of misconduct that affect Older Australians.
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### Policy advice

Supporting the development and implementation of Government law reforms and initiatives	Continuing from 2016–17	Continuing to support the implementation of reforms to improve the professional and education standards of financial advisers to help address the quality of advice provided to retirees.
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