Those of us in the financial industry have been made quite aware of the Canadian Securities Administrators (CSA) consultation paper. As one of Canada's 150 fee-only financial advisors – meaning I sell absolutely no products whatsoever, just my time, for a fee – I am in a unique position to comment on the paper.

In the United States, investment advisors have a fiduciary duty to act in their client's best interest. Even broker-dealers who may execute transactions for both clients and their own institution are held to a common law standard, given American courts have generally found that broker-dealers must adhere to a fiduciary duty.

In the United Kingdom, advisors and dealers must "act honestly, fairly and professionally in accordance with the best interests of its clients." Furthermore, fee disclosure exists so that investors are aware of the ongoing charges being paid on their investments, unlike Canada.

In Australia, the government has introduced a qualified best interest standard to place client interests ahead of an advisor's own interests. Among reforms has been the banning of mutual fund trailer fees.

The financial industry has alerted those of us who are financial advisors that this CSA paper could impact how we work with clients and how we get paid. We've also been warned that the paper could lead to closer scrutiny of conflicts of interest and compensation. It worries me that this is positioned to advisors as a warning as opposed to a statement of support.

Shortly after stock markets hit their lows in 2009 and in the midst of the Great Recession, a Task Force on Financial Literacy was appointed with a focus on "improving financial literacy [and helping] consumers make knowledgeable and confident decisions towards achieving their financial goals."

Consultations were held, press conferences were had and optimism was expressed. Now that 2013 is upon us and disasters have been averted, delayed and forgotten, a Google search of Canada's Task Force on Financial Literacy leads to a bunch of broken links to what used to be the official website for the task force.

One of their main recommendations was to increase financial education and information, which I'm all for in theory, but in practice, I can't help but wonder how interested average Canadians are in learning about finances. I hope they are, but I think a lot of people rely on the financial industry to simply advise them on finances – which makes regulation very important.

Canada is one of the only countries in the world without a national securities regulator, which is difficult to believe, given the financial industry is increasingly international, let alone national. The potential results are slow response times, lack of uniformity, duplication of efforts and increased costs.

But of utmost importance is the fact that regulators seem to be reluctant to impose a fiduciary standard on financial advisors which would require them to act in the best interests of their clients.

Regardless of why this opposition exists and without passing any judgement, I think everyone responsible for or part of the industry needs to put themselves in the shoes of the average consumer of financial services. The fact that advisors aren't fiduciaries and that the wrong-doings in the industry are so widely publicized reflects poorly on the industry and the trust that consumers have for advisors.

Most people trust their doctor implicitly and this helps the medical industry operate efficiently. Despite any other challenges the healthcare industry faces, I don't think trust is one of those challenges.

Financial advisors, as a group, are often painted with the same brush. It's the brush that's dipped in the paint of a recent Nanos Research poll that found that 77% of Canadians rate doctors as having high or very high levels of honesty and ethics – compared to stockbrokers, in last place, with 18%.

The consumer of financial products and services needs to be the genesis of any debate of how to fix the financial industry. Despite the lens through which government, regulators and advisors view things, the blurry picture is quite clear when you take the time to listen to what average people are saying. And the emphasis needs to be on "average", because the high net worth market that many serve is very well provided for already, despite representing a fairly small number of Canadians.

For the average Canadian, fees are too high, the industry is too complicated and people don't know who to trust or where to turn for advice. It seems to me that everyone responsible for financial services consumers has a responsibility to restore trust. And if that means instituting a fiduciary standard, despite the criticisms, so be it.

I want to believe that some in the Canadian financial industry are opposing a fiduciary standard for a good reason. That said, I can't help but think that all the other countries that have adopted such a standard have already done their due diligence. And assuming they have, this public consultation should be no more than a formality and the Canadian Securities Administrators should make fiduciary duty a reality – or risk putting the financial industry's best interests ahead of that of average Canadians.

Best,

Jason