

Hello,

I write in response to the issued consultation paper and the wrath of changes in unfavourable legislation to advisers which has increased the difficulty in providing good financial advice to Australians.

Firstly, I find the education requirements have gone too far and I shall use my own situation to provide an example:

- I have 2 relevant degrees. Both would satisfy the 8 relevant subject requirement. There is no pathway for someone with 2 relevant degrees, let alone a relevant degree plus a non-relevant degree;
- My second degree was in Business(Accounting and Finance joint study). Every elective was a FIN subject including financial planning, however I fall short on a subject to quality for Financial Planning. There is no consideration for being a 'very relevant, almost approved' degree;
- My first degree was in Agricultural Business and was industry led with significant content on ethics and human behaviour. Despite this, the Government has failed to acknowledge prior ethical content in degrees;
- I have a diploma in financial planning. I do not have the advanced diploma in financial planning. While I agree both are not the best qualifications in isolation, there is no consideration for having done the diploma, only the advanced diploma;
- I found the exam extremely difficult to prepare for. I have done some 50 university exams at this was the worst exam I have ever done. It was ambiguous, there was far too much content and the online system of the 2 part questions made it very difficult to go back to unanswered questions. I was physically sick and rundown from the exam and the pressure to pass something for a job I already held. In this way, you punished people who had already done the right thing. If we were to put this back on the very public servants and introduce an ethical exam of the same calibre, what would you say?
- I am a single parent, female and in my early 40s and for the next 4.5 years will have one or more children at Yr 11 or 12 stage. I will need to do another 4 subjects and right now am questioning where my loyalty lies. Am I prepared to work full time, do additional study and be the sole provider and supporter of teenage children? I have no idea where I will find the time to study another 4 subjects but for reducing my work hours. Nor do I want to contemplate the costs of additional study. Ironically, I am exactly the person who you should look to keep. Females are not well represented in this industry and I believe the events in my life go well for being an empathetic, intuitive adviser;
- I have been registered as an adviser since early 2016. The new '10 year' proposal will have no bearing on the education requirements for me; and
- Based on the current educations standards, I will have to do 4 subjects, but on an individual basis I would suggest I am already overqualified with current education;

By and by, the other white elephant in the room is the way in which advice is regulated. The formality and compliance documents has made it so difficult to provide timely advice. This has been particularly difficult over the past few years where we have struggled to find staff along with the covid pandemic disruption. I believe the 'good advice' proposal is more attainable and realistic and is paramount to preventing future exodus of advisers in the industry. More specifically, in my region, many of my clients do not have the sums of money to justify writing a Statement of Advice, given the time taken to prepare one. Yet, I believe these are the people who need financial advice more than

others. A small difference in their wealth makes a huge difference in their lives. The current system only provides for those with already a lot of money.

Furthermore, I believe 'good advice' should be managed at the dealer level. Our firm holds our own licence and we review each-others work constantly along with yearly audits. Integrity, culture and leadership starts at the top and filters down.

Finally, as a financial adviser, I find the pathway to working for myself inhibitive. While I would like to work for myself and from home, I find the entry costs inhibitive by having to be an AR(or employee rep) under someone else's licence.

I thank you for the opportunity to reach out and I look forward to the pendulum shifting back to a realistic equilibrium for advisers and their clients.

Kind Regards

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