

## Response/Feedback to Treasury Paper on Financial Adviser Education Standards.

Aug 2022

### Overview/Feedback

#### Adviser Background:

██████████  
FAR Register – Since 2011

DFP & Bachelor Degreed Qualified, Business (Finance Major) Swinburne Uni – Complete 2017.

Passed FASEA exam – 2020.

Degree only Recognised as a Relevant Degree.

#### Preface

Feedback to the 10 years' experience pathway, I believe the period of time captured does not align to the original government promise to recognise Financial Advisers with 10 years' experience.

Further to this there is no recognition of Financial Advisers that may hold 10 years' experience, albeit outside the proposed time period also having a strong level of relevant Education, as in my instance. Similar professions (such as Nursing) did not experience the same level of prejudice when it was eventually made mandatory for Registered Nurses to enter via mandatory tertiary education in 1993.

The note regarding the existing adviser with 10 years' experience capturing contemporary issues is short-sighted, as I assume refers to the GFC. Interestingly adviser registered during and throughout 2019/20 would have experience the Covid downturn, which was similar in magnitude to the GFC.

In saying this, I do acknowledge the difficulty that the government, in consultation with treasury have in implementing a final recommendation.

#### Responses to Questions.

- 1. Is the proposed window for determining 10 years' experience (between 1 January 2004 and 1 January 2019) appropriate? If not, what alternative period could be considered?**

Refer to my notes above, I believe the period from the original promise/statement should capture the time period once the original government promise was made.

- 2. If required (for example, due to an audit of their eligibility), how can advisers prove they have 10 years' full-time equivalent experience?**

As per registration on the FAR.

- 3. Are the proposed sources for determining a clean record appropriate? Why/why not?**

Not sure. I think its as good as it can be without spending too much time and effort on it.

- 4. What other sources could advisers rely on to indicate that they have a clean record?**

Again, not really sure. It may be too subjective if you leave it up to advisers.

**5. If required, what evidence can advisers rely on to prove they have a clean record?**

Refer to point above.

**6. What threshold should be adopted to identify whether conduct is minor, trivial, and isolated?**

I think if disciplinary action was required on an individual then the should be final.

**7. Is the non-time limited clean record requirement appropriate? If not, for what period should an adviser be expected to maintain a clean record to access this pathway?**

I'm not really in a position to comment of this.

**8. What should self-declaration of eligibility require? For example, should an adviser have to make a statutory declaration?**

No, this should be determined by a governing body only, not a professional body such as the AFA or FPA.

**9. Are new tools required to specifically deal with advisers accessing the experienced pathway whose future conduct amounts to misconduct? Why/why not?**

Yes, as its too convolute now.

**10. For existing advisers not eligible for the experienced pathway but who have a foreign qualification at AQF 7 level or above, is it practical and appropriate for education providers or licensees to assess how these qualifications meet the education standard and what additional study may be required, rather than the Minister? Why/why not?**

Possibly. Again, appropriate bridging subjects should probably be used/required in these instances.

**11. . How many existing advisers do you expect to access the experienced pathway? How many of those have already started to undertake formal education to align with the current existing adviser requirements?**

I suspect 30-40%.

**12. . What else may be required to ensure an appropriate level of consumer protection is maintained and any potential harm is minimised?**

That these is a fully funded government peak body dealing with financial advisers.

**13. Would any further requirements be necessary for the experienced pathway to ensure the professionalisation of the industry is maintained?**

None specifically.