FINANCIAL ADVICE ASSOCIATION AUSTRALIA

Advice and Investment Branch
Retirement, Advice and Investment Division
Treasury
Langton Cres
Parkes ACT 2600

Email: FinancialAdvice@treasury.gov.au

3 May 2023

Dear Sir/Madam

Education standards for experienced financial planners/advisers and technical fixes for new entrants/tax agents

The Financial Advice Association of Australia[1] (FAAA) welcomes the opportunity to provide feedback on the draft legislation that would introduce into the law *Education standards for experienced financial planners/advisers and technical fixes for new entrants and tax agents*.

One of the core objectives of the FAAA is to promote high standards and support the professionalisation of the provision of financial advice.

We believe that at the time it was developed, the "FASEA" education standard was far too rigid and did not pay enough attention to the prior learning and experience of existing financial planners/advisers. There have been clear unintended consequences of this. Most notably, financial

[1] The Financial Advice Association of Australia (FAAA) was formed in April 2023, out of a merger of the Financial Planning Association of Australia Limited (FPA) and the Association of Financial Advisers Limited (AFA), two of Australia's largest and longest-standing associations of financial planners and advisers.
The FPA was a professional association formed in 1992 as a merger between The Australian Society of Investment and Financial Advisers and the International Association of Financial Planning. In 1999 the CFP Professional Education Program was launched. As Australia's largest professional association for financial planners, the FPA represented the interests of the public and (leading into the merger) over 10,000 members. Since its formation, the FPA worked towards changing the face of financial planning, from an industry to a profession that earned consumer confidence and trust, and advocated that better financial advice would positively influence the financial wellbeing of all Australians.
The AFA was a professional association for financial advisers that dated back to 1946 (existing in various forms and under various names). The AFA was a national membership entity that operated in each state of Australia and across the full spectrum of advice types. The AFA had a long history of advocating for the best interests of financial advisers and their clients, through working with the government, regulators and other stakeholders. The AFA had a long legacy of operating in the life insurance sector, however substantially broadened its member base over a number of decades. The AFA had a strong focus on promoting the value of advice and recognising award winning advisers over many years. The AFA had strong foundations in believing in advocacy for members and creating events and other opportunities to enable members to grow and share best practice.

planners/advisers registered on the ASIC Financial Advice Register (FAR) have declined by 45% since the peak of 28,914 four years ago.

The proposed introduction of an “experienced provider” pathway is a divisive issue within our membership, and the profession more broadly, with a large cohort of members who feel very passionately on both sides of the question. We surveyed FAAA members on the draft legislation with 1197 respondents. When asked if they would support the “experienced provider” pathway as proposed in the draft legislation, 50.9 percent of respondents were supportive and 49.1 percent said they were not in favour of the pathway as drafted. However, of the 576 member respondents who indicated that they would rely on the “experienced provider” pathway if legislated, many are highly qualified with 73.1 percent currently holding a bachelor or higher degree or professional designation.

A key factor influencing member sentiment about this proposal is the timing of its introduction. The transition period by which time existing planners/advisers must have completed an approved qualification, commenced more than four years ago on 1 January 2019. Many existing financial planners/advisers, whose qualifications were not recognised by FASEA, have undertaken study during this period. Hence, some members feel aggrieved that they have invested substantial time and money in completing qualifications that now might not be required.

The previous education standard – ASIC’s *Regulatory Guide 146: Licensing: Training of financial product advisers* (RG146) – plays an equally influencing role. There is concern that some may still rely on the historic ability to be authorised to provide financial advice to retail clients by being “RG146 compliant”. There are many who question whether this is an appropriate level of education, and if it will impact consumer confidence in the profession.

Competency is key to professionalism and is a core value and standard of the legislated Code of Ethics.

The FAAA is disappointed the government did not act on our previous recommendation of a competency-based experience pathway for “existing providers”. We felt that this proposal offered a balance of greater recognition of qualifications completed by senior financial planners/advisers and their experience in providing financial advice to retail clients.

Given these issues and risks, there is significant member concern about the unlimited application of the draft legislation and lack of a sunset clause for this measure.

Significantly, 78.6 percent of FAAA members who responded to our survey indicated they would support an “experienced provider” pathway if changes were made to the requirements in the draft legislation. The FAAA recommendations and policy positions provided in this submission are based on our members’ feedback and call for changes to the proposed legislation.

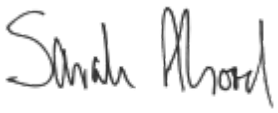
The FAAA would support an “experienced provider” pathway that included:

- A sunset clause
- A requirement to complete an approved ethics course on the new Code of Ethics
- Greater flexibility for long-term part-time financial planners/advisers (such as parents and carers)

The FPAA supports the proposals with respect to the technical fixes for new entrants and tax agents, and suggests that the flexibility be extended to existing advisers.

The FAAA would welcome the opportunity to discuss the issues raised in our submission in more detail. Please contact me on 02 9220 4500 should you have any questions.

Yours sincerely,



Sarah Abood
Chief Executive Officer
Financial Advice Association of Australia

FINANCIAL ADVICE ASSOCIATION AUSTRALIA

Education standards for experienced financial advisers and technical fixes for new entrants

Effective date:
3 May 2023

Submitted to:
Treasury

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FEEDBACK ON DRAFT LEGISLATION

Terms

The draft legislation requires ASIC to disclose on the FAR that the relevant provider has met the education standards via the "experienced provider" pathway (s1684AA(8)). One of the objectives of the FAR is to provide a 'source of truth' register for consumers to verify the credentials of financial planners/advisers.

The FAAA is concerned that "relevant provider" and "experienced provider" are terms consumers would not understand or interpret as per the definitions within the law.

For example, would a consumer consider a financial planner/adviser who is not registered as an "experienced provider" (i.e. "relevant providers") as being inexperienced? Would a consumer understand that "experienced providers" had not completed a course approved under the education standard; or that a "relevant provider" has completed an "approved course"?

38.5 percent of FAAA member survey respondents with 20 or more years of experience in providing financial advice, indicated they would *not* rely on the experienced provider pathway. Of the 576 members who said that they *would* rely on the "experienced provider" pathway if legislated, 73.1 percent currently hold a bachelor's or higher degree or professional designation.

The use of the terms "experienced provider" and "relevant provider" will likely confuse consumers and undermine the Australian public's perception of the education standards by creating two classes of financial planners/advisers. We understand the intention of disclosing the pathway relied upon by the individual, however, we believe that there is more risk of consumer misunderstanding than consumer benefit.

The introduction of an "experienced provider" pathway is a divisive issue within the profession. Labelling providers on the FAR based on the pathway relied upon to meet the education standard risks creating two classes of financial planners/advisers and the potential for discrimination both from consumers and peers.

The legislation should facilitate the cultural change needed to address this division and allow "existing advisers" to choose this pathway. It would be detrimental to the profession to require the publication of the education pathway relied upon by a financial planner/adviser on the FAR.

The FAAA recommends that there is no distinction disclosed on the FAR for the difference between "experienced providers" and "relevant providers".

Meaning and calculation of total days and experience

Item 3 of the draft legislation inserts a new definition of “experienced provider”.

> ***experienced provider****: a person is an experienced provider if:*
>
> *a) the person is an individual; and*
>
> *b) on a day within the period (the qualifying period) beginning on 1 January 2007 and ending on 31 December 2021, the person was, under this Act as in force on that day:*
>
> *i. a financial services licensee; or*
>
> *ii. an authorised representative of a financial services licensee; or*
>
> *iii. an employee or director of a financial services licensee; or*
>
> *iv. an employee or director of a related body corporate of a financial services licensee; and*
>
> *c) the person was, under this Act as in force on that day, authorised to provide personal advice to retail clients in relation to any financial product other than:*
>
> *i. a general insurance product; or*
>
> *ii. a consumer credit insurance product; or*
>
> *iii. for a day within the qualifying period that is on or after 1 July 2012—a basic banking product; and*
>
> *d) the person satisfies paragraphs (b) and (c) in relation to a total of at least 3,650 days within the qualifying period (whether consecutive or not)…*

That is, the “experienced provider” must have been authorised to provide personal financial advice to retail clients for a total of at least 3,650 days during the qualifying period.

Item 7 of the draft legislation states:

> *(2) For the purposes of subsection (1), the person may make a written declaration confirming the person:*
>
> *(a) has 10 years of experience providing financial advice with a clean disciplinary record; and*
>
> *(b) satisfies each paragraph of the definition of **experienced provider** in subsection 1684(1).*

Paragraph 1.10 of the draft Explanatory Memorandum refers to ‘fulltime equivalent experience’, which implies the requirement is based on days worked, not days authorised.

An 'experienced provider' is an individual who:

- *completed a minimum of 10 years fulltime equivalent experience as a financial adviser (need not be consecutive), during the period 1 January 2007 to 31 December 2021*

However, the Explanatory Memorandum references this paragraph to *Schedule #, item 3, section 1684 (definition of experienced provider) of Corporations Act*, which refers to "*a total of at least 3,650 days*".

This has created confusion as to whether the requirement for an "experienced provider", during the qualifying period, is to:

1. be authorised for at least 3,650 days - s1684(d); or
2. have a total of at least 3,650 days of experience – as per the reference note under paragraph 1.10 of the EM, which links to s1684 in the Bill, implying 3,650 days of experience is required; or
3. have 10 years' experience - s1684AA(2)(a); or
4. have both 3,650 days of authorisation and 10 years' experience.

While an individual is authorised for the entire duration of the authorisation period (including weekends, public holidays, personal leave and holidays) is straight forward, the calculation of '10 years fulltime equivalent experience' is more challenging.

As indicated by the Fair Work Act, each employment arrangement between an individual employee and an employer may be different[2]. There is no set standard for 'fulltime equivalence' in employment law. We suggest that the reference to '3,650 days' of experience is high and needs further consideration.

A flexible approach to determining fulltime equivalent experience is necessary to cater for the diversity of workforce participation in the financial advice profession, given there may be a variety of individual employment and working arrangements between each financial planner/adviser and their employer or licensee.

Calculating '10 years' experience' is more problematic for experienced financial planners/advisers who have worked part time during this period, such as those juggling career and caring responsibilities.

For example, a Certified Financial Planner® who was employed part time during the qualifying period of 1 January 2007 to 31 December 2021, was CFP® qualified, consistently maintained CPD, had an exemplary compliance record, worked full-time prior to 2007, and successfully passed the FASEA Exam, but had an employment arrangement to work 22.5 hours per week during the qualifying period, may not qualify.

[2] Section 20 of the Fair Work Act 2009

An FAAA member who responded to our survey on the draft legislation described how the parameters of the proposed “experienced provider” pathway would affect her:

> *I had a career break to have children right over the time proposed. I commenced in 1998 & went on maternity leave in 2005. I have been back planning full time since March 2013. Why the date 31 Dec 2021? It would make more sense to be 31 Dec 2025. I will be forced to go back to study as a 55 year old woman, who has teenage kids & elderly parents to look after. It is unfair as I did my qualifications before I started planning in 1998. I have never had a complaint made against me, let alone a disciplinary action.*

We have also received case study examples of members who have been employed and paid for part-time work during the “qualifying period” but worked regularly on non-workdays to satisfy the needs of clients and their employer. How would this be assessed and what would be required to demonstrate experience of the unpaid variety?

Some small licensees have enquired if the draft legislation creates any obligation for licensees (current or previous) to verify financial planner/adviser employment history.

Part-time financial planners/advisers provide a valid contribution to the Australian workforce and the profession and should be appropriately recognised. The monthly Labor Force Survey shows that 4,156,900 people were employed on a part-time basis in Australia as of February 2023.[3]

The definition of “experienced provider” in the draft legislation requires a person to be authorised/licensed "under this Act" to provide advice to retail clients. "Under this Act" implies the experience must be gained while authorised under Australian law and that, therefore, the draft legislation does not recognise experience providing financial advice in overseas jurisdictions. As highlight in our member survey:

> *Practicing as a financial adviser in another country, I have more than 10 years’ experience in the industry, however 6 years in South Africa and almost 9 years in Australia.*

This is contradictory to the education standard which includes recognition of foreign qualifications.

In a recent meeting with Treasury, we suggested clarifying the provisions relating to ‘3,650 days’ and ‘10 years’ experience’ in the legislation.

The FAAA suggests the above issues should be addressed and a clear description of the requirements should be included in the Explanatory Memorandum, with examples of the application of the provisions to both a full-time and part-time “existing adviser”.

The FAAA recommends:

- **consideration be given to including an approval process of experience gained in other jurisdictions;**
- **that it should be up to financial planner/adviser to make a declaration that they meet the '10 years' of experience' requirement; and**

- **that licensees be permitted to reasonably rely on the financial planner/adviser declaration.**

The definition of "experienced provider" in the draft legislation requires the person to be 'authorised' to provide personal financial advice to retail clients on what is defined in Section 910A as relevant financial products. However, the proposed experience requirement in s1684AA does not specifically stipulate the type of advice experience.

We note that paragraph 1.10 of the Explanatory Memorandum states the "experienced provider" must have "completed a minimum of 10 years fulltime equivalent experience as a financial adviser"; and paragraph 1.4 states that the term 'financial adviser' is used in the EM in reference to a 'relevant provider'. However, the term and requirements that providers of personal financial advice to retail clients must meet to be registered as a 'relevant provider' were only introduced in the Professional Standards bill in 2017, and became effective from 1 January 2019.

Hence, we suggest the legislation should be clearer as to the types of financial advice experience required to meet the "experienced provider" pathway.

The FAAA recommends s1684AA(2)(a) be amended to require the experience to be in the provision of personal financial advice to retail clients on relevant financial products, while maintaining an obligation for a clean disciplinary record across all financial services. For example:

> **(2) For the purposes of subsection(1), the person may make a written declaration confirming the person:**
>
> **(a) has 10 years of experience providing personal financial advice to retail clients with a clean disciplinary record;**

Clarification of these provisions would assist financial planners/advisers to determine if they meet the "experienced provider" pathway requirements.

Self-attestation and verification

Self-attestation supported by penalty provisions offers an appropriate mechanism for those wanting to rely on the “experienced provider” pathway.

Providing records of experience may be problematic for all financial planners/advisers relying on this pathway. For example, there may be instances where a previous licensee no longer exists, or historical employment records may not be available. Section 535(1) of the Fair Work Act requires employers to keep records of employees for 7 years. It is not feasible to expect financial planners/advisers to have retained records for such a long time, when they could not have expected a future obligation that they would have been required to prove years of full-time equivalent experience going back to 2007.

Similarly, ASIC Class Order [CO 14/923] sets record keeping requirements of 7 years for the provision of personal financial advice. This class order is relied upon by ASIC in the recently updated RG 78: Breach reporting by AFS licensees and credit licensees.

Section 14 of the ASIC Corporations and Credit (Reference Checking and Information Sharing Protocol) Instrument 2021/429 requires records to be kept for 5 years. Licensees must conduct background checks of potential authorised representatives under the Corporations Act and ASIC’s reference checking and information sharing protocol legislative instrument and guidance (INFO 257).

INFO 257 requires AFSLs to collect information about a prospective representative for the purpose of considering the prospective representative's suitability for employment or authorisation in relation to:

> *complying with the general conduct obligations of a licensee, which include taking steps to ensure that a licensee’s representatives comply with financial services laws or credit legislation and ensuring that representatives are adequately trained and competent to provide financial services or credit activities.*

The “experienced provider” draft legislation does not specify a requirement for a financial planner’s/adviser’s self-attestation to be verified. Item 7 of the draft legislation inserts a requirement on the ASFL to lodge a notice with ASIC that it has authorised the financial planner/adviser under the “experienced provider” pathway.

In a recent meeting with Treasury, representatives indicated the following policy intent of these obligations:

1. the obligation is on the financial planner/adviser to declare they meet the “experienced provider” requirements;
2. It is up to the licensee to decide if it requires more evidence and information beyond the written declaration provided by the financial planner/adviser in order to be satisfied to authorise the person;
3. That licensees should be allowed to accept the written declaration provided by the “experienced provider” on face value; and

4. the accountability is placed on the financial planner/adviser not to provide a false written declaration.

Should a licensee need to undertake further enquiries, in the context of inevitable issues with record keeping, they should be entitled to rely upon available documentation such as employment letters, historical references and authorisation letters.

Consistency in the information included in the written declaration would improve portability of the "experienced provider" meeting the pathway requirements.

The FAAA:

- **supports the requirement for the "experienced provider" to give to their licensee, a written declaration stating they meet the requirements of the "experienced provider" definition and pathway.**

- **recommends Treasury consider the provision of a proforma written declaration detailing information for inclusion.**

- **seeks clarity as to the interplay between the "experienced provider" declaration obligations and the ASIC Reference Checking Protocol.**

Career break

The transition period for meeting the education standard ends on 31 December 2025, by which time all "existing advisers" must meet the requirements to be registered as a "relevant provider" or they will lose their "existing adviser" status for the purposes of the education standard.

The draft legislation proposes a new pathway for "existing advisers" to meet the education standard based on experience providing financial advice to retail clients on relevant financial products.

The FAAA has received enquiries seeking clarification as to the ability of an "existing adviser" to rely on the "experienced provider" pathway if they are on a career break from providing financial advice to retail clients at the time the transition period ends on 31 December 2025, and a notice has not yet been lodged with ASIC to this effect prior to that date.

The FAAA requests clarification in the Explanatory Memorandum, of the application of the "experienced provider" pathway to those on a career break on 31 December 2025. This should be illustrated by including an example.

Disciplinary action

The draft legislation requires an "experienced provider" to have a clean record up to 31 December 2021. However, the "experienced provider" pathway is available for "existing advisers" until the end of the transition period for the education standard on 31 December 2025.

The FAAA has received feedback expressing concern about the consideration of possible disciplinary action after 31 December 2021. We note that the single disciplinary body for financial planners/advisers established by the Financial Sector Reform (Hayne Royal Commission Response—Better Advice) Act 2021, commenced on 1 January 2022. The penalties included in this Act and available to ASIC or the FSCP include disciplinary action relating to the registration of a financial planner/adviser.

This means that any disciplinary action relating to an “existing adviser” who may choose to rely on the “experienced provider” pathway, would be dealt with by the single disciplinary body and be detected by potential licensees under the ASIC reference checking protocol.

The FAAA supports this approach, as it simplifies the requirements and minimises the risk of duplication in the law.

Sunset limitation

In September 2022, the FPA, AFA and the JAWG proposed the “experienced provider” pathway should include a Sunset clause to end on 1 January 2032. This would mean that any financial planner/adviser who relied on an experience pathway and wished to continue to practice post this date would need to meet the education requirements for existing advisers and undertake further study.

Of the respondents to our survey on the draft legislation who opposed the pathway, 36.7 percent said they would support the legislation if a sunset clause was included. This would mean that in total, 68.9 percent of respondents would support the “experienced provider” pathway if a sunset clause were included. Member views include:

> *The sunset clause MUST be in place and mustn't be so broad as to allow individuals to practice for any extended periods. To progress to a profession we need to adapt - but I can appreciate that for those over 55, a sudden huge imposition of education isn't viable - if I were them I'd leave. I would propose keeping the "10 year experience" pathway, but cap those individuals that use it to 10 years of practicing at which point they must upskill or leave. If your intention is to be in the profession longer than 10 years from here, you can commit the time to study.*

While the FAAA still supports this position, we understand that this view is not supported by the government and note that the draft legislation proposes an unlimited “experienced provider” pathway. However, we wish to make it clear that the provision would have substantial support from the profession with the addition of a sunset clause.

Code of Ethics

The professional standards in the Corporations Act require existing providers to have qualifications of an approved degree or higher degree or equivalent, which under FASEA included completing a course on the legislated Code of Ethics. It is concerning that the draft legislation ignores this and essentially removes the Code of Ethics course requirement for the cohort of existing providers who rely on the “experienced provider” pathway.

Financial planners/advisers who may rely on the “experienced providers” pathway will have passed the exam and been required to undertake 9 hours of ethics CPD per year since 1 January 2019.

However, the Code of Ethics is the foundation of the professional standards. It introduced a new set of principles-based obligations, legally permitting reliance on a financial planners’/advisers’ professional judgement when providing personal advice to retail clients. Requiring all authorised representatives to undertake such a course would assist in normalising the expected professional behaviours in the Code and ensure a shared understanding of these behaviours across the profession.

32 percent of members who opposed this measure, indicated that they would support the “experienced provider” pathway if the draft legislation was amended to require the completion of a course on the legislated Code of Ethics. This would bring the total member support for this measure to 66.6 percent.

The FAAA continues to support a requirement for all individuals authorised to provide personal financial advice to retail clients to complete a course on the legislated Code of Ethics.

ADDRESSING KNOWN ISSUES FOR NEW ENTRANTS

The FAAA welcomes the proposed technical amendments to the Act which recognise the flexibility in the tertiary system for completing qualifications.

Under the draft legislation, in circumstances where a person’s academic transcript does not absolutely match the qualification and related conditions as detailed in the Corporations (Relevant Providers Degrees, Qualifications and Courses Standard) Determination, the person will have the ability to apply to the Minister for approval of the qualification.

This can occur if a person completes one or more units of a degree at an alternative education provider, or a student changes courses or universities during a degree, for example. It may also include situations where course codes have changed, or the person started the program before a certain nominated date. However, the intended learning outcomes of the degree listed in the Determination have been achieved.

As drafted, these changes would apply to “new entrants” only.

The FAAA has received feedback from “existing advisers” who have had their qualification declined by their licensee and told to undertake further study because the person’s academic transcript did not match word for word with the listing of the qualification in the Determination. This has been particularly problematic for individuals whose previous courses are no longer offered by the education provider, or the education provider has given credits for RPL, or units of study have changed over time.

This issue is particularly problematic for “existing advisers” given the changes in courses and education providers that have occurred over time as there have been incidents of licensees refusing to accept academic transcripts verifying their qualifications.

In circumstances where an “existing adviser’s” academic transcript does not match the listing of the qualification in the Determination, Licensees should be permitted to rely on a statement from the education provider confirming that an “existing adviser” has completed study equivalent to a course listed in the Determination. Education providers should be given the legal permission to endorse the education undertaken by “existing advisers” in these circumstances.

The draft legislation offers the ideal opportunity to address this issue for both “existing advisers” and “new entrants”. Allowing the approval of qualifications in these circumstances is appropriate and should apply fairly and equally to all financial planners/advisers:

- “existing advisers” – via licensee reliance on a statement and/or endorsement from the education provider; and
- “new entrants” – through the application for approval to the Minister.

This should be addressed in both the legislation and with examples for both “existing advisers” and new entrants” included in the Explanatory Memorandum. This would help to ensure all parties embrace the intent of the draft legislation to enable appropriate recognition of the study individuals have completed.

Consistency in the information to be included in the documentation from the education institution to the licensee, and the documentation required for an application for approval by the Minister under proposed s921GA(2)(b), would improve the efficiency of the system and effectiveness of the legislation. Each approval process should require an appropriate standardised form to be used.

The FAAA recommends the provisions in the draft legislation and the Explanatory Memorandum:

- **be extended to allow the approval of qualifications in circumstances where a person’s academic transcript does not absolutely match the qualification and related conditions as detailed in the Corporations (Relevant Providers Degrees, Qualifications and Courses Standard) Determination, to apply to all “existing advisers” and “new entrants”.**
- **be amended to legally permit licensees to accept a statement and/or endorsement from an education provider that the “existing adviser” has completed study equivalent to a course listed in the Determination.**
- **stipulate a standard template to be used, and supporting documentation to be required, for each of:**
    - **the approval by a licensee of an “existing adviser’s” study; and**
    - **for a “new entrant’s” application for approval to the Minister.**

Delegated authority

The FAAA notes paragraph 1.29 and 1.30 of the Explanatory Memorandum reference to the Minister's powers to delegate authority of the proposed course approval and the review mechanism.

> *1.29 The Ministerial power to approve or refuse equivalent domestic qualifications can be delegated to an officer of the Department under section 1345A of the Act.*
>
> *1.30 A decision by the Minister (or their delegate) to approve or refuse an application is subject to merits review under section 1317B of the Act.*

The FAAA supports the application of these provisions to this measure and requests consideration be given to expanding s1345A of the Act to include an appropriate financial advice entity or expert panel.

As previously discussed with Treasury, the Financial Planning Education Council (FPEC) was established for the purpose of addressing a gap in the availability of financial planning bachelor degree courses in Australia.

The FPEC is comprised of representatives from the higher education sector, financial planning practice, and professional associations. Prior to the establishment of the Financial Adviser Standards and Ethics Authority (FASEA), the FPEC was tasked with the responsibilities of defining a financial planning curriculum for degree qualifications and raising the standard of financial planning education in Australia. The FPEC developed a national Accreditation and Curriculum Framework for financial planning degrees that established an agreed foundation for financial planning qualifications and held responsibility for the accreditation of courses within the higher education environment. Under this framework, the FPEC approved 22 course providers and 47 courses from 2013.

When FASEA was established, the FPEC 'gifted' this financial planning curriculum and accreditation framework to FASEA to assist the Standards Body with its work.

The FPEC continues to drive the development of university-level financial planning programs through the provision of advice for universities undergoing accreditation; and supports structures within the university environment to build financial planning as a discipline by supporting research forums, research grants and by supporting the FAAA Academic Awards.

The FPEC's members (listed on the FAAA website[4]) are highly respected, qualified, and experienced individuals. This group offers a well-established expert panel for approving the study completed by both "existing advisers" and "new entrants".

However, there is also a need to address longer term systemic issues to ensure the financial planning body of knowledge and the curriculum for approved degrees is appropriately managed. Without appropriate management by experts in the field, there is a risk that the course curriculum and course requirements will stagnate. The FPEC's historic experience in

[4] https://faaa.au/financial-planning-education/financial-planning-education-council-fpec/

establishing and maintaining its framework highlighted the challenges in identifying and managing effective and efficient implementation to ensure the currency of the course curriculum and requirements.

Given these courses are now mandated entry requirements, it is in the interests of all Australians to ensure the ongoing quality and currency of financial advice courses is maintained.

The FAAA recommends the *Ministerial power to approve or refuse equivalent domestic qualifications can be delegated to an officer of the Department under section 1345A of the Act* be expanded to include an appropriate financial advice entity or expert panel.

ADDRESSING KNOWN ISSUES FOR QUALIFIED TAX RELEVANT PROVIDERS

The FAAA supports the provisions in the draft legislation that remove the unnecessary duplication of qualification requirements to provide tax (financial) advice services, for some financial advisers who are also qualified tax agents which was introduced by the Better Advice Act 2021.