



Model for improving education standards for the advice industry

- 1) Model must **not involve any limitation of liability**
- 2) Must **be independent of industry**, both in governance and physical location
- 3) Must **prioritise work on education and entry level standards** ie work on professional and ethical standards and approval of industry associations can be considered in later stages.

We prefer a **modified FPEC model**

Governance

Small skilled governing body made of a **balance of people with relevant stakeholder expertise**:

ie **not organisational representatives** but people with the skills to steer the council at the big picture level who understand the needs and interests of stakeholders ie consumers, industry and educators

Appointed by either the **Minister or an independent third party** with a brief to run an objective process eg recruitment agency or similar

Functions

Stage 1

- Minimum entry requirements for new advisers at degree level and set curriculum
- Structure and content of a supervised professional year for new advisers
- Structure, content and delivery of a national exam
- New standards and a recognition of prior learning framework for existing advisers
- Continuing professional development requirements for all advisers

Stage 2

- Setting a framework for approval of codes and approving codes against that framework



SUPERANNUATION CONSUMERS' Centre

Stage 3

- If desired setting a framework for approval of professional associations and approving associations against that framework

Funding, location and review

While we think funding of around \$4million a year is desirable a **minimum of \$2million** a year or \$100 per adviser on the register is essential. Government could contribute seed funding.

Secretariat must be independently located ie not with or next door to an industry association. It could for example be housed at ASIC.

External, independent review in three years overseen by ASIC

Register

Register could be **used to monitor compliance** with raised educational standards.

Only advisers who have passed the entry level requirements (ie the exam) can be Registered and only advisers who pass the RPL requirements can be registered after the RPL date.

Licensees should certify advisers have passed the supervised year.

Registration is part of the pathway to professionalism in that it attaches further obligations to individuals, which is at the heart of professionalism.

For more information please contact

Jenni Mack
[REDACTED]

Superannuation Consumers' Centre
ABN 34 163 636 566

Contact: [REDACTED] [REDACTED]