



Australian Government



Australian  
**Small Business and  
Family Enterprise**  
Ombudsman

27 April 2023

Advice and Investment Branch

Retirement, Advice and Investment Division

Treasury

Langton Cres

Parkes ACT 2600

via email: [FinancialAdvice@treasury.gov.au](mailto:FinancialAdvice@treasury.gov.au)

Dear Sir/Madam,

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

We welcome the Australian Government's continued commitment to ensure high-quality, affordable and accessible financial advice for Australians, and the opportunity to comment on the exposure draft legislation. We support the introduction of a transitional arrangement for experienced financial advisers to meet education and training standards as previously recommended by this office.<sup>1</sup> Striking an appropriate balance between flexibility and rigour in education requirements is imperative to maintaining high standards of advice and recognising exemplar advisers, while encouraging a dynamic financial advice sector.

**The government should consider requiring advisers under the transitional arrangement to complete additional hours of continuing professional development.** We acknowledge the need to appropriately recognise advisers' long-term experience and commitment to compliance obligations in lieu of tertiary education. However, the loosening of the education requirements as one of the four education and training conditions outlined in the Corporations Act risks disproportionately disadvantaging exemplar advisers and diluting the quality of advice.

Since additional requirements for standard two (exam) cannot reasonably be imposed, and standard three (experience) is already leveraged, we suggest that additional hours of continuing professional development be implemented through the existing development requirements in standard four to further strengthen the integrity of education standards for financial advisers.

Further, we support the technical flexibilities introduced by the bill to facilitate new entrants and financial advisers who are also registered tax agents.

Thank you for the opportunity to comment. If you would like to discuss this matter further, please contact Dianrong (Sophie) Li on 02 5114 6124 or at [Sophie.Li@asbfeo.gov.au](mailto:Sophie.Li@asbfeo.gov.au).

Yours sincerely

**The Hon. Bruce Billson**

Australian Small Business and Family Enterprise Ombudsman

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<sup>1</sup> ASBFEO, *Education Standards for Financial Advisers: Submission*, ASBFEO, 2022, viewed 26 April 2023.