



FINANCIAL  
SERVICES  
COUNCIL

# Corporations (Relevant Providers Degrees, Qualifications and Courses Standard) Determination 2019 Legislative instrument

Submission

December 2019



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## 1. About the Financial Services Council

The FSC is a leading peak body which sets mandatory Standards and develops policy for more than 100 member companies in one of Australia's largest industry sectors, financial services.

Our Full Members represent Australia's retail and wholesale funds management businesses, superannuation funds, life insurers, financial advisory networks and licensed trustee companies. Our Supporting Members represent the professional services firms such as ICT, consulting, accounting, legal, recruitment, actuarial and research houses.

The financial services industry is responsible for investing \$3 trillion on behalf of more than 15.6 million Australians. The pool of funds under management is larger than Australia's GDP and the capitalisation of the Australian Securities Exchange, and is the fourth largest pool of managed funds in the world.

## 2. General comments on the proposed legislative instrument

The FSC commends FASEA for expanding the Corporations (Relevant Providers Degrees, Qualifications and Courses Standard) Determination 2019 Legislative instrument. The inclusion of credits and references to what is considered degree “equivalent” study is very helpful.

The FSC also commends FASEA for providing clarification around the FASEA units of study and the associated course identification. Linking the FASEA Bridging Courses to the bridging course provided by Higher Education Providers is a welcome step.

### **Completed approved study to attain a professional designation and associated AQF Level**

The FSC notes the professional designations outlined within the Definitions of the Determination, and we refer to the FASEA Approved Recognition of Prior Learning List - September 2019. We note on Page Four of the FASEA Approved Recognition of Prior Learning List it is stated that FASEA assessed and approved the recognised Australian Qualifications Framework (**AQF**) Level of the against each Professional Designations.

Within the latest draft Determination 2019 there is no AQF level recognised for the professional designations and we seek clarification on this.

The education and training requirements have a substantial impact on our advisers who are determining and planning their education uplift. We require clear and concise information including underlying reasons, to make commercial decisions and to need to ensure we are providing our advisers with the correct guidance around their education pathway.

We would like this process to be more transparent and inclusive including engagement with the education providers. There needs to be transparency on the rationale behind the proposed updates and these should be thoroughly detailed in the Explanatory Statement.

### **Coding**

The FSC believes the instrument may place undue constraints on what is considered FASEA “approved” as the document is quite granular in nature. An example of this would be a course code being altered by a university at some point in time will require another legislative update.

As such the FSC recommends the legislative instrument simply states:

- the education provider;
- degree name (including any major) and the years that particular degree is considered “approved” e.g. LI#13 from Curtin University, LI#21 from Deakin University, LI#80 from Griffith University and/or LI#88C from Kaplan Professional.

FASEA has a rigorous and regular accreditation process in place for universities and higher education providers to become and remain accredited. On this basis the FSC questions the necessity of subject codes and subject titles being included.

FSC appreciates the note regarding *“paragraph 6(2)(a) not applying to this qualification as it includes an ethics unit of study”* against the recently approved Graduate Diploma qualifications, but questions why other “current” FASEA-approved degrees do not also have this note added (e.g. Bachelors degrees and Masters degrees). The FSC queries that where any “current” FASEA-approved qualification must have a FASEA approved ethics bridging subject within it, it would get FASEA approval.

The FSC recommends FASEA review the list of “current” degrees and add the 6(2)(a) note next to the appropriate degree entries as otherwise candidates will be incurring unnecessary expenses, effort and time for two FASEA approved ethics bridging subjects, which is an undesirable outcome.

### 3. Part 1 – Preliminary - Section “5 Definitions” (page 3 CFP entries)

Under section 5(3)(a)-(b) where the legislative instrument references credits for ‘Certified Financial Planner (CFP) study the text should not read “*completed all the following units of study*” as it was quite common for advisers with university qualifications to get exemptions from CFP2, CFP3, and CFP4. Rather the FSC recommends FASEA to update the wording to state “*completed and/or been awarded credit/exemptions from all the following units of study*”.

In addition, the FSC understands the name of some of the CFP units changed over time (see images in Appendix 1 as evidence). As such the FSC recommends FASEA replicates what is currently entered within its FASEA RPL Learning List table on page 4 (for all designations). This is shown below and is more pragmatic; yet upholds the high FASEA accreditation standards with recognising appropriate coursework to attain a designation.

FASEA has assessed and approved the following coursework:

Professional Association	Course	Recognised at AQF Level	Number of subjects	Number of credits
FPA	5 Unit CFP Program – commenced after 2003	8/9	5	2
FPA	CFP 1-4 Program – commenced after 1 July 1999 and before 31 December 2003	8	4	2

## 4. Part 2 – Approval of degrees and qualifications (Section 6)

The FSC commends FASEA for including this section in the determination, however, FSC recommends the following changes about “Note 1” under 6(2)(b):

- a. Update the title of the Central Queensland University degree (entry c in Note 1) from “Graduate Diploma *in* Financial Planning” to “Graduate Diploma of Financial Planning” as this aligns to their website (refer Appendix 2 images). While Central Queensland University (**CQU**) previously offered a Graduate Diploma of Financial Planning qualifications, we note there are none listed in the FASEA’s list approved causes. The FSC recommends FASEA contact CQU to ascertain if their previously offered Graduate Diploma of Financial Planning is appropriate for inclusion in the approved degree list (refer Appendix 2 for existing adviser’s transcripts who hold this degree).
- b. Remove Charles Sturt University LI#75A from the list (Entry d in Note 1). According to the entry on Page 50 of the Legislative Instrument there is no note regarding ethics and no explicit ethics subject listed. Alternatively, if the note is appropriate then it should be added to ‘LI#75A’ on Page 50 of the legislative instrument.
- c. Update the title of the Charles Sturt University degree (entry d in Note 1) from “Graduate Diploma *in* Financial Planning” to “Graduate Diploma of Financial Planning” as this aligns to their website (refer Appendix 2 images).
- d. Update the title of the Kaplan degree (entry f in Note 1) from “Graduate Diploma *in* Financial Planning” to “Graduate Diploma of Financial Planning” as this aligns to their website (refer appendix 2 images).
- e. Remove reference to Note 1 entry “(i) *University of New South Wales: Graduate Diploma of Financial Planning (item 98A)*” from the list in this section as LI#98A does not exist in Schedule 1. Alternatively, if appropriate add this qualification to the Schedule 1 of the Legislative Instrument.
- f. Consult with Western Sydney University to ensure LI#106C ethics subject is accurately reflected in the final legislative instrument. This is because in LI#106C it is called “201008 *Communications and Ethics for Financial Planners*” but in the WSU FASEA approved degree list the approved ethics bridging subject is titled “201037 *Ethics and Professionalism Financial Services*”. Alternatively, if WSU has two approved ethics units, then all sections of the legislative instrument (and FASEA documentation) should accurately reflect this fact.
- g. Consult with Western Sydney University to confirm if LI#106D should have the ethics note “paragraph 6(2)(a)” reference included. While the note states the degree contains an ethics unit, no explicit ethics subject appears to be listed in the LI#106D. Alternatively, if the note is accurate, the ethics unit should be added to the list of subjects listed in LI#106D.

- h. Update Note 1(l) UTS LI reference number to state “111”. This aligns it to the entry in the legislative instrument on Page 81. This note currently says “112” but that is the NSW TAFE entry. FASEA will likely need to revise this numbering if FASEA adopts the FSC alphabetical numbering recommendation below.
- i. Update Note 1(m) NSW TAFE LI reference number to state “112” as this aligns to the entry in the legislative instrument on Page 82. This note currently says “113” but that entry does not in fact exist. FASEA will need to revise this numbering if they adopt the FSC alphabetical numbering recommendation below.
- j. FSC notes Deakin University has a qualification listed at LI#77G (Graduate Diploma of Financial Planning) with the ethics 6(2)(a) note included. However, this LI#77G does not appear in Note 1. The FSC recommends that FASEA review the list to ascertain whether it should be added or alternatively have the note removed from the Schedule 1 portion of the legislative instrument.
- k. FSC recommends this ethics 6(2)(a) note be added to all current FASEA approved Bachelor, Graduate Diploma and Master qualifications. This is because the current note limits the reference to only Graduate Diplomas which isn’t accurate at all and limits the options for existing advisers to become 2024 FASEA compliant. FSC understands many Master of Financial Planning degrees also contain a FASEA approved ethics bridging unit so would expect to see the same note in those entries.

## 5. Part 3 – Existing providers: qualifications equivalent to the education and training standard

As mentioned above FSC commends FASEA for including this section in the determination, however, the FSC recommends the following five amendments and clarification:

- a. The bar graphs under “7 Summary of requirements” appears to be missing an entry for “FASEA Approved degrees”. The FSC recommends adding this to the section and the column titled “*must complete this number of additional units of study*” to be populated with a “1” bar graph.
- b. The bar graph under the heading “7 Summary of requirements”, has an error in entry 9 “*Non-relevant degree + 4 – 7 units or ADFP and professional study (1 credit)*” should have brackets added so it reads 9 “*Non-relevant degree + (4 – 7 units or ADFP) and professional study (1 credit)*”. In addition, the bar graph should read in a gap of 4 subjects (not 3) as this will then align to the text in “8 Determination” on Page 4 for Entry 9.
- c. The bar graphs under the heading “7 Summary of requirements”, appears to be missing an entry for “*Non-Relevant Degree + 4-7 units + an ADFP + (CIMA, CFA) (1 credit)*”. We seek clarification on how many additional units of study an existing adviser in this scenario must complete to achieve the education and training standard.
- d. Amend the wording in “*Column 3 must complete these courses or units of study...*” for entries 11, 12, 13, 14, 15, 16, 17, 18, 19 and 20 to state “*all of the following within a FASEA approved degree under Part 2*”. This will encourage existing advisers to not merely complete a Graduate Diploma (i.e. the minimum standard) but rather explore the potential to complete a FASEA approved Masters degree (i.e. higher standard) to meet the 2024 FASEA education requirements for which legislation has recently been introduced to Parliament.
- e. Amend the wording in “*Column 3 must complete these courses or units of study...*” for entry “21 *no degree and is not covered by another item in this table*” to state “*any FASEA approved degree under Part 2*”. As with the preceding recommendation, the FSC recommends FASEA gives flexibility in educational solutions and encourages higher than minimum standards to be adopted by existing advisers to achieve the professionalisation of financial advice the Government and industry both seek.

## 6. **Part 3 – Existing providers: qualifications equivalent to the education and training standard.**

The FSC is concerned with the process and the lack of reasons provided for the proposed updates to the Summary of Requirements and the Determination area of the document.

Within the proposed updates to the recognition of prior learning (**RPL**) for education undertaken to attain professional designations and the associated credits appropriate for the existing adviser pathways.

The FSC queries the process regarding the Summary of Requirements and Determination and the final number of additional units of study an existing adviser must complete to achieve the education and training standard. The details supporting these updates is not explained in the Explanatory Statement nor is there detailed reasoning behind these changes.

## 7. Schedule 1 – Degrees and Qualifications within the Legislative instrument (multiple errors in labelling 4th column for certain entries)

Several errors exist in the labelling of the fourth column of *Schedule 1 – Degrees and Qualification* section of the *Corporations (Relevant Providers Degrees, Qualifications and Courses Standard) Determination 2019* Legislative instrument. They are:

- a. Entry LI#19 currently reads (a), (c), (d), (e), (g), (h), (i), (j), (k). This should read (a) – (i).
- b. Entry LI#47 currently has two different entries for “(d)”. FASEA should delete one and/or relabel the remaining subject codes accurately.
- c. Entry LI#52 currently has no “(f)” entry in it as the “*BANK3009*” course code has been deleted from the 2018 version. FSC suggests FASEA relabels so it reads (a) – (k) for completeness and accuracy.
- d. Entry LI#53 currently has no “(e)” entry in it as the “*BANK3009*” course code has been deleted from the 2018 version. The FSC suggests FASEA relabels so it reads (a) – (j) for completeness and accuracy.
- e. Entry LI#80D currently has course codes next to it but FASEA’s list of approved courses for Griffith University have no course codes assigned to 4186 Graduate Diploma of Financial Planning. The FSC suggests FASEA consult with Griffith University to ensure the revised LI is accurate and complete.
- f. Entry LI#85 FSC notes Kaplan have an addition “*FPC006*” course title which should be reflected in the Legislative Instrument. That course code is “*FPC006 Tax Considerations in Financial Advice*”. This should be added to the existing “*FPC006 Tax and Commercial Law for Financial Planning*” entry as an alternative option. FASEA should clarify this and ensure the revised LI is accurate.
- g. Entry LI#97 has two different entries for “(g)”. FSC suggests FASEA deletes one and/or relabels the remaining subject codes accurately. The FSC also notes this entry is different from what appears on the FASEA list of approved courses for the University of New England with regard to a Masters degree in Financial Services. The FSC suggests FASEA consult with the University to ensure the revised LI is accurate and complete.
- h. Entries LI#106A, LI#106B and LI#110 have no course codes included in them. By contrast the Western Sydney University’s (**WSU**) subject list’s corresponding degree entries for three post-graduate qualifications do have course codes assigned to them. The FSC suggests FASEA consult with WSU to ensure the revised LI is accurate and complete.

## 8. Order of entries in Schedule 1 – Degrees and Qualifications within the Legislative instrument

### **Alphabetical order is preferred**

The FSC notes generally the order of entries in Schedule 1 is alphabetical (undergraduate degrees), followed by alphabetical (post graduate degrees) and supports this format. However, there are some deviations from this format in the proposed LI and the FSC seeks clarity as to why this is. For example, where it refers to NSW TAFE as the last entry (LI#112 in 2019) the FSC queries why this entry would not be added alphabetically to ensure consistency with the rest of the document format.

The same comment can apply to UTS (LI#111 in 2019) which should appear before Western Sydney University (if entered alphabetically). Compounding this confusion is the fact LI#111 from the 2018 determination (i.e. FINSIA – formally Securities Institute of Australia - Graduate Diploma of Financial Planning) is now LI#88C in the 2019 determination.

These movements make audit trails, file notes and AFSL record keeping open to human error, a scenario FASEA, as all parties would seek to avoid. The FSC respectfully requests FASEA keep any original numbering from the 2018 determination and like other entries in 2019 add a subsequent letter to the coding e.g. LI#106A, LI#106B.

### **Sequential numbers are preferred**

In addition, while the FSC understands the reasons for FASEA removing duplicate entries from 2018, the fact the 2019 determination appears to “skip” numbers could be confusing to a new reader of the document.

As such FSC suggests FASEA keep the numbering LI#1 – LI#112 and where an entry has been removed (e.g. LI#5, LI#7, LI#48, LI#62, LI#73, LI#93, LI#106) a note is added stating “no longer available” or “deliberately removed as is a duplicate of LI#XX”. This will ensure completeness and transparency regarding changes over time with respect to the legislative instrument.

### **Consistency with existing numbers is preferred**

The FSC recommends consistent numbering in the 2019 Determination, especially if a university or higher education provider already has an entry in the 2018 Determination. The FSC notes this has been done for some entries e.g. LI#59, LI#59A and LI#70A and LI#70B but not for others. For instance, Griffith University entries were numbered ‘LI#81+’ in the 2018 determination but in the 2019 determination they are a mix of LI#80A, LI#80B, LI#80C, LI#80D and LI#81, LI#82, LI#83 and LI#84. FSC recommends making the first four entries LI#81A, LI#81B, LI#81C, LI#81D to clarify this.

The same irregularity occurs again with Swinburne University (90A and 91 entries), University of Sunshine Coast (104A and 105), and University of South Australia entries which are a mix of 99 and 100 LI entries, USC entries (104 and 105 entries) and WSU (106 and 107 entries).

The FSC recommends consistency in numbering of a university or higher education provider entries for ease of referencing and consistency in the document formatting.

## 9. Attachment for 2019 LI Table of New Courses RPL and Updates

On Page 1 of the FASEA LI Table of New Courses RPL and Updates, the FSC recommends amending the following five university degree titles as follows:

- Central Queensland University – 71B Graduate Diploma in of Financial Planning
- Charles Sturt University – 75A Graduate Diploma in of Financial Planning
- Charles Sturt University – 75B Graduate Diploma in of Financial Planning
- Kaplan Higher Education – 88A Graduate Diploma in of Financial Planning
- Kaplan Higher Education – 88B Graduate Diploma in of Financial Planning

## 10. Conclusion

The FSC's members thank FASEA for the opportunity to input into the instrument and the professionalisation of financial advice that it encourages. The FSC can readily clarify any questions FASEA has relating to this submission.

## Appendix 1: CFP misalignment of course names and codes over time to what appears in the legislative instrument

Note different:

- names for CFP1 and CFP5 than what appears in the draft 2019 legislative instrument (image 1 and 2),
- CFP2 and CFP3 course titles (image 3) and
- course code of CFP1A, CFP2A, CFP3A, CFP4A (images 1 and 2).



### STATEMENT OF RESULTS

30 October 2019

Name:  
Student Number:

Unit	Name	Semester	Grade
AEPSM	Accredited Estate Planning Strategist (AEPS) Unit 2	2010-1	Distinction
CFP1A	Ethics, Professionalism and Practice	2005-1	Credit
CFP2A	Applied Strategies 1	2005-2	Credit
CFP3A	Applied Strategies 2	2006-1	Credit
CFP4A	Investment Strategies	2006-2	Credit
CFPC	CFPC Certification Assessment	2007-2	Pass
DFP1	Introduction to Financial Planning	2001-2	Pass



### STATEMENT OF RESULTS

7 August 2019

Name:  
Student Number:

Unit	Name	Semester	Grade
CFP1	Professionalism, Ethics and Compliance	2002-2	Credit
CFP2	Financial Planning Strategy Development 1	2003-1	Distinction
CFP3	Financial Planning Strategy Development 2	2003-1	Credit
CFP4	Practice Management	2003-2	Distinction
DFP1	Introduction to Financial Planning	2000-1	Distinction
DFP2	Risk Management and Insurance Planning	2000-2	Distinction
DFP27	Investment Planning Fundamentals	2000-2	Credit

## Appendix 2: Examples to support correction of titles

### Schedule 1 – FASEA New Approved Degree Courses

URL Links show that the course should be referred to as the Graduate Diploma of Financial Planning (i.e. update degree title to say “of Financial Planning” as these ones currently say “in Financial Planning”)



FINANCIAL ADVISER  
ASSOCIATION OF AUSTRALIA

#### STATEMENT OF RESULTS

24 June 2018

Name:  
Student Number:

Unit	Name	Mark/Max	Grade
CPPTA	Business, Professional and Financial Practice	60/100	Pass
CPPTA	Financial Management 1	60/100	Pass
CPPTA	Financial Management 2	60/100	Pass
CPPTA	Investment Management	60/100	Pass
CPPTA	Case Study - Financial Business Assessment	60/100	Pass
CPPTA	Introduction to Financial Planning	60/100	Pass
CPPTA	Advanced Financial Planning	60/100	Pass

### Table item 71B: Central Queensland University

NB: CQU previously offered Graduate Diploma of Financial Planning qualifications although it appears this is not listed in the CQU FASEA Approved degree.



The screenshot shows the CQU Australia website navigation bar with a search box and menu items: COURSES, STUDENT LIFE, INTERNATIONAL STUDENTS, RESEARCH, INDUSTRY AND PARTNERSHIPS, ABOUT US. Below the navigation is a banner image of hands typing on a laptop. The breadcrumb trail reads: Courses > Graduate Diploma of Financial Planning. On the right, there are icons for a folder, a share icon, and a star labeled 'SAVED COURSES'.

#### COURSES

FIND A COURSE

STUDY AREAS

STUDY LEVELS

FUTURE STUDENTS

STUDENT STORIES

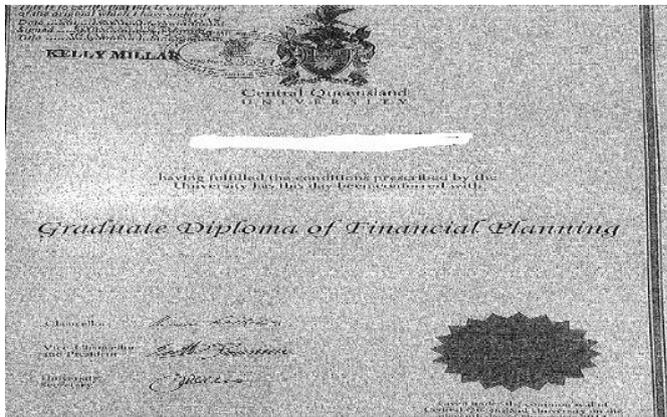
### GRADUATE DIPLOMA OF FINANCIAL PLANNING - CL65

Whether you are a practicing financial planner who needs to upskill to meet the new education standards or a new entrant to the financial planning profession, our Graduate Diploma of Financial Planning will allow you to satisfy the requirements of the Financial Adviser Standards and Ethics Authority (FASEA). Current CPA and FPA members choosing to study the Graduate Diploma of Financial Planning, or enrolling in the FASEA-approved bridging units are eligible to receive a 10% discount on tuition fees. As a CPA or FPA member, you can also receive the 10% discount if you are enrolling in eligible stand-alone units. You will find the list of eligible units in the course fees section below.

SOURCE: <https://www.cqu.edu.au/courses/graduate-diploma-of-financial-planning>.

**Table item 75B: Charles Sturt University**

The website for the current program is called “Graduate Diploma of Financial Planning” – see



SOURCE: <https://study.csu.edu.au/courses/business/graduate-diploma-financial-planning>

**Table item 88A: Kaplan**

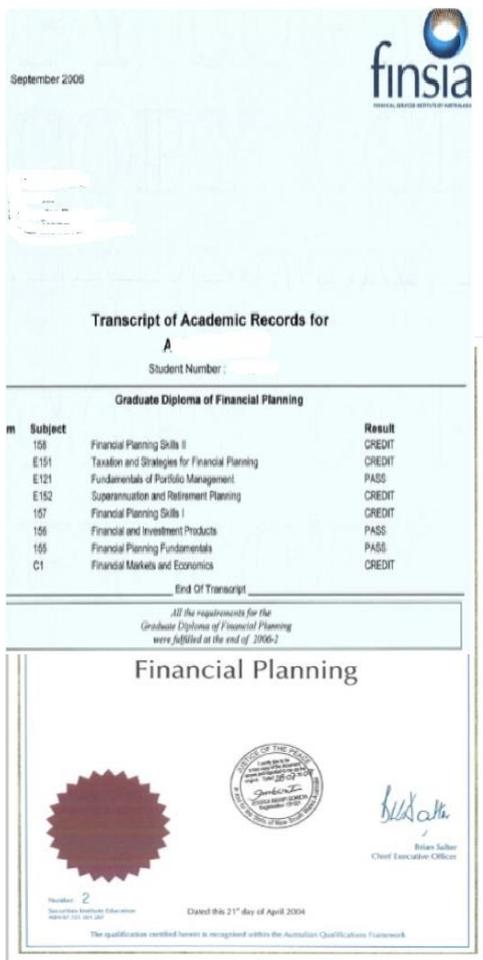


The flexible Graduate Diploma of Financial Planning from Charles Sturt University is accredited with FASEA so you can be sure you're gaining the qualification you need. You'll develop expert skills and knowledge in financial planning, while online learning means you can study at a time that suits you from almost anywhere in the world.

“FPC006 Tax Considerations in Financial Advice” should be added as a subject name and code to the list in column 4 for this entry.

**Table item 88C: Historical SIA/Finsia**

**Graduate Diploma of Financial Planning** (i.e. not Graduate Diploma “in” Financial Planning) – *update draft 2019 LI to reflect current 2018 LI (i.e. it’s currently correct and this amendment makes it incorrect if adopted)*. No current URL could be identified but three screen shots (refer to Page 10 of this submission) are provided as evidence from three adviser qualifications stating “Graduate Diploma **of** Financial Planning”. The title Graduate Diploma of Financial Planning also aligns to the FASEA Kaplan approved degree (and the current 2018 Degree LI).



September 2008

**finsia**  
FINANCIAL SERVICES COUNCIL

Transcript of Academic Records for  
**A**  
Student Number: \_\_\_\_\_

**Graduate Diploma of Financial Planning**

Subject	Result
158 Financial Planning Skills II	CREDIT
E151 Taxation and Strategies for Financial Planning	CREDIT
E121 Fundamentals of Portfolio Management	PASS
E152 Superannuation and Retirement Planning	CREDIT
157 Financial Planning Skills I	CREDIT
156 Financial and Investment Products	PASS
155 Financial Planning Fundamentals	PASS
C1 Financial Markets and Economics	CREDIT

End Of Transcript

All the requirements for the Graduate Diploma of Financial Planning were fulfilled at the end of 2006-2

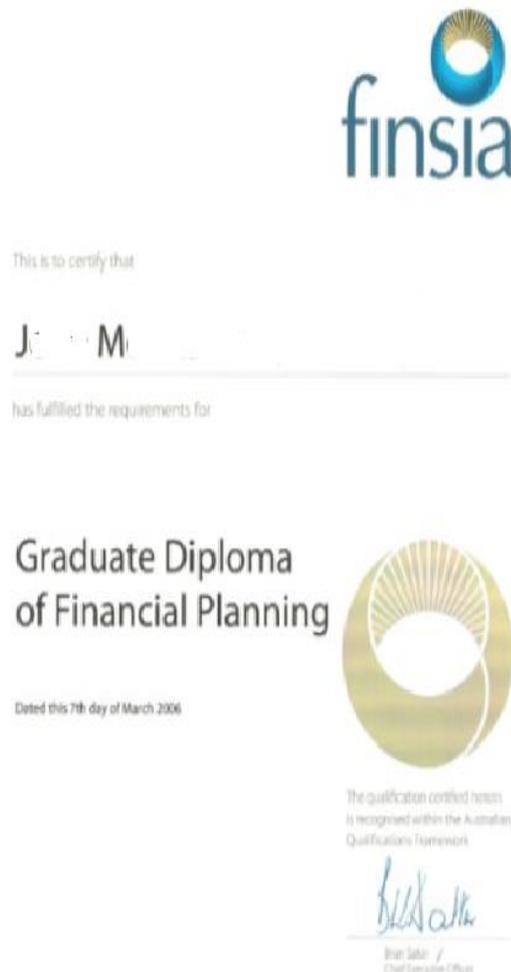
**Financial Planning**

Number: 2  
Number of Business Information: 2006-2

Dated this 21<sup>st</sup> day of April 2004

The qualification certified herein is recognised within the Australian Qualifications Framework

*[Signature]*  
Brian Salter  
Chief Executive Officer



**finsia**  
FINANCIAL SERVICES COUNCIL

This is to certify that

**J. M.**

has fulfilled the requirements for

**Graduate Diploma of Financial Planning**

Dated this 7<sup>th</sup> day of March 2006

The qualification certified herein is recognised within the Australian Qualifications Framework

*[Signature]*  
Brian Salter  
Chief Executive Officer