

New industry standards body: Design it well to ensure adviser education and consumers come first: Mentor Education, MD.

"The Government's proposed education and ethical standards body for financial advisers must be designed well to ensure adviser education and consumers come first", says MD of Mentor Education, Dr Mark Sinclair.

"The Government has just released a revised draft of legislation aimed at raising the Professional Standards of Financial Advisers. In it the Government has increased representation on the Professional Standards Body (PSB) from 7 to 9-persons, made it a Commonwealth company, and specified that the degree be a 'Bachelor's' degree - something that Mentor has been strongly advocating. The extra consumer advocate and educationalist on the board will be a plus, but only if the Minister appoints 9 high credentialed representatives", says Dr. Sinclair.

Says Dr. Sinclair, "The body must define robust and transparent academic and ethical requirements to provide consumers with confidence and improved trust in their advisers, thereby taking the sector to a higher level of professionalism."

Composition of the Professional Standards Body and how to de-risk it.

While the legislation's introduction has been delayed until after the election, some are concerned that it doesn't become an additional special interest group or engage in mission-creep and perhaps even overlap with ASIC's role in regulating the industry.

"These concerns are valid", says Dr Sinclair, "but with careful design and selection, can be overcome. Very strict and limited terms of reference on its role are required, especially in relation to ASIC and education providers to prevent suboptimal education standards."

"The PSB could also be de-risked by ensuring that the appointed educationalist has strong and relevant expertise in the design of tertiary degrees and training, to ensure that each of the 24-subjects in a Bachelor of Financial Planning Degree cover the education requirements needed by the adviser of the future."

"The Minister also needs to ensure that the three financial planners who become PSB directors are highly respected by their peers and have experience that reflects the full diversity of advice that a comprehensive financial planner may provide. That would go a long way to ensuring that the deliberations of the body translate into concrete and effective educational outcomes, says Dr. Sinclair.

“This is a once in a generation opportunity to ensure the financial planning sector garners a much needed boost in public confidence and sets in train the provision of the highest standards of quality of advice and professionalism.”

ENDS

About Mentor Education

Established in 2002 and headquartered in Melbourne, Mentor Education is Australia’s largest privately owned financial services training company. Mentor Education has educated over 15,000 thousand financial advisers. Employing 27 staff, the highly successful business specialises in the provision of professional and personal development training through face-to-face, distance education and interactive e-learning facilities.

Mentor Education courses lead to qualifications in financial planning, accounting, bookkeeping, mortgage broking and credit management. Specialist adviser courses are also provided as well as Continuous Professional Development technology and content. As a registered RTO, all Mentor Education qualifications are nationally recognised.

About Dr. Mark Sinclair.

Dr. Mark Sinclair is the Managing Director of Mentor Education.



*High resolution image
available on request*

Dr. Sinclair started providing financial services training in 2003 with a strong desire to provide high levels of student satisfaction and skill-based learning outcomes. This ‘student focus’ is a direct result of Mark’s doctoral studies, corporate advisory experience with AT Kearney and KPMG, and his time tutoring to the MBA program at RMIT.

During his career, Mark has advised senior executives at over 100 organisations in a broad range of industries throughout Australia, Southeast Asia and the Middle East including strategic assignment with the Commonwealth Bank of Australia, Department of Education, Telstra and the Reserve Bank of Indonesia

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