CONSULTATION PAPER 215: ASSESSMENT AND APPROVAL OF TRAINING COURSES FOR FINANCIAL PRODUCT ADVISERS

FEEDBACK FROM THE NATIONAL INSURANCE BROKERS ASSOCIATION

INTRODUCTION

NIBA College is an RTO and an authorised assessor with many years' experience in industry training. In this role we have undertaken:

1. Benchmarking of licensee courses against RG146 training standards for placement on the ASIC Training Register; and
2. Recognition of current competency assessments of experienced individual advisers primarily in the life and general insurance sectors.

B1 REPLACEMENT OF THE ASIC TRAINING REGISTER

B2Q1. NIBA agrees with the rationale outlined in CP215 that the ASIC Training Register did not benefit consumers directly.

B2Q2. It is of no real benefit to keep the old register in archive. NIBA's experience is that the main users of the register appeared to be the compliance officers in licensee firms that referred to it to check the nature of the course undertaken by a prospective new employee or authorised representative. However, over time, changes in the training package and the competency standards on which courses were based meant that these compliance officers found it difficult to interpret whether different iterations of the course delivered RG146 outcomes they sought.

B2Q3. NIBA's experience has been that licensees generally contact the training provider directly for guidance on "older" qualifications. Therefore, RTOs are generally in the position of providing information to licenses relating to whether the competency units covered in their courses have in the past met RG146 standards and how their current courses do so. As such, we do not foresee additional costs to the proposal for training users and providers.

B1Q4. As pointed out in CP215.23, the register did not provide guidance on key aspects of course quality. Mere inclusion of a course on the register was taken to mean that all courses were qualitatively similar. Without the register, licensees will need to review the suitability of a particular program for their advisers and their business and training providers will need to provide more detailed information to licensees to assist in decision making. NIBA considers this is likely to lead to benefits generally to licensees and their clients.

B2 GUIDANCE OF WRITTEN CERTIFICATION

B2.Q1 All RTOs currently rely on meeting RG146 requirements by including the ASIC advisory competency units in the current Financial Services Training within their modules of training. These competency units mirror the RG146 knowledge requirements but also cover skills training. RTOs that assess licensee courses for inclusion on the training register benchmark course content and outcomes against the competency units in order to issue individual students with a statement of attainment.

For an RTO, certification is simply a matter of advertising that the appropriate units are covered and then providing a statement of attainment/record of completion to the individual student on successful completion of the unit.

If this is the scope of the certification envisaged by ASIC then NIBA agrees that authorised assessors can issue this certification.

B2Q2 – 4 However, there are a number of practical issues that must be worked out by ASIC if certification is to work effectively:

1. If there are changes to RG146 there will need to be changes to the competency units in the training package. This is the most efficient way for RTOs to meet the certification requirement.

2. This goes hand in hand with the RTOs ability to deliver training outcomes that meet RG146 requirements and provide statement of attainment to individual learners.

3. The timing of the implementation of the certification requirement needs to take into account the time required for the appropriate skills council (IBSA) to adjust the competency units and for training bodies to upgrade their course content and assessment processes.

B2Q2. Currently, most RTOs that benchmark licensee training for inclusion on the ASIC training register must ensure that the licensees' course has similar learning outcomes as its own program. In order to issue a statement of attainment to those that complete the licensee's program, the RTO must have assessed the course against the relevant national competency standards. Formal arrangements must be in place to ensure the quality of the training meets other RTO compliance standards. This means that some monitoring system to ensure compliance with the arrangement is in place.

This is not an inexpensive process but some licensees are willing to undertake it because they wish to customise their training to enterprise needs while at the same time providing their representatives with a national training outcome that can be recognised within the broader training system.

This benchmarking is less efficient if the RG146 requirements are not linked to a national competency unit. There would be no RTO verification of learner skills and knowledge outside the enterprise and no portability of their training outcomes. This would be a disadvantage to learners and to licensees in the longer term.

B3Q. NIBA agrees that an RPL process must be in place for experienced overseas advisers. We question whether an arbitrary 50% RPL should apply as any RTO or SOA would normally undertake a thorough examination of past training to determine the extent of gap training required. We agree that the time factor for undertaking an assessment be dropped.

B4 As outlined above, for RTOs it would be preferable for the changes to RG146 to be incorporated into national competency units to allow for an efficient individual certification process.

FURTHER CONTACT

Please contact NIBA College for any clarification of the points made in this paper: