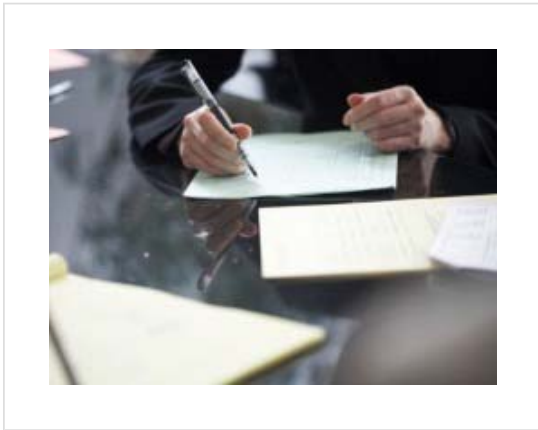


## ADIVSORS APPLAUD COALITION, BUT WONDER ABOUT TEETH

Steven Lamb / May 31, 2011



In an effort to stem the flow of non-certified financial planners in Canada, financial planning organizations have formed the Coalition for Professional Standards for Financial Planner to establish a common set of national standards.

The five members are the Canadian Institute of Financial Planners (CIFPs), The Financial Advisors Association of Canada (Advocis), Financial Planning Standards Council (FPSC), the Institute of Advanced Financial Planners (IAFP) and the Institut québécois de planification financière (IQPF).

The Coalition has developed a Statement of Principles stating any individual in Canada who holds themselves out to the public as a financial planner and/or claims to provide financial planning services must meet approved professional

standards related to education, experience, examination, ethics and professional duty of care, and be accountable to professional oversight.

Currently, financial planning credentials in Canada are voluntary, except in Quebec.

“Our profession needs a lot more standardization,” says Heather Holjevac, a senior financial planner with TriDelta Financial who has her CFP, CDFA and EPC designations. “Anyone can call themselves a financial planner.”

“This is long overdue,” says Bruce Cumming, president of Cumming and Cumming Wealth Management. “The organizations of which I am a member are finally acting in my interests.” Cumming holds nine professional designations and two university degrees.

Yet the Statement of Principles currently does not detail an enforcement mechanism.

“It still doesn’t have a lot of teeth,” says Ken Dulai, a CFP with the Ontario Civil Service Credit Union. “There’s nothing that restricts anyone that’s not part of these five bodies from calling themselves a planner.”

Greg Pollock, president and CEO of Advocis, says it has taken two and a half years for the coalition to develop the statement of principles, which he calls a “major first step.” Items for future discussion include transition

rules for practicing advisors without designations and a public register for all Canadian financial planners that includes their certifications and current standing.

Cumming is not optimistic about timelines.

“Sadly, it’ll be a situation of hurry up and wait,” he says. “Hopefully the regulators will agree so there’s some legal enforcement behind the term financial planner.”

And how that enforcement will play out is another question. Will the coalition be able to prevent the next Earl Jones?

“You could ask the same question about someone who holds themselves out as, say a medical doctor, yet doesn’t have a license to practice,” says Pollock. “[With this coalition], you’ll have all parties who have had responsibility for oversight speaking with one another and with one voice. That’s going to provide better quality assurance to the public.”

Holjevac agrees that enforcement is largely reliant on consumer education.

“It’s really only if someone makes a complaint that someone gets a slap on the wrist,” she says.

Learn more at [www.coalitionforprofessionalstandards.ca](http://www.coalitionforprofessionalstandards.ca).