

**From the Intransitive to the Transitive –
Emerging the Australian tax profession as a profession in its own right.**



**A project submitted to Middlesex University in partial fulfilment of
the requirements for the degree of**

Doctorate of Professional Studies by Public Works

**Ruth Ferraro M00500832
Institute for Work Based Learning
Middlesex University
Submission date:
27 June 2016**

TABLE OF CONTENTS

Acknowledgements	3
Abstract	5
Abbreviations	7
Chapter 1: Introduction	10
1. Context	10
2. Public Works	16
Chapter 2: Australia – the land of professional closure and regulatory arbitrage	28
1. Tax	30
2. Education	38
Vocational Education and Training (VET)	38
Higher Education (Qualifications from Diploma to PhD)	44
Education and migration confluence	45
Quaternary education – the sovereign territory of professional bodies	47
3. Financial services	48
4. Accounting	52
5. Legal practice	55
Chapter 3: The development of my ontological and epistemological stance	56
1. The reticent educator	57
2. My learning biography – prelude to Public Works	70
Chapter 4: Public works	83
1. Education	85
2. Ethics	91
3. Experience	93
4. Examination	95
5. Entity	97
Chapter 5: Conclusion	100
References	109
Appendices	114

Acknowledgements

I am not new to work based learning (WBL), both because this style of learning is inherent in today's workplaces and because I have gained a formal qualification in Work Based Learning (WBL): a Master of Business at the University of Technology (UTS) 2005, Sydney Australia. I thank Dr Nicholas Shipley, instigator of the WBL program at UTS and himself a Doctor of Professional Studies by Public Works of Middlesex University for making that program available in Australia and for encouraging me to undertake this further endeavour. Further I acknowledge Dr Julie Gustavs who was the program manager at the time I studied at UTS and remains a constant source of referral and support.

I would also like to acknowledge my consultant Allen Blewitt, professional educator at large, who as a recently retired CEO of a global accounting body, knew far more about the context of Australian accounting education, English language provision and professional associations, and the landscape in which my public works are situated than I would have thought reasonable to expect. I felt less alone for his early guidance delivered via his understanding and quantification of the pitfalls and challenges I have faced.

I thank the Middlesex University team, adviser Dr Margaret Volante and program coordinator Dr Kate Maguire, who assuaged many of the impediments to completion that my life threw in front of me and who have encouraged my reflections and positively challenged me. I am grateful for their teaching influence and for their efficiencies in streamlining my interactions from Australia studying via distance in the United Kingdom.

I would like to acknowledge Professor Dale Pinto CTA (Life), Chair of the Education Quality Assurance Board at The Tax Institute, for his 11 years of contributions, his phenomenal personal and professional generosity and his leadership. Dale's stewardship of the development of the tax education program while providing much tax technical advice and friendly wisdom as we were 'in the trenches' are met with my gratitude.

I also acknowledge Harry Rigney CTA, National Councillor (2003–2006) of The Tax Institute, who in the early years of establishing formal education at The Tax Institute, chaired the first Education Advisory Board, and who as helmsman steered a true course where my naiveté to all things tax would have left me adrift.

Sentiments of dedication and loyalty to my institution and employer and its members – The Tax Institute – must be expressed. A body of members almost eight decades old – an organisation that has provided service to so many tax professionals and to its embodiment in the Chief Executive Officer Noel Rowland. As my manager, Noel imagined a different organisation in 2005 and has overseen taking the Australian tax profession into new territories by engineering the arrival of the Chartered Tax Adviser designation in Australia.

Additionally I would like to dedicate this work to my greatest works - my three adult children who all their life have welcomed and supported my studies and professional activities not least for the distractions it afforded their 'helicopter mother'; to my late husband whose generosity allowed the time to devote to my professional life; and finally to my mother who knew me before I knew myself.

Abstract

Well-established professions determine their own pathways to professional status and bestow professional inclusion and privilege. Professionalisation is a transdisciplinary phenomenon, aptly studied through the lens of Institutional theory, which, at a societal level, Carillo and Zazzaro (2001) recognise has the power to influence economies and place controls on those who assume the mantle 'professional'. Importantly, professionalisation informs and influences lawmakers and regulators whose interest lies in consumer protection (Professional Standards Councils (PSC) and Professional Standards Australia (PSA)).

Education has an important role to play in professionalisation and in the creation and distribution of knowledge upon which professional skills are perfected, thereby shaping the professional entrant. However, not only does a profession need to have ownership of its Education, it must also have in place the other four (4) artefacts of the 'grand professions', namely the Elements (Es): Ethics, Experience, Examination and Entity (Professional Standards Councils Academic Model).

The education sector (predominantly universities) cannot achieve professionalisation in isolation from the associations that engage in an as-yet-unnamed quaternary sector (professional education), for it is only these bodies, as collections of like-minded professionals and champions of their respective skills, that achieve the necessary coalition of Education with the remaining four E elements.

In Australia, the tax profession has drawn membership from a bifurcated stream – hitherto neither fish nor fowl (neither completely accountant nor completely lawyer) – and consequently has had a delayed-at-best, confused-at-worst educational pathway, 'borrowing' from these distinct disciplines which are delivered in parallel faculties. Therefore, the tax profession has not enjoyed the delineation nor the specific licensure that it deserves. It is deserving because of its substantial body of knowledge and the positive individual and societal impact of good tax advice. Tax professionals have consequently had difficulty in finding a unified voice to proclaim tax as a profession in its own right.

The necessary educational, capability-building and regulatory governance expertise to differentiate the tax profession and provide that voice are reified here in the public works which have established a clear educational pathway and entity registration. While in 2005, The Tax Institute, my employing organisation fulfilled the 'Entity' requirement of the day, that requirement changed in 2009. Therefore modernisation, compliance with changing regulation and expansion to include educational registration were necessary.

The nature of the tax professional's work has also evolved during this time. Ethics and Experience became more explicit once the other three elements were developed. The pathway to become a tax professional has now been aligned to the regulatory frameworks which have recently evolved and that pathway has been future-proofed with an education program that anticipates the needs of the tax professional so that the

emergence of the tax profession, once an obscure concept, has crystallised.

These public works are therefore presented as the necessary catalyst to form a profession where my efforts were applied in converting the intransitive verb 'emerge' to the transitive, and the profession as 'emerged'.

Abbreviations

Full name	Abbreviation
Adult Migrant English Service	AMES
Accounting Professional and Ethical Standards Board	APESB
Areas of Learning	AsOL
Australian Capital Territory (a territory of Australia)	ACT
Australian Financial Services Licence	AFSL
Australian National Training Authority	ANTA
Australian Qualifications Framework	AQF
Australian Securities and Investments Commission	ASIC
Australian Skills Quality Authority	ASQA
Australian Taxation Office	ATO
Australian Tertiary Admission Rank	ATAR
Bachelor of Arts	BA
Certified Practising Accountants Australia	CPA Australia
Chartered Financial Analyst®	CFA®
Chartered Institute of Taxation	CIOT
Chartered Tax Adviser	CTA
Chief Executive Officer	CEO
Chief Financial Officer	CFO
Code of Professional Conduct	COPC
Consultation Paper 153 (ASIC)	CP 153
Council of Private Higher Education	COPHE
Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS)	CRICOS
Chartered Institute of Tax	CIOT

<i>Education Services for Overseas Students Act (2000)</i>	ESOS 2000
English as a Second Language	ESL
English for Specific Purposes	ESP
Financial Planning Association	FPA
<i>Financial Services Reform Act 2001</i>	FSRA 2001
Financial Services Training Package 2002	FNS02
Graduate Certificate	GradCert
Graduate Diploma	GradDip
Graduate Diploma of Applied Tax Law	GDATL
Higher Education Standards Framework	HESF
Higher Education Loan Program	HELP
Industry Training Advisory Board	ITAB
Institute of Chartered Accountants in Australia and New Zealand	ICAAANZ
Institute of Public Accountants	IPA
International Accounting Standards	IAS
International Financial Reporting Standards	IFRS
International Organization for Standardization (9000 or 9001)	ISO 9000 or 9001
Master of Business Work Based Learning	MBusWBL
National Finance and Investment Training Advisory Board	NFITAB
National Tax Liaison Group	NTLG
New South Wales (state of Australia)	NSW
Non-English speaking background	NESB
Policy Statement 146 (of FSRA 2001)	PS 146
Professional Standards Australia	PSA
Professional Standards Councils	PSC
Recognised Tax Agent Association	RTAA
Registered Higher Education Provider	RHEP
Registered Training Organisation	RTO
Regulatory Guide 146 (ASIC)	RG 146

Securities Institute of Australia	SIA
Securities Institute Education	SIE
Self-managed superannuation fund	SMSF
Skilled Occupations List	SOL
Standard Business Reporting	SBR
State Rail Authority	SRA
<i>Tax Agent Services Act 2009</i>	TASA 2009
Tax Agent Services Regulations 2009	TASR 2009
Tax Practitioners Board	TPB
Teaching English to Speakers of Other Languages	TESOL
Technical and Further Education	TAFE
Tertiary Education Quality Standards Agency	TEQSA
<i>Tertiary Education Quality Standards Agency Act 2011</i>	TEQSA Act 2011
<i>Training Guarantee (Administration) Act 1990</i>	TGAA 1990
University of Technology Sydney	UTS
Vocational Education and Training Advisory Board	VETAB
Vocational Education and Training	VET
Work Based Learning	WBL

Chapter 1: Introduction

When the winds of change blow, some people build walls others build windmills.

(Chinese proverb)

1. Context

As an executive employee and transdisciplinary educator to professions with over 11 years' service to Tax Institute (Institute), I have been in pole position to 'emerge' the tax profession as a profession in its own right. My experience across professional associations led me to surmise that those who work in tax in Australia are deserving of recognition for the body of knowledge they master and the expertise and skills they harness to perform as trusted advisers to their clients.

Tax revenue is central to the economy of any country as indicated in the following:

...a tax system is vital to any modern nation; it is a fundamental cornerstone of the nation's economic engine. It is the ability to raise tax revenue that underwrites the nation's credit, its ability to borrow and its currency. A well-functioning and efficient tax system promotes economic stability and prosperity, while a poorly functioning tax system can lead to bankruptcy and economic ruin.

(Cadesky, Hayes and Russell 2013, p. 18)

Having a self-assessment system as it does, Australia relies heavily on compliance with tax laws by taxpaying entities (individuals or other structures).

Over time, the financial affairs of individuals and corporations have become ever more sophisticated due to the Australian government's:

- highly engineered interplay between superannuation and investments, and
- the multinational giants of business operating in a disaggregated international tax environment.

Understanding the complexity of tax laws is beyond the ken of most individuals and some accountants, this in turn establishes the demand for the specialist professional skills of a tax adviser.

In the first five years of my time working with the Institute (2005–2009), I rationalised that mastering these tax adviser skills should provide professional privilege and propel tax professionals to band under a distinct profession. This was not the case during this period of time as tax professionals were loyal to their first

disciplines of accounting and law, and identified with those professions over the tax profession.

The review of standards for tax agents matured into legislation (*Tax Agent Services Act 2009*) (TASA 2009), and in recent times, the tax professional's skills – critical thinking, problem solving and judgement – are being tested more than ever with the globalisation and the digital disruption overlay on complex and conflicting tax laws. The tax professional is called upon on a daily basis to pioneer solutions for their clients. This makes the need for a profession of tax experts even more essential.

The tax profession in Australia, accessed via accounting and law education, has been further atomised into smaller segments according to the types of clients served, the nature of the professional's employment (employed or consultant) and whether they are implicated in delivering a tax agent service as defined in the TASA 2009.

The challenge that the tax professional of today faces is to navigate a knife's edge of ethics and tax morality – *paying to Caesar what is Caesar's* – all the while acting in the best interests of the client.

In 2005 I was completing a Master of Business with a capstone research project related to creating an ethical profession through education. This work concentrated on the individual professional and the intrinsic meaning of professionalism. This research was particularly driven by a need to establish the connection between the fiduciary duty a professional owes their client. In the literature I researched at that time I read about institutional theory. While this was of keen interest to me and set me on another path of discovery, at the same time it was not the focus of the work as I was focussed on the individual professional not the profession at large.

That research does however mark the launch point of both my work at The Tax Institute (commencing on 31 March 2005) and my privileged vantage point 'situated' as observer. It was not until 2009 that my 'scholarly self' became a 'producer as opposed to a collector' of data (Neumann and Neumann 2015).

My evolving interest in the study of professionalism in Australia, (unbeknownst to me at that time) was apace with the work of the Professional Standards Councils (PSC) who, in answer to the question *What is a profession?* produced descriptions of:

The historical view.

The academic view

The regulatory view

The associations' view¹

I have focussed on the academic view in this Context Statement to organise my work and to produce

¹ Professional Standards Councils: What is a profession? <http://www.psc.gov.au/what-is-a-profession> accessed 2 April 2017

meaningful and necessary (to emerging a profession) amalgam of public works. I conclude by measuring the work produced by 'my scholarly self' in how far the tax profession has emerged and how much more work needs to be done (and by whom) to become a profession in its own right.

The immensity of the body of knowledge and the level of skills required to perform well as a tax professional mean that the tax profession is deserving of the definition of a 'profession' as set out by the PSC:

A disciplined group of individuals who adhere to high ethical standards and uphold themselves to, and are accepted by, the public as possessing special knowledge and skills in a widely recognised, organised body of learning derived from education and training at a high level, and who are prepared to exercise this knowledge and these skills in the interests of others.

(PSC n.d.)

The central tenet I propose is that the tax profession has and will continue to make a valuable contribution to Australia's economic stability and prosperity and as a country member of the OECD's international community. Those who work in the profession deserve the privilege, power and status afforded a profession. It is my claim that the combined public works that have propelled the tax profession forward to gain an equal footing as other professions.

In Australia, up to 2009, the tax professional is not widely recognised by the consumer ('the public' cited above). The pathway to becoming a tax professional is tortuous and unclear. The tax profession as a career is not represented to those in final years of schooling. I concede that this plays out as an advantage in that it serves to ensure that tax professionals have at least (for the most part) a degree in a 'mostly' relevant discipline (either accounting or law) which underpins their later experience. However, the difficult nature of the work in tax and the wisdom required to design client solutions that comply with the prevailing law, warrant an education pathway that focusses on the exact subject matter required from the beginning of post-secondary studies.

Between 2005 and 2016, as an educator, I have proposed a different universe from the status quo. For the society and consumer to be appropriately served and the country's revenue base to support the fundamental works program of a well-resourced and administered country, the study program for tax is required immediately post school in the initial degree and then extended to postgraduate education – learn the body of knowledge and then apply that knowledge. In turn, this would have the effect of providing purpose-built graduate attributes and skills and would equip the most junior of tax advisers. This purpose-built education pathway approximating five years with two years of experience would be a minimum standard.

As with a medical doctor 100% accuracy and expertise is needed, tax professionals cannot get tax advice half right.

Education therefore is the starting point of my context statement as it was my public works, and it was thus the challenge which presented itself when I began working at The Tax Institute in 2005. At that time I was relatively naïve about those who work in tax and where the professional status lay. However, I quickly understood that tax does not start with numbers; it starts with words and ends in numbers (ie the resulting tax determination as a financial number) arrived at from its legal characterisation. It is the expert decision making and problem solving that warrant professional status.

The framework which was a clear beacon to set my course was afforded by Institutional theory² and the study of professionalisation currently being driven in Australia by the Professional Standards Councils whose 'academic view' of what constitutes a profession provides:

- Education
- Ethics
- Experience
- Examination
- Entity.

Competency-based training was previously poorly understood in practice and many examples of poor education and assessment – particularly in financial services education - resulted in a sector wide 'retesting' for those trained under this regime (CP153). I eschewed this style of course design in favour of the body of knowledge organised into learning outcomes with the applied skills taught by experienced practitioners. I attribute this approach to Develop A Curriculum (DACUM)³ and an adaptation of Biggs Constructive Curriculum Alignment. (Biggs, J. 2003).

The gap in tax education was practical and applied learning (education by professionals for professionals). Even though this is the essence and point of departure for my public works, in a way it was the easiest part to achieve. However, even if this course of action was successful, it alone would not be enough to 'emerge' the tax profession.

To steer a course to professional recognition for those who advised in tax was made even more difficult as it required those very professionals to disavow the effectiveness of their primary degree and to embrace the study of tax law. (We are, in essence, in the business of teaching tax and commercial law to accountants and teaching specialist tax law to lawyers.)

Strategically then, in addition to the work at hand of building a well-regarded, commercially successful, formal education program from a greenfield site, I understood that without a professional outcome, tied into privilege, power and a unique claim to a client base, the education program would not attract the numbers

² I thread this theoretical framework throughout this Context statement.

³ Develop A Curriculum, DACUM method relies on the experts to formulate the curriculum.

needed nor achieve my nascent goal of professionalisation for those working in tax advice. Even though the program would address the skills shortage that our member-employers reported – it was transactional. To make a meaningful difference we needed to differentiate the program to achieve a pathway to a designation. If not, the program would always be considered the poor cousin to university masters' qualifications, and more importantly, The Tax Institute would continue to be simply a discretionary membership attracting fewer and fewer to the professional activity of tax advice.

With Education came standards to be set and Examination to be designed. Later in the second pentad of my time at The Tax Institute I actively lobbied for my remit to include other E's, ie Experience, Ethics and Entity development, for example the registration of the Institute as a Recognised Tax Agent Association (RTAA) (2009-2010) and the preparation and mapping to prepare for licensing the Chartered Tax Adviser designation (2011-2012).

I also lobbied my CEO to allow me to take up role of establishing professional standards for tax professionals and my title expanded to General Manager, Education and Professional Standards early in 2013. In the interlude between 2005 and 2009, the *Tax Agent Services Act 2009* was drafted and proclaimed, signalling the completion of the review of tax agent services. This required the Institute to formulate (anew) and to strengthen its capability in Education, Ethics, Experience, Examination and Entity. The parameters of my context statement are therefore broadened to include these organising Elements and professionalisation artefacts as 'Public Works'.

As stated, the tax profession in Australia has not been seen as distinct from the accounting and law professions. I propose that by having socialised the concept of the tax profession as a profession in its own right and in creating these indicators of a profession, I illustrate how I have led and influenced to ensure the Institute has kept pace with the international tax professional communities of practice.

I have translated this professionalisation of tax advisers to the Australian context, changing the boundaries and recognition of this professional field (Frecknall-Hughes and McKerchar 2012). I believe my efforts are integral to the remit of The Tax Institute as it represents its 14,000 members and as the Institute enters the consolidation phase of licensing the Chartered Tax Adviser (CTA) designation. (The Chartered Institute of Taxation (CIOT) licensed the Institute to designate 'CTA' in May 2012 in Australia.)

I found that I needed to first resist the findings and guidance of institutional theory 'fear' (DiMaggio and Powell, 1983) in order to innovate and then return to the normative pressures to establish an area of professional practice *as a profession in its own right*. I posit that for tax to be seen as a profession, my public works in creating the elements of **Education, Examination, Experience, Ethics and Entity** have differentiated the profession from the accounting and law professions.

My public works have also been devoted to The Tax Institute (a 14,000 member body focused solely on tax)

creating its own Code of Professional Conduct, and I have undertaken the necessary works to bring this endeavour to the forefront at the Institute, arguing the case for the creation of the Institute's own code and the formation of a Professional Standards Committee.

In my claim I set out my part (and authorship) in identifying and creating these markers of a profession. I have worked this theme so that a group of people, immersed in the technical knowledge and professional practice, might reflect on the fact that they are representatives of a profession in its own right. This has progressed since 2006/7 (and as late as 2012) as a discussion from 'is there such a thing as a tax profession?' to 'there is a profession; it has its own body of knowledge and now we can define this profession'.

The motivation is not simply to create economic social and power reward nor to effect social mobility and improved status **alone** (Weber 1978, in Sanders 2010). Rather it is the protection of the body of knowledge and the skill base of those included, in the hope that raised knowledge and skills will improve and enhance the equity in the collection of revenues for the greater good of the Australian society and deliver on the taxpayer charter. It is this protection of standards that will meet the challenges of the global economy and the multinational companies' current attempts to erode the tax base and shift profits to other jurisdictions, (that is avoiding paying tax in the country in which it is arguably owed). The profession, it is hoped, will counter by behaving as a mature community of tax professionals maintaining global tax morality. It is the role of educators and associations as Entity-champions of professions and protectors of the body of knowledge to combat diminishing standards or inappropriate tax avoidance or evasion.

These instances of diminishing standards arise when regulators set low educational benchmarks or allow overly generous recognition or set less rigorous educational pathways (the characteristics of the financial planning sector's approach to education). A mature profession moves to self-regulate and raise standards and can therefore set itself apart (Sanders 2010).

2. Public Works

'The whole is greater than the sum of its parts.' (Aristotle)

My public works are proffered for examination to Middlesex University Work Based Learning Institute as they represent an 11-year period researching, conceptualising, socialising, creating and formalising by various accreditations a fertile environment to 'emerge' the profession. I posit that, without my express intent, this concept of professionalisation of tax advisers would not have occurred..

The public works presented in Chapter 4 are under 5 headings (the 5Es). They are best considered as an integrated whole as it is the accumulation of these works which achieve the emergence of the tax profession – the overarching public work.

I turn to the language of business to elucidate the interrelationship of the 5Es framework as the **tactics** and the emergence of the tax profession as the **strategy**. The tactical outputs under each heading are the tangible the overarching public work the ephemeral. Therefore the public works are the evidential artefacts to indicate that a profession has emerged.

On commencing my work at The Tax Institute in 2005 I was completing my Master of Business with a research project on financial planners and professionalism. This research had led me to institutional theory. The theorists di Maggio and Powell (1983), and Carillo and Zazzaro (2001) in the main, heightened my awareness of institutional isomorphism. These theorists described and explained the phenomenon of professionalism and provided insights to an historical account of how the professional landscape in Australia had come to this point

Because this Context Statement concerns itself with establishing:

- how I have used my knowledge and understanding of this complex area
- coalesced my cognitive and practical skills
- achieved new value
- demonstrated my leadership and
- impacted the professional landscape

the claims I set out are necessarily grounded in my account of the outcomes – the authenticity of my practice.

The emergence of the tax profession would have remained ephemeral and intangible were it not for these public works and their reification effect on the emergence of the profession. The public works are also emblematic of my own evolution over 11 years converting the retrospective theoretical explanation of my work environment into an opportunity I identified and seized to engineer the emergence of the profession. The public works are therefore evidence of theory applied – the 'praxis' of the professionalisation of the tax

practitioner community. They are the necessary 'parts of the whole'.

It was not until 2015 when I interacted with the thesis and professional outputs of my contemporary Dr Deen Sanders, then Chief Professional Officer of the FPA (Sanders, D. 2010) and later his influence as Chief Executive Officer of the Professional Standards Councils that I was exposed to the 'academic model' of 5Es - 5 themes of Education, Experience, Examination, Ethics and Entity. Up until that time I understood the importance of these artefacts from an operational level but did not see their direct tactical linkage to the strategic goal I had set myself and of making meaning of my work.

My myopia was remedied over time – as the tax profession was emerging so too was my professional enlightenment and sophistication from course architect to engineer of professionalisation.

Survival of The Tax Institute relied on a successful education program. Work at hand was to build an education function that was worthy of the reputation and brand of The Tax Institute. That was the task for which I was employed.

The following figure (Figure 1) displays the global chronology of the public works within the time boundaries of regulatory and organisational events and it demonstrates that there are two main phases of maturation. The first five years I was immersed in tactical 'busyness' - establishing The Tax Institute as an education provider and where recognition of the tax profession was at embryonic stage. This figure is the backdrop of the public works. Table 1 (following) sets out the public works in the thematics of the 5Es in their chronology. Table 2 identifies the public works and the claimed impact, however it is Figure 2 (later at page 24) which properly depicts and signposts the public works against the reality of disruption and competing regulatory forces. It depicts the 5 Es in relation to each other and the contribution of each sinuous thematic and tactical line towards achieving the strategic goal across the timeline 2005 – 2015. The intangible public work – that of an emerging tax profession - is depicted as the right vertical axis from a left corner baseline of an unformed question: *Is there such a thing as a tax profession?*

Figure 1: Timeline of major events in public works

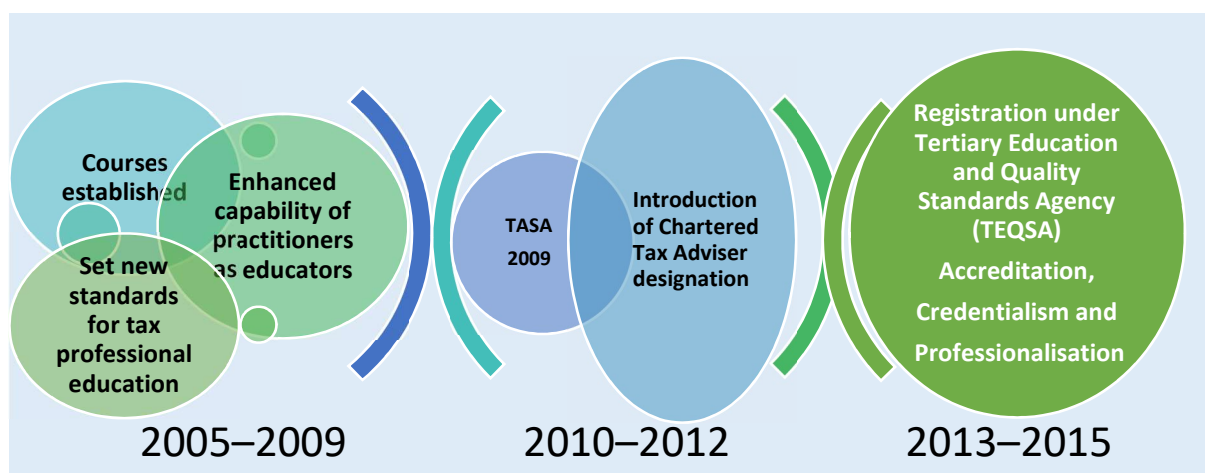


Table 1: sets out the thematics and chronology of public works during this 11-year period.

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Education		1 UNSW exemption							3 Course Design	1. GDATL	6 Dept of Human Services registration
									2 Scholarship		
									4 Proposal to accredit a course		
										5 TPB Discretion	
9 Financial success											
Ethics									10 Prof Stds Committee	11 Funding grant from PSC	
Experience						13 Course policies			1 Course design		
Examination		14 CTA Exam				16 Comparative framework			15 Assessment framework		
Entity		8 Exemptions				18 RTAA application	19 provider status	21 By Laws	17 Registration		12 Committee structure
						20 TASA Roadshows					

Table 2: Identification of Public Works

Selected works	Public Impact	My role	Evidence/output
<p>1. Education - Creation of an Education program and pathway to professional practice:</p>	<p>1.1. Over 1,500 individual enrolments in courses to access membership per annum.</p> <p>1.2. Tax professionals have an educational pathway to establish their career.</p> <p>1.3. Secured a Big 4 Client to convert their internal L&D function.</p> <p>1.4. Thought leadership on educational design with other Tax Institutes (Shared with Irish, Malaysian and Sth African Institutes) and other professional associations in Australia.</p> <p>1.5. Tax curriculum partner to other professional bodies. (25,000 students of another professional association accessing tax study materials prepared by The Tax Institute). Signed non-disclosure does not permit direct evidence of successful agreement.</p>	<p>Consultation and design principles within an educational framework with parallels. Exploited opportunity of a greenfields educational business to represent important organic growth in membership which is now identified as the future of the Institute.</p> <p>Negotiated, designed, liaised secured under contract.</p> <p>Created an expert panel of authors and writers and providing professional development to authors to create instructional design and curriculum development expertise.</p> <p>Established a Special Interest Group for educational roles in professional associations.</p> <p>Identified and negotiated opportunities with other providers of tax education – Memoranda Of Understanding and Agreements in place.</p> <p>Directed the repurposing and curation of content to the continuing professional development business to create off-the-shelf courses.</p>	<p>Created both capacity and capability for The Tax Institute as an education provider in the Australian education landscape.</p> <p>PUBLIC WORK 1: CREATION OF THE GRADUATE DIPLOMA OF APPLIED TAX LAW</p> <p>PUBLIC WORK 2: SCHOLARSHIP</p> <p>PUBLIC WORK 3: COURSE DESIGN</p> <p>PUBLIC WORK 4: PROPOSAL TO ACCREDIT A COURSE</p> <p>PUBLIC WORK 5: SERIES OF EMAILS TO MEETING PROPOSAL FOR TPB DISCRETION</p> <p>PUBLIC WORK 6: DEPARTMENT OF HUMAN SERVICES REGISTRATION</p> <p>PUBLIC WORK 7: VIDEO OF LAUNCH OF GRADUATE DIPLOMA OF APPLIED TAX LAW</p> <p>PUBLIC WORK 8: SUBMISSION TO UNSW FOR EXEMPTION (COLLATED EVIDENCE)</p> <p>PUBLIC WORK 9: FINANCIAL SUCCESS</p> <p>PUBLIC WORK 10: ESTABLISHING A PROFESSIONAL STANDARDS COMMITTEE AND CODE OF PROFESSIONAL CONDUCT - PAPER TO NATIONAL MEMBERSHIP SERVICES COMMITTEE</p> <p>PUBLIC WORK 11: FUNDING GRANT FROM PROFESSIONAL STANDARDS COUNCILS</p> <p>PUBLIC WORK 12: COMMITTEE STRUCTURE TO</p>

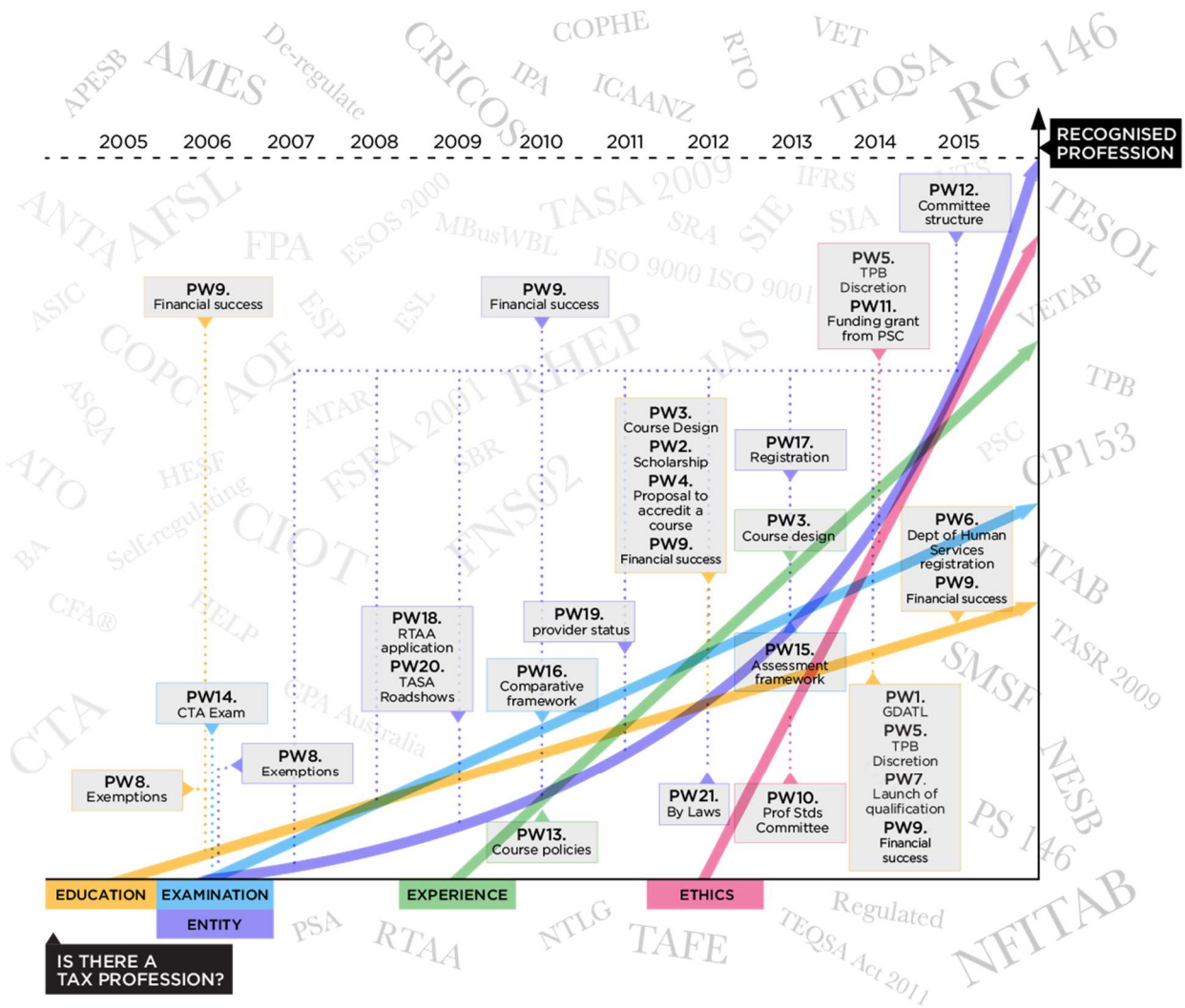
Selected works	Public Impact	My role	Evidence/output
	<p>1.6. Australian tax professionals can now access an international designation. The Tax Institute is positioned as a worthy credentialler of the international Chartered Tax Adviser designation and universalising the tax professional's experience.</p>	<p>Designed pathway to membership of the Institute and to registration/certification</p>	<p>MANAGE ALL ELEMENTS: EDUCATION, ETHICS EXAMINATION, EXPERIENCE, ENTITY AND MEMBERSHIP PROFILE OF COMMITTEES</p> <p>PUBLIC WORK 13: COURSE POLICIES</p> <p>PUBLIC WORK 14: CHARTERED TAX ADVISER EXAM</p> <p>PUBLIC WORK 15: ASSESSMENT FRAMEWORK FOR GRADUATE DIPLOMA (SEE PUBLIC WORK 3 COURSE DESIGN)</p> <p>PUBLIC WORK 16: COMPARATIVE FRAMEWORK FOR LICENSING THE CHARTERED TAX ADVISER DESIGNATION</p> <p>PUBLIC WORK 17: REGISTRATION DOCUMENT TO TEQSA</p> <p>PUBLIC WORK 18: RECOGNISED TAX AGENT ASSOCIATION APPLICATION TO TAX PRACTITIONERS BOARD</p> <p>PUBLIC WORK 19: TPB COURSE PROVIDER STATUS</p> <p>PUBLIC WORK 20: <i>TAX AGENT SERVICES ACT 2009</i> ROADSHOWS</p> <p>PUBLIC WORK 21: BY-LAWS</p>
<p>2. Accreditation of a course of study to enable a well-articulated career pathway.</p>	<p>2.1 Those choosing tax as a career can access formal qualifications focussed entirely on the subject matter, tax laws and tax effect accounting as a pathway. (Estimated to be over 1,000 graduates per year).</p>	<p>Accreditation of a course of study</p> <p>The education program created in 2005 continues to make a viable financial contribution to The Tax Institute and is a highly sought after program with over 1000 students each year. Providing a</p>	<p>PUBLIC WORK 5: SERIES OF EMAILS TO MEETING PROPOSAL FOR TPB DISCRETION</p> <p>PUBLIC WORK 14: CHARTERED TAX ADVISER EXAM</p> <p>PUBLIC WORK 15: ASSESSMENT FRAMEWORK FOR GRADUATE DIPLOMA (SEE PUBLIC WORK 3</p>

Selected works	Public Impact	My role	Evidence/output
		<p>'cradle to grave' education pathway to practise in tax.</p> <p>Interpreted the Australian higher education Act for its application to The Tax Institute's programs.</p> <p>Advised directors of the National Council on implications of accreditation.</p> <p>Quantified the financial, structural and business continuity requirements for the Institute.</p> <p>Designed the structure of a 12 unit Graduate Diploma of Applied Tax Law and drew consultation from leaders of the profession.</p> <p>Futureproofed the award to create new markets by interpreting the direction of the <i>Tax Agent Services Act 2009</i>.</p> <p>Inclusion of commercial law subjects.</p>	<p>COURSE DESIGN)</p> <p>PUBLIC WORK 16: COMPARATIVE FRAMEWORK FOR LICENSING THE CHARTERED TAX ADVISER DESIGNATION</p> <p>PUBLIC WORK 19: TPB COURSE PROVIDER STATUS</p> <p>PUBLIC WORK 21: BY-LAWS</p>
<p>3. Experience, capacity and capability:</p> <p>3.1. Individual members & profession</p> <p>3.2. The Tax Institute</p>	<p>3.1.1 7,000 members were recognised as Chartered Tax Advisers</p>	<p>Creation of framework (experience and educational qualification pre-requisites)</p> <p>Across a highly fragmented and diverse area of practice – a common framework has been established to quantify experience of applicants to membership and education courses. This framework was also applied to the recognition of membership process in 2012 where approximately 7,000 members converted to Chartered Tax Adviser designation. Training of teams to</p>	<p>PUBLIC WORK 9: FINANCIAL SUCCESS</p> <p>PUBLIC WORK 10: ESTABLISHING A PROFESSIONAL STANDARDS COMMITTEE AND CODE OF PROFESSIONAL CONDUCT - PAPER TO NATIONAL MEMBERSHIP SERVICES COMMITTEE</p> <p>PUBLIC WORK 11: FUNDING GRANT FROM PROFESSIONAL STANDARDS COUNCILS</p> <p>PUBLIC WORK 12: COMMITTEE STRUCTURE TO MANAGE ALL ELEMENTS: EDUCATION, ETHICS EXAMINATION, EXPERIENCE, ENTITY AND</p>

Selected works	Public Impact	My role	Evidence/output
		<p>respond to enquiries</p> <p>Authored the mutual recognition framework for non-Australian jurisdictions.</p> <p>The Tax Institute's education program provides the 'machinery' to ensure the licensing of the CTA is retained and the experience and professional standards are protected.</p>	<p>MEMBERSHIP PROFILE OF COMMITTEES</p> <p>PUBLIC WORK 13: COURSE POLICIES</p> <p>PUBLIC WORK 14: CHARTERED TAX ADVISER EXAM</p> <p>PUBLIC WORK 15: ASSESSMENT FRAMEWORK FOR GRADUATE DIPLOMA (SEE PUBLIC WORK 3 COURSE DESIGN)</p> <p>PUBLIC WORK 16: COMPARATIVE FRAMEWORK FOR LICENSING THE CHARTERED TAX ADVISER DESIGNATION</p> <p>PUBLIC WORK 19: TPB COURSE PROVIDER STATUS</p> <p>PUBLIC WORK 21: BY-LAWS</p>
	<p>3.2. The Tax Institute is a Recognised Tax Agent Association (RTAA) under TASA 2009.</p>	<p>Project manager establishing The Tax Institute as a RTAA (2010).</p>	<p>PUBLIC WORK 18: RECOGNISED TAX AGENT ASSOCIATION APPLICATION TO TAX PRACTITIONERS BOARD</p> <p>PUBLIC WORK 19: TPB COURSE PROVIDER STATUS</p> <p>PUBLIC WORK 20: <i>TAX AGENT SERVICES ACT 2009</i> ROADSHOWS</p> <p>PUBLIC WORK 21: BY-LAWS</p>
<p>4. Creation of an Examination pathway to membership</p>	<p>4.1 From 2012, members who met the criteria were able to sit an examination to obtain the Chartered Tax Adviser designation</p>	<p>Applied expert knowledge of education, articulation and assessment design.</p> <p>Created framework for mutual</p>	<p>Examinations as challenge tests to enter membership</p> <p>PUBLIC WORK 5: SERIES OF EMAILS TO MEETING PROPOSAL FOR TPB DISCRETION</p> <p>PUBLIC WORK 14: CHARTERED TAX ADVISER EXAM</p>

Selected works	Public Impact	My role	Evidence/output
	4.2 Integrated external regulatory requirements with membership milestones.	<p>recognition by the CIOT and examination as a regulatory gateway</p> <p>Interpreted the regulatory measures of the Tax Agent Services Act 2009 related to the measurement of education and experience ensuring The Tax Institute is well-positioned to lead in the acquisition of professional skills and registration as a tax agent.</p> <p>The examination infrastructure of the Institute has created opportunity - the Institute was invited by the Tax Practitioners' Board to create an examination pathway for tax technicians.</p>	<p>PUBLIC WORK 15: ASSESSMENT FRAMEWORK FOR GRADUATE DIPLOMA (SEE PUBLIC WORK 3 COURSE DESIGN)</p> <p>PUBLIC WORK 16: COMPARATIVE FRAMEWORK FOR LICENSING THE CHARTERED TAX ADVISER DESIGNATION</p> <p>PUBLIC WORK 19: TPB COURSE PROVIDER STATUS</p> <p>PUBLIC WORK 21: BY-LAWS</p>
<p>5. Creation of ethical practice and professional standards focussed solely on the work of a tax professional.</p>	<p>5.1 In train - without a specific Code of Conduct the Institute will not be able to establish the tax profession as a profession in its own right. Applies to 14,000 members and adds to the recognition of the profession.</p> <p>5.2 Creation of a professional standards division – work commenced on Code of Professional Conduct</p> <p>5.3 Creation of a course of study in Required knowledge of TASA 2009 and the Code of Professional Conduct.</p>	<p>Lobbied internally (National Council via paper to Membership Committee) to create a Code of Professional Conduct</p> <p>Ordained by National Council to create a Professional Standards Committee.</p> <p>Interpreted the TPB requirements and first approved provider of the COPC online course.</p>	<p>PUBLIC WORK 10: ESTABLISHING A PROFESSIONAL STANDARDS COMMITTEE AND CODE OF PROFESSIONAL CONDUCT - PAPER TO NATIONAL MEMBERSHIP SERVICES COMMITTEE</p> <p>PUBLIC WORK 11: FUNDING GRANT FROM PROFESSIONAL STANDARDS COUNCILS</p> <p>PUBLIC WORK 12: COMMITTEE STRUCTURE TO MANAGE ALL ELEMENTS: EDUCATION, ETHICS EXAMINATION, EXPERIENCE, ENTITY AND MEMBERSHIP PROFILE OF COMMITTEES</p> <p>PUBLIC WORK 19: TPB COURSE PROVIDER STATUS</p>

Figure 2: The boundaries and interconnections of the public works to emerge the tax profession



Applying the 5 Es - themes of Education, Experience, Examination, Ethics and Entity - provides an organising model, harnessing the isomorphic forces from which to progress professionalisation of tax practitioners. (McNair and Watts 2006). This approach allowed me to purposefully and explicitly engineer a profession by constructing the artefacts.

The interconnections of the public works are important but so too is the delineation along the domains (Education, Ethics, Experience, Examination and Entity) because each of these Elements carries with it its own form of achieving credibility and authority relying on different regulators. The different regulators are rarely cogniscent of each other as exemplified and explored further in Chapter 2 in the regulatory outputs and behaviours of ASIC, TPB, TEQSA, ASQA, Department of Immigration.

Because of this myopic regulatory behaviour, the tactical advances along the 5E thematic lines are therefore

important to achieve the strategy and conflate the outcomes – ‘*the whole is mightier than the sum of the parts*’ and ‘*the whole is **other than** the sum of the parts*’. (Koffka in Heider, 1977 (emphasis added))

As the backdrop in Figure 2 depicts, the external pace of change and the events that were catalysts for positive change (TASA 2009, TASR 2009 (2009 – 2011) and its amendments and the introduction of the Chartered Tax Adviser designation (2012) (public work 16 in 2010) also presented complexities with which I had to contend. These dictated the order of the works and presented new opportunities to seize, as did my growing understanding of leveraging these artefacts (justified by applying mimetic isomorphism) to grow the recognition of the profession.

One of the most fundamental deliverables ‘the core business’ was the commercial reality of working within a not-for-profit which required each artefact built to be self-funding and to return a profit (to subsidise member services). Over time the Education Division became responsible for 30 – 40% of the gross profit. The full complement of an educational pathway through structured professional education, a code of ethics and supporting the introduction of the CTA designation needed to be self-funding at a minimum. It is for this reason that the financial success is depicted (in Figure 2) across all the intervening years. Without having been a commercial success the education activity would not have gained the support of the Board of Directors. It did my strategic intent no harm that the education activity was seen as a cash cow by some as this managed the endeavour at the tactical level. Maintaining the quality of the activity and anticipating the education needs of the tax profession across the years also produced graduates who wanted to join the membership.

Sometimes the public works needed to be in sequence (for example the introduction of the Graduate Diploma of Applied Tax Law) as the formality of the registration and accreditation process demanded the development of the Entity’s capability and capacity. The full Board (of The Tax Institute) determined that this would be pursued but it then fell to me to convince those who saw it on purely commercial terms by ensuring an annual return of profits to self-fund the infrastructure over the period of 11 years.

At other times the public works were cyclical (revisiting annually (2006 – 2012) the feasibility of undertaking formal accreditation, held back until 2013 (public work 4) for the final flourish in 2014 (public works 3 and 17). At other times the public works were synchronous and interdependent TASA 2009 Roadshow and Registering as a Tax Agent Association (public works 20 and 18).

The relevance of the points of intersection with the right axis of each of the Es represents the reflection that the more tangible the E the less impact on the abstract ‘emergence of the tax profession’. In this critique I question the order of Es as set out in the academic view of the Professional Standards Council.

The most enduring of the public works are assigned to the domain of Entity (public works 9, 11, 17, 19 and 21). In Chapter 5 I argue for this level of impact as I outline what is an important and contributory finding of

this work in my sector and for others.

In **Chapter 2**, I foreground the regulatory environments in both Australia and internationally, which have impacted tax, education, the financial services sector and the accounting and law professions. I identify the weaknesses in the regulatory regimes caused by the proponents' ignorance of the quality issues prevailing in each education sector and expose the impact these weaknesses have wrought on consumer protection (where 'consumer' also includes the student).

This is crucial to the approach I have taken to emerge the tax profession as regulators are the instruments of law makers. There needs to be a more complete understanding of the pathways available to practice in a profession. The type and level of education are factors as well as in Australia the education sectors themselves having failing regulatory forces compound to create imbalance. This imbalance is prevalent when the carve up of professional services is afoot and in turn impacts the consumer of these services. This is indeed what has happened in the Australian environment. I also dwell on an examination of the contested spaces for client work involving financial planners and accountants.

Also in Chapter 2, against this backdrop, I claim the need for and importance of emerging a tax profession as much as to address the gap in the '4th estate' of education that is professional education.

Chapter 2 is important to my claim of impact of public works as it establishes the complexities, barriers and hurdles with which I have contended to achieve those public works which were to contribute to the emergence of the tax profession...

In **Chapter 3**, I make explicit the links between my career events and the learnings I attribute to these events: events that have played out in the regulatory change environment 2000–2015. I place a series of signposts in these chapters to assist the reader to navigate this account of my learning by 'archaeologically' tracing my development in the form of reflective statements of acquired learning 'on-the-job' in text boxes within the Chapter/s. For further illustration of my learning journey, I have chronicled in side boxes the formal qualifications I have completed alongside the role/s I was undertaking at the time of studying.

Throughout Chapter 3, I also dwell on my ontology and the particular predilection I have for systems and the explanations afforded by institutional theory. I attribute to my discovery of this theory an exhilaration and surge in my personal learning account.

By calling attention to these two building blocks of learning (work-based and formal), I examine the varied manner in which my learning has evolved and how I have arrived at my current understanding and how 'how I learn' gave shape to the process of emerging the tax profession. This forensic study of metacognition also marks the value I place on each of these facets of work-based and/or formal learning. The links from these underpinning learnings to my current role are therefore revealed and emphasised and indicate the

motivations for taking my career in this specific direction.

In **Chapter 4**, I set out the relevant five elements of my public works through the lense of the 5 Es: **Education, Ethics, Experience, Examination and Entity**.

As foregrounded I have chosen from a body of work of 11 years specifically selecting the most important public works within the framework of 5 Es. In Table 9 I have detailed the public works against a matrix of Primary/Secondary on one axis and Necessary/Additional, however it is once again emphasised that these public works are the 'surface features' which indicate the underlying and most important public work – that of emerging the tax profession as a profession in its own right.

In setting out these public works I also address reservations that might be held regarding assigning or claiming my individual agency in emerging the tax profession, with acknowledgement that policy in a professional association 'Entity' is complex. The achievement is such that the collaborative effort was prosecuted and I have driven and led this emergence and that each of the forces of education and taxation regulatory change, globalisation and contestability and aggressive competitiveness were met and mastered.

In **Chapter 5**, having prepared the reader with my history and presentation of public works evidence and its contribution to knowledge and understandings of the practice of emerging professions. I complete the arc of the story by providing my observations of my situatedness as analyticist researcher (Neumann and Neumann 2015) and critiques of my praxis, the public works: things that should be carried forward to deepen the acceptance of the tax profession as a profession in its own right.

As I have engineered this emergence of the tax profession through the 5 Es I then extrapolate a process of for others who would pursue emerging other professions and how this will contribute to the burgeoning study of professions in a 'Mode 2 society' (Sanders 2010) in order to practise emerging neo-nate professions.

Chapter 2: Australia – the land of professional closure and regulatory arbitrage

Got to be good-looking 'cause he's so hard to see ... Come together, right now, over me.

(John Lennon 1969)

Since late 2000, when my career in education attached itself to professional services – predominantly in the business, accounting and finance sectors – there have been distinct waves of change and upheaval and, *inter alia*, in the education sectors that serve them. For ease of reference I have provided a map of the regulatory landscape for the sectors that I have worked within (see Figure 3 on page 32).

Regulatory reform has caused a *bouleversement* in each of these sectors, which in turn have been responding to globalisation, digital disruption and financial crises. The professions and industries that populate this terrain in Australia have had to re-examine their educational set and the ethic of client service (aspirational), fiduciary commitments – if not consumer protection (compliance). Educational activities have likewise needed to revisit their promise of the development of desirable attributes and professional skills.

In this chapter I will focus on the legislative and regulatory changes to the following sectors:

1. Tax
2. Education
3. Financial Services
4. Accounting
5. Legal practice

Sectors 3 to 5 have particular importance for the emergence of the tax profession because it is in the interstices of these sectors that the tax profession finds itself. I will also expose the degradation of some of these sectors by referring to Senate inquiries, consultative fora and press reports to indicate the gravity of the failings of legislative and regulatory reform. As Catherine Livingstone AO in her National Press Club QandA session (29 April 2015) replied: '*Regulation solves yesterday's problems*'. This is absolutely the case with the tax profession because the regulation of tax agents is regulating yesterday's skills not preparing for the future (see recent article re tax preparers and artificial intelligence also at Appendix 22⁴). I posit that

⁴ <http://www.theverge.com/2017/2/1/14475054/ibm-watson-hr-block-tax-preparation>

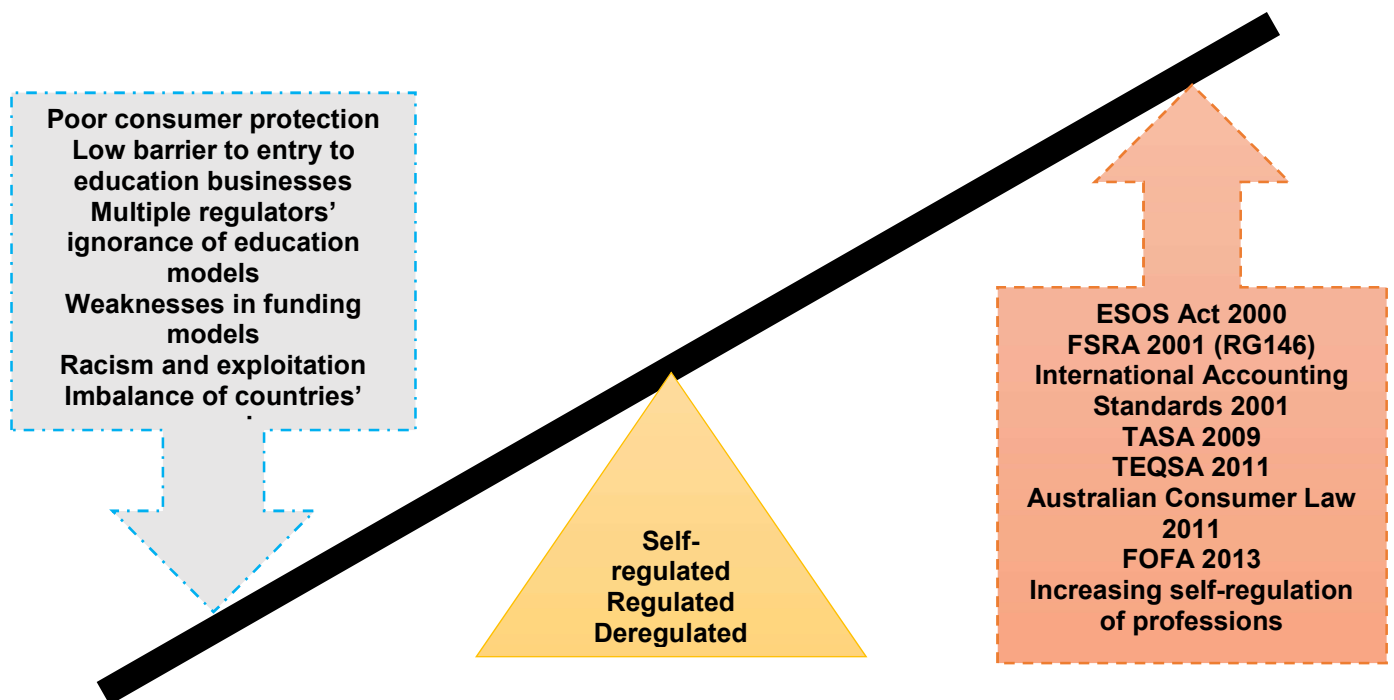
poorly thought out regulation also creates tomorrow's problems.

I will also establish the pervasiveness and applicability of tax knowledge and skills to each of sectors 3 to 5, a 'forgotten' element to the intended harmonisation of financial services reform. In Australia there have been moves afoot to de-regulate. This is a challenge for professions where to self-regulate is the Holy Grail.

'... a 'regulate first, ask questions later' culture appears to have developed. Even where regulatory action is clearly justified, options and design principles that could lessen compliance costs or side effects appear to be given little consideration'.

(Regulation Taskforce 2006, p. ii)

Figure 3: Legislative and regulatory turbulence in Australia in education, accounting, commercial law, financial services and tax



1. Tax

Tax agents have been the mainstay of providing advice to taxpaying consumers, including individuals and business entities, since the early 1940s, and since 1992 key stakeholders had proposed a change to the registration of tax agents. A National Review of Standards for the Tax Profession, under the auspices of the National Tax Liaison Group (NTLG), was the culmination of approximately 20 years of consultation. There was a will for reform to move from a state-based registration system to a national regulator; however, it was to be a monumental task ahead for anyone tinkering with the registration of the main intermediaries for raising government revenues. Perhaps, given the registration system was not completely broken (albeit not completely efficient either), this could have been the cause for the delay in finalisation and for the length of consultation.

In modern Australian politics, while there is a voracious appetite for tax reform from constituents there is very little political nerve to touch the tax system despite countless mooted White Papers and the well-considered recommendations of reviews.

In November 2009, the registration of the intermediaries tasked with collecting revenues – tax agents – was brought under the *Tax Agent Services Act 2009* (TASA 2009). The Act was proclaimed in 2009 and was implemented on 1 March 2010.

The Tax Practitioners Board (TPB) (formed in December 2009), the regulatory body, was challenged with a voluminous agenda in their order of business that meant heavy reliance on professional associations to inform and assuage the many instances of practitioner anxiety. As the person responsible I maintained a watching brief to monitor developments and to try to understand the complexities of the registration regime and how this would affect existing and aspiring tax agents. As an educator I was also concerned for the threshold standards yet to be set in particular – would they be high enough and equal to the quality of thinking that a tax adviser would need to apply?

TASA 2009's regulatory demands were more stringent on those grandfathering, from the previous regime to the next, than they had been when the Australian Securities and Investments Commission (ASIC) oversaw the implementation (in 2003) of the *Financial Services Reform Act 2001* (FSRA 2001) (Ferraro 2012). The reason for this stringency was the advice that the TPB took from the two professors of law who were engaged by the TPB. Note that these were professors of law – not accounting. Their background was university – not vocational education – the latter having been the first point of reference for ASIC under the FSRA 2001.

While I applaud the professors' advice as it provided reverence for the body of knowledge of tax and

commercial law, it is evident that no member of the TPB nor their professorial advisers seemed to understand the deficits of the implementation of Regulation 146 from the FSRA 2001 – a thorough debacle emanating from the weaknesses of the Vocational Education and Training (VET) sector type education which persists today as evidenced by the new body to be formed that will address the professional standards of financial planners.⁵ (See also Appendix 23.) Consequently, the TPB did not bolster the regulatory requirements against the deficient VET qualifications nor has subsequent regulation considered this as too low a threshold, when, later in 2014, it was decided that financial planners were to be co-regulated by the TPB and ASIC.

As this registration of tax agents was (and still is) one of the main building blocks of my public works, I set out the main differences (pre- and post-TASA 2009) that this regime laid down (Ferraro 2012).

Under TASA 2009, grandfathering was permitted for those who were registered as tax agents at 1 March 2010. The registrants needed to nominate themselves for re-registration and were given three years 'no questions asked' on their qualifications. Those who had been registered as tax agents since 1988 were able to re-register (in three-year cycles) for their career perpetuity without any requirement to meet registration education thresholds. All registered tax agents, however, are required to fulfil continuing professional development requirements, relevant to their (tax sub-) specialisation and for 30 hours per year of registration.

At the time of re-registration, those who did not meet the minimum education requirements of the new regime were able to undertake short courses to upgrade their prior qualifications.


If they were, coincidentally, also a voting member of an RTAA and had eight years' relevant experience, then they were able to switch their registration under that 'item' category (item 206 in Figure 4 following).

These items are comprehensively set out in **Figure 4: 'Tax agent registration pathways under Tax Agent Services Regulation'** (TASR 2009). (Source www.tpb.gov.au)

The RTAA regulations were important for The Tax Institute as they also set the standards for membership of professional associations – including experience and/or education.

⁵ This announcement was made shortly before the 2016 election was called by Hon Kelly O'Dwyer, the Assistant Treasurer. A change of government might once again see the financial services sector avoid appropriate education standards.

Figure 4: Tax agent registration pathways under Tax Agent Services Regulation



Summary of qualifications and experience requirements for tax agent registration (including renewal)

Item	Primary qualification	Board approved courses			Relevant experience
		Australian taxation law	Commercial law	Basic accountancy principles	
201 Tertiary qualifications in accountancy	Degree or post-graduate award (from an Australian tertiary institution) or degree or award that is Board approved (from an equivalent institution) in discipline of accountancy	Required ¹	Required	Not required	Equivalent of 12 months full-time experience in past 5 years
202 Tertiary qualifications in another discipline	Degree or post-graduate award (from an Australian tertiary institution) or degree or award that is Board approved (from an equivalent institution) in a relevant discipline other than accountancy	May be required ²	May be required ²	May be required ²	Equivalent of 12 months full-time experience in past 5 years
203 Diploma or higher award in accountancy	Diploma or higher awarded (from a registered training organisation or equivalent institution) in the discipline of accountancy	Required ¹	Required ³	Not required	Equivalent of 2 years full-time experience in past 5 years
204 Tertiary qualifications in law	Academic qualifications to be an Australian legal practitioner	Required ¹	Not required	Required	Equivalent of 12 months full-time experience in past 5 years
205 Work experience	Not required	Required ¹	Required ³	Required	Equivalent of 8 years full-time experience in past 10 years
206 Membership of a professional association	Individual is a voting member of a recognised tax agent association	Not required	Not required	Not required	Equivalent of 8 years full-time experience in past 10 years

¹ Must include a component in the Tax Agent Services Act 2009, including the Code of Professional Conduct.

² May be required if the Board considers it is relevant to the tax agent services you are applying to provide.

³ If you were previously registered under the Income Tax Assessment Act 1936 you do not need to complete a Board approved course in commercial law to register or renew under items 203 or 205.

As a class action recognition and a pragmatic approach (ie keeping the tax base operational) (similar to other recognition endeavours in the FSRA 2001), this benchmark was adequate for its time.

I concede that the important work of revenue collection could not be put at risk. However, given the level of difficulty of tax advice and the growing complexity of the work required of the tax profession from compliance skills to strategy and planning, and, critically, the changing nature of the professional working in tax, there is, as shown in Table 3 of the AQF level characterisations at page 37, an over-reliance on lower level qualifications when in fact the skills development is required at a higher level (Australian Qualifications Framework (AQF) Level 8).

Table 3 (following) details how this framework characterises the level of knowledge and skills for a Graduate Diploma (this is the level of qualification designed by The Tax Institute). It is not every provider nor every course that adheres to this level of learning for tax agent registration that can be achieved by a lower level of qualification as verified in the register of courses maintained by the Tax Practitioners Board (<https://www.tpb.gov.au/australian-taxation-law-list-tax-agents> accessed 29 January 2017).

Table 3: Characterisation of knowledge and skills at AQF8

Purpose	The Graduate Diploma qualifies individuals who apply a body of knowledge in a range of contexts to undertake professional/highly skilled work and as a pathway for further learning
Knowledge	Graduates of a Graduate Diploma will have advanced knowledge within a systematic and coherent body of knowledge that may include the acquisition and application of knowledge and skills in a new or existing discipline or professional area
Skills	<p>Graduates of a Graduate Diploma will have:</p> <ul style="list-style-type: none"> • cognitive skills to review, analyse, consolidate and synthesise knowledge and identify and provide solutions to complex problem • cognitive skills to think critically and to generate and evaluate complex ideas • specialised technical and creative skills in a field of highly skilled and/or professional practice • communication skills to demonstrate an understanding of theoretical concepts • communication skills to transfer complex knowledge and ideas to a variety of audiences
Application of knowledge and skills	<p>Graduates of a Graduate Diploma will demonstrate the application of knowledge and skills:</p> <ul style="list-style-type: none"> • to make high level, independent judgements in a range of technical or management functions in varied specialised contexts • to initiate, plan, implement and evaluate broad functions within varied specialised technical and/or creative contexts • with responsibility and accountability for personal outputs and all aspects of the work or function of others within broad parameters
Volume of learning	The volume of learning of a Graduate Diploma is typically 1–2 years

Source: (Australian Qualifications Framework Council, 2013, p. 16).

By July 2011, the TPB had set the standards for course providers, for what was considered a 'Course in Australian Taxation Law', and had commenced further consultation on a 'Course in Commercial Law'.

The Code of Professional Conduct (COPC) had also been implemented. All who were registered as tax agents (either grandfathered or newly registered) were to meet their obligations under the COPC.

Apart from item 203 (in Figure 4) of the Regulations that allowed registration through Diploma (VET) level

qualifications, the calibre of the standards set by the educational requirements was (for me) refreshing to work with. Compared to the FSRA 2001, success in registering required a serious commitment to learning the vast body of knowledge that is tax law and therefore influenced a higher level of learning and integrity of assessment practices (unlike the FSRA 2001's RG 146 - Licensing: Training of financial product advisers). Even though it was pragmatically based on existing undergraduate qualifications, it still required a minimum of 12 months' experience. Experience quotas increased according to level of qualification (eg a Diploma required three years of experience, whereas a degree required 12 months) (Ferraro 2012).

Accountants, it had seemed, had some turf protection for their professional privileges, somewhat adjusting for the slight of the self-managed superannuation fund (SMSF) accountants' exemption (see explanation in Section 2: 'Accountants'). However, this adjustment was not long held. The forgotten and poorly dealt with tax element of financial services training was ignored once again in terms of financial planners when they came under TASA 2009 and therefore legitimately able to offer tax advice under a 2014 Treasury decision resulting in a Tax Laws Amendment Bill 2014.

Concern was raised first in 2008 regarding financial planners by the then President of The Tax Institute Sue Williamson and then with each round of consultation. An unseemly debate (between The Tax Institute successive Presidents, our Tax Counsel) prevailed from 2008 to 2014 regarding financial advisers and tax advice (see Appendix 23). The financial planning lobbyists (led by the Financial Planning Association) were determined to keep them out of the stringent educational requirements and put forward that the only tax advice that financial advisers were giving was 'incidental'. This was quashed when in 2014, financial advisers were brought under the TASA 2009 legislation as tax (financial) advisers and were held to the same professional standards as registered tax agents.

To give import to the words 'regulatory arbitrage', hot humiliation followed for tax agents, (ie mostly the accounting profession), because tax (financial) advisers could also (like tax agents) use experience and voting membership of an RTAA to register as tax (financial) advisers, that is avoiding any formal study of tax. Given that previously the financial planning community had argued that any tax advice they gave was 'incidental', the tax practitioner community (and The Tax Institute on their behalf) questioned how could it then be claimed (as it had been) that relevant experience would be justification for their registration?

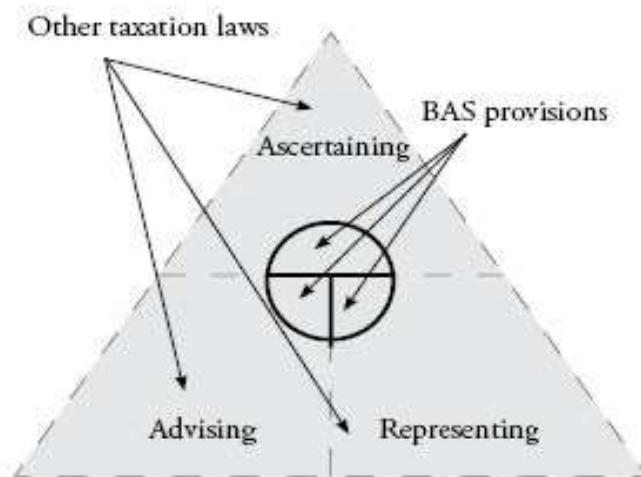
The explanation for this perceived inequitable treatment and the answer to the question lies not in the logic of the argument but in the power of the representatives of the financial planning sector who achieved this by deft lobbying and advocacy. (Note the regulations require even less experience of a tax (financial) adviser - their brief is ascertaining and advising. The only difference between tax (financial) advisers and tax agents is that tax agents represent their clients to the Commissioner of the Australian Taxation Office (ATO)) (see Figure 5 following).

Whereas one could be mildly critical of the educational level set for tax agents, it was stated (by Robert

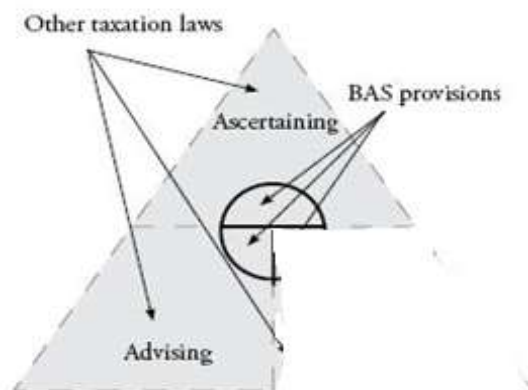
Jeremenko, Tax Counsel for The Tax Institute) there has been an over-generous recognition of financial planners, given the deficit in tax education from their low-level registration as financial advisers and the paucity of tax law knowledge (and consequently tax advisory skills). (See Appendix 23)

Figure 5 (a) and (b): Elements of tax agent service and tax (financial) adviser service

(a)



(b)



Tax Financial Advisers,
Ascertain and Advise Only

From one contest to another ... a turf war in tax advisory services has bubbled away under the surface between accountants and lawyers (or perhaps, rather, between large accounting firms and large law firms). With the work that stems from 'tax controversy', accounting firms are 'nudging the pointy end – audits, disputes, litigation' and they need the legal professional resources to properly represent their clients (Walsh 2011, p. 47). The legal profession has a different master in terms of professional/client interaction, and TASA 2009 reflects that protection of professional skills in the exemption of the legal profession within the Code of Professional Conduct.

Tax advice, the article claimed, needs to be seamless and needs to draw from the skills of accountants and lawyers – justifying my claim that there needs to be a unifying educational pathway. This is validated by the regulator - the TPB requires completion of three commercial law subjects for accountants in order to register as a tax agent. Many niche areas of tax are still the domain of the lawyer, requiring disclaimers on the educational activities such as 'To advise on stamp duty, you are required to hold a legal practising certificate'.

However, to say there is less animosity and turf protection between accountants and lawyers as there is between tax accountants and tax lawyers towards financial planners, is an understatement. That is, when it comes to tax they (accountants and lawyers) are quoted as considering themselves as 'part of the one content clan' (Judy Sullivan, in Walsh 2011) and **both** shun any financial planners entering their ranks.

2. Education

Australia does not stand in isolation in meeting and managing change in the type of education required by professions. As Costley, Elliott and Gibbs state '...changes have brought a need for educational institutions to adapt to a competitive world through embracing that in which they operate' (2010, p. xiii).

Michael Andrew, former Chair of the Business Council of Australia Education Taskforce and Chairman of KPMG in Australia, challenged academe 'to produce graduates with the skills necessary to succeed in business' (Hare 2011 p.20).

Since the Australian National Training Authority (ANTA) (established under the *Australian National Training Authority Act 1992* and abolished on 30 June 2005), respective Australian governments (both Liberal and Labor) have attempted to pursue a quality educational and training agenda by effecting various regulatory reforms. Either party has given the reform their own flavour by pursuing a socialist/trade union bent (Labor), or in turn 'killing the Labor policy children' (Liberal) (conversation with A Blewitt, Consultant to Candidate, in 2014).

In 2011, the state-based regulators for vocational training, the Vocational Education and Training Advisory Boards (VETABs), were federated and the Australian Skills Quality Authority (ASQA) was established under the *National Vocational Education and Training Regulator Act 2011*.

Universities and private higher education bodies have also had their changes and challenges moving from state-based jurisdictions, pursuing national and international quality endorsements and then federating (also in 2011) under the *Tertiary Education Quality and Standards Agency Act 2011*.

Vocational Education and Training (VET)

VET's roots are in the Australian trade education sector. The focus of the then Labor government (1990s) was to ensure that people in training would have 'portable' qualifications. This meant that their part study with one provider (government/non-government or state by state) would be recognised as they 'ported' it to another. The currency or 'passport' for this portability was in units of competency. These units described what was to be performed and to what standard. This was applied across most trade sectors and latterly also found its way into accounting, business, health, human resources teaching/training and languages to name a few.

There are currently 238 training pages and 6,057 qualifications listed on the national training website:

<http://training.gov.au/>.

The term ‘training package’ was applied to the qualification levels (Certificate 1 to Advanced Diploma), and each qualification was to be awarded for the aggregation of units of competency completed (regardless of the number of providers). The term ‘training package’ is misleading as it is simply a curriculum document without any syllabus or learning resources.

There was a tentative pitch to create a postgraduate flavour in the AQF by using the convoluted award titles ‘Vocational Graduate Certificate in/Vocational Graduate Diploma of’; however, these qualifications had little traction given the limited population who understood the different qualification characteristics of training packages, accredited courses and the ‘black art’ of postgraduate qualification design. They have since been removed. The range of qualifications in 2010 across all sectors can be seen in Table 4 below.

Table 4: Qualifications contained in the AQF

AQF Qualification by Sector of Accreditation

<i>Schools Sector Accreditation</i>	<i>Vocational Education and Training Sector Accreditation</i>	<i>Higher Education Sector Accreditation</i>
<u>Senior Secondary Certificate of Education</u>	<u>Vocational Graduate Diploma</u>	<u>Doctoral Degree</u>
	<u>Vocational Graduate Certificate</u>	<u>Masters Degree</u>
	<u>Advanced Diploma</u>	<u>Graduate Diploma</u>
	<u>Diploma</u>	<u>Graduate Certificate</u>
	<u>Certificate IV</u>	<u>Bachelor Degree</u>
	<u>Certificate III</u>	<u>Associate Degree, Advanced Diploma</u>
	<u>Certificate II</u>	<u>Diploma</u>
	<u>Certificate I</u>	

Source: Australian Qualifications Framework 2010, superseded

Note: Table 4 has since been replaced with a circle diagram (see Figure 6 following). I present both models as the later ‘circle’ seems to be at odds with a hierarchical system.

Figure 6: Australian Qualifications Framework:

The emphasis in competency-based training was not to be placed on time spent learning but rather the demonstration of tasks performed to be the 'assessment'. 'Fail' was removed from the vernacular and replaced with 'Not Yet Achieved'. Grading systems were removed to produce this binary outcome.

As well as the desired portability of the qualification, there was a requirement that viable skills were acquired. 'Training' was the order of the day over 'education' in the true meaning of each of these words. There was thought to be a 'teachable' or 'learnable' separation between knowledge and skills and this played out to the extreme in the Financial Services Training Package in 2002 (FNS02).

To round off the work relevant skills, all training packages were to address the 'Mayer key competencies'. Eric Mayer was the Chair of the Australian Education Council and Ministers of Vocational Educational Education, Employment and Training, 1992. Later consideration produced 'Skillsets'. See tabulated comparison below in Table 5 (following).

Table 5: Employability skills compared to Mayer key competencies

Employability skills	Mayer key competencies
Communication skills that contribute to productive and harmonious relations between employees and customers.	Communicating ideas and information.
Using mathematical ideas and techniques.	
Teamwork skills that contribute to productive working relationships and outcomes.	Working with others and in teams.
Problem-solving skills that contribute to productive outcomes.	Solving problems.
Initiative and enterprise skills that contribute to innovative outcomes.	-
Planning and organising skills that contribute to long-term and short-term strategic planning.	Planning and organising activities.
Collecting, analysing and organising information.	
Self-management skills that contribute to employee satisfaction and growth.	-
Learning skills that contribute to ongoing improvement and expansion in employee and company operations and outcomes.	-
Technology skills that contribute to effective execution of tasks.	Using technology.

Source: Australian Education Council, Mayer Committee, Chair Mayer, E, Australian Education Council and Ministers for Vocational Education, Employment and Training (Australia) 1992

Each industry was (and is) represented by industry training advisory boards (ITABs). These bodies have representation from unions, practitioners and training/teaching professionals.

The composition and funding of these bodies has shifted slightly since their inception. ITABs are 'autonomous, industry based bodies that represent their New South Wales (NSW) industry sectors on training and related matters to support the Vocational Education and Training system. They work in tandem with Industry Skills Councils to assist industry with workforce development needs' (Department of Industry 2016).

Prior to this latest iteration, pressure was on ITABs to secure recurrent funding and consequently there was a hint of commercialism if not rent-seeking behaviour from these bodies.

As Australian industries and professions were themselves changing, and their regulation evolving, so too did the entry qualification thresholds. Therefore, not only did new entrants to trades and professions require training, but there was also the need for certification (or re-certification) of people already in employment.

Consequently, there was enormous commercial opportunity in this new training approach, and the proliferation of new training organisations placed an unwieldy load on regulators. Registered Training Organisations (RTOs) were required to re-register as an RTO every three years. To achieve this registration (which, once secured, promised a lucrative business), providers needed to evidence their capacity and business-like approach including 'academic' capabilities, ie having qualified (Certificate IV in Workplace Training and Assessment) as well as the relevant technical qualification). This relatively low barrier to entry has derogated the sector as, once an enterprise has successfully registered, the regulator funding to assure the quality of the provider and protect the consumer/student has not kept pace.

Adding to the proliferation of commercial RTOs, large businesses (such as banks and government bodies) were able to register their own internal learning and development or training divisions as enterprise-based RTOs. This was my experience when working at New South Wales State Rail Authority (1997–2000). Unfortunately, this enterprise-based RTO entity has become a questionable registration category, as in practice the assessment is not at arm's length (ASIC's CP 153 efforts to address financial planner failure).

Not only has the regulator been limited in their capacity to protect the consumer from unscrupulous operators, the issue of limited capability is also present. An overly pedantic focus on form rather than substance has led to many well-intended providers with all the professional and ethical attributes in place being redirected to meaningless box ticking, while those people – simply in 'it' for financial gain – are left unfettered. Over time, this has seen business failure as directors of businesses have stripped the assets of RTOs – on some occasions leaving the country and consequently leaving students stranded (typically international students). Recently, mass alarm arose attributing rabid commercialism to the sector and a drain on the public purse. There has been a budgetary overrun in student loans due to some RTOs using unscrupulous recruitment practices to lure people with limited success potential to student debt/government loans (called 'HELP' (Higher Education Loan Program) and VET FEE-HELP (Vocational Education and Training Fee Higher Education Loan Program)). The funds go to the RTO; however, neither the government nor the student 'gets' what they have paid for. The taxpayer and society in general is the less for this individual and/or corporate greed. (See 'Race to the bottom' article www.news.com.au/finance/work at Appendix 24)

To quantify:

The Government is currently carrying forward a \$4.5 billion higher education saving that has not been realized (sic) in the Budget papers from 2015-16. HELP loans to students doubled between 2010/11 and 2014/15 to a total of \$7.8 billion and by mid-2015, \$42 billion of HELP debt was outstanding against \$23 billion in 2010. The introduction of VET FEE-HELP is a major factor [to this growth in debt (per R Ferraro)].

(McComb 2016)

The following collage/diagram (Figure 7) shows the headlines depicting multiple scandals.

Figure 7: Word cloud created from Google search: VET FEE-HELP scandals (accessed 15 May 2016)



As with any lucrative and highly competitive businesses, price is the first battleground which in turn exerts a downward pressure on quality. In education and training businesses, this then means downward pressure is exerted on the student experience, and in turn there is a downward force on the rigour of assessment. The movement to distance and elearning has also contributed to this diminution of quality of experience. Worse still is the lack of integrity in assessment practices, finally rendering the qualifications hollow.

This is an important characteristic of education in the Australian context to explain because when I commenced at The Tax Institute in 2005, I quickly assessed that vocational education was not at the right level. I also understood that it had already been tainted by non-educationalists' grab for money. I shunned vocational education accreditation and instead chose the postgraduate and professional level of learning (even though I did not move to accredit immediately).

This weakened regulated education system also represents a telling deficit in the understanding by the regulators and the lack of finesse in establishing checks and balances to ultimately protect the consumer.

Higher Education (Qualifications from Diploma to PhD)

In the third column in Table 4 on page 42 (the higher education sector), the story is somewhat different. The ability to register and accredit an award is less formulaic and requires a greater level of educational sophistication, scholarship, underpinning academic weight and credentials combined with professional and organisational capability and capacity.

In 2001, the accreditation of programs and registration as a higher education provider was state-based and required accord between each of these state-based bodies to achieve registration. It was a complicated and drawn-out process that tested the resolve of applicants, and in contrast to the VET sector, was a business model with a high barrier to entry.

Since July 2011, a new regulator has responsibility for this sector – the Tertiary Education Quality and Standards Agency (TEQSA) whose authority was established through the *Tertiary Education Quality and Standards Agency Act 2011* (TEQSA Act 2011) <<http://www.teqsa.gov.au/about/legislation>>.

As with its state-based predecessors, this federal agency sets a higher and more sophisticated standard than ASQA. However, it is also plagued by capacity issues, and this in turn can affect the capability as staffing shortages are resolved by appointments of administrative staff who are not necessarily from an education sector background. The regulator has also had to shift gear with a 'whole-of-government' initiative to cut red tape (Rethinking Regulation 1/2006 p. ii in PSC 2015, *21 years of regulatory innovation through professional standards*).

Education and migration confluence

We cannot leave the description of education in Australia without outlining the interplay of education and migration and international business. Most of the growth in enrolment numbers has been attributed to international students selecting Australia as a study destination and then, once qualified, remaining here for work and postgraduate studies.

Regulation of these sectors has also tried to prevent education being used as a backdoor route to attaining a visa, or worse a way of entering the country and remaining illegally. There are many Registered Training Organisations that have been extremely profitable in selecting vocational courses from the Skilled Occupations List (SOL) (such as hairdressing, commercial cookery and air pilot training). The students are not necessarily motivated to take up these trades but rather are potentially better placed to seek residency.

Accounting has remained on the SOL despite an oversupply of graduates. Many migrants have chosen this area but are stranded in Australia unable to find work. One of the key areas of practice and work opportunity is tax but because it is jurisdiction specific and legally based tax practice also requires a high level of English, it is therefore very difficult for people to gain work exactly where the skills shortage might lie. These international students (or economic migrants) are also unable to return to their country because they have invested so much in their education in Australia that the salaries offered in their countries of origin would never allow them to recoup that investment.

The value of the ... international student business has hit a new high, worth \$18.1 billion in the 2014-15 financial year, 14.2 per cent above the previous year.

The figures, from the Australian Bureau of Statistics, show that education is now by far the major service export, well ahead of tourism, which grew 5.1 per cent to \$14.6 billion in 2014-15.

(Dodd 2015)

Australia is seen as a geographically convenient, safe and tolerant first-world country and with a similar time zone to Asian countries. It is seen either as an attractive study-holiday destination or as a way of studying and securing a foothold on a migration opportunity after completion of awards (or both).

There have been a series of 'episodes' that have undermined this view of racial tolerance and safety in Australia. The first was in 1996 with the Pauline Hanson xenophobia (with echoes of the 2016 Donald Trump's espoused views and political incorrectness), and the second was a number of attacks on Indian students in Victoria three years ago. The latter was perceived as racially motivated violence against people who have been studying in Australia –it may have been however, simply that their ability to work for 20 hours per week saw students taking up transient employment which in turn took them onto the streets of 'not so safe suburbs' after their shift work. The third episode is the recent industrial action that has arisen from whistleblower reports regarding people on student visas being exploited (eg working 40 hours for half the

amount of wages) at 7-Eleven stores. (7-Eleven stores are typically franchised by migrants who appear to use their community connections to employ and exploit newly arrived people or international students with a common country background.) This alarm was at its height in 2012/13 and has extended into current topical issues.

The national embarrassment of racism directed towards students appears to have now settled as the above growth statistics show.

To quarantine the consumer against unscrupulous providers and protect 'brand Australia' as well as ensure adherence to migration laws, the *Education Services for Overseas Students Act 2000* (ESOS 2000) was introduced. This is another legislative instrument introduced to regulate students entering Australia on student visas and inter alia their education providers wishing to access this international student market. This legislation imposes a duty of pastoral care on education providers as well as requiring attendance records so that students cannot 'disappear' and illegally reside in Australia.

While in this account I have been most critical of the VET sector, there is also a commercial pressure on universities which has caused a proliferation of degrees that require very little infrastructure to support them, eg business and law. Add to this grab for funding, a lack of transparency on the Australian Tertiary Admission Rank (ATAR), by which year 12 students are admitted to a variety of courses (more attractive/lucrative degrees require a higher ranking), are all currently causing further destabilisation in the sector.

Finally, many academics report interference in their assessment decisions and/or evidence of wholesale plagiarism (assignment writing factories are rife), medical students fraudulently claiming clinical practice experience, to name a few examples of destabilisation.

TEQSA is combatting these loopholes with the introduction of the Higher Education Standards Framework 2015 (HESF 2015). However, it appears that once one loophole is closed another might open. As universities are largely self-accrediting, they do not experience the same level of scrutiny as TEQSA applies to private higher education providers.

In the period 2015 – 2016, over 80 vocational providers (Registered Training Organisations) have commenced registration applications as Higher Education Providers. The RTOs are attempting to distance themselves from the VETFee Help scandal. This will prove to be an unwieldy number of applications for TEQSA to manage as it will almost treble their work in initial accreditation and registration and risk assessment to higher education in Australia⁶.

⁶ Information (not sensitive) shared in Council of Private Higher Education Board meetings in November 2016.

Quaternary education – the sovereign territory of professional bodies

The 1996 report prepared by the National Board of Employment, Education and Training and Higher Education Council entitled *Professional Education and Credentialism* commissioned by the then Minister for Employment, Education, Training and Youth Affairs shows that little has changed in the interplay between the tertiary sector and the professional bodies that control entry to their profession either by legislative mandate or by influence exerted by employers.

It is in this space that graduates move from engaging in discretionary professional development to education that leads to meal-ticket credentials and designations. The complexity of this area and the contested territory between universities (and their academics) and professional associations is of major impact for any profession, and not less for the barrier to entry for The Tax Institute on launching its education program.

The major accounting bodies, Chartered Accountants Australia and New Zealand, Certified Practising Accountants Australia (CPA Australia) and to a lesser extent the Institute of Public Accountants (IPA), control this space. The amount of control is evident in that both the Accounting Professional and Ethical Standards Board (APESB) and the National Office of Overseas Skills Recognition (government department) have required The Tax Institute to 'apply' to these competitor bodies for inclusion in their ranks.

3. Financial services

The *Financial Services Reform Act 2001* (FSRA 2001) proclaimed a new era of consumer protection and stated that it would harmonise business and financial services for both retail and wholesale clients. Every person advising on financial products, from insurance to stocks, was to be brought under this regime. This caused mass concern with various segments of the financial services sector wishing to distance themselves from financial planners.

‘The regime applies to all persons, especially financial intermediaries, who provide a “financial service”, whether as principals or as authorised representatives. Financial intermediaries include securities dealers, investment advisers, futures advisers and brokers, general and life insurance brokers and future exchange dealers.’

(Young 2016)

This statement (above) distilled the following regulatory speak in ASIC’s Regulatory Guide 146:

RG 146.17 All natural persons who provide financial product advice to retail clients must meet the training standards, unless they fall within one of the exemptions in RG 146.18–RG 146.29. This means that, subject to limited exemptions, the training standards must be met by:

- (a) natural person licensees;*
- (b) natural person representatives of licensees; and*
- (c) natural persons who are authorised by a corporate authorised representative of a licensee, who provide to retail clients:*
 - (i) personal advice (as defined in s766B(3) of the Corporations Act 2001 (Corporations Act)), and/or*
 - (ii) general advice (as defined in s766B(4) of the Corporations Act).*

In this regulatory guide, we refer to persons who are required to meet the training standards as ‘advisers’.

(ASIC 2012, p. 9)

As an introductory measure and a class-action recognition of the skills already employed in the industry, the person wishing to be licensed was to select the specific knowledge area for the financial product they wished to advise on and to sit a simple knowledge test.

This relatively low threshold and generous recognition caused alarm, as it meant that those people who up until that moment in time could have entered the market as commissioned salespersons with very low

educational attainment (or at least none demonstrated or required), could be recognised and effectively allowing avoidance of any formal study.

As alluded to earlier in Section 1 'Tax', by 2004, the various segments of the financial services intermediaries had gone through the legislative licensing nuances and this resulted in conflict arising between those with an Australian Financial Services Licence (AFSL) and the traditional profession advising people on their financial affairs – accountants.

One of the most contested spaces and financial products is superannuation. In Australia, at the time, there was an enormous appetite for baby boomers (those born in Australia post WWII) to create their own superannuation product, self-managed superannuation fund - an 'SMSF'. This financial product became the financial vehicle *du jour*.

In 1994, there were about 80,000 SMSFs in Australia, with about \$11 billion in assets compared with 20 June 2015: 556,998 SMSFs with almost \$557 billion.

(Power 2015 and ATO statistics)

This growth in a relatively sophisticated financial product stimulated the need for professional financial planning and accounting advice, and by dint of the governance of this product – SMSF auditing. The accounting and auditing was the domain of accountants; however, the setting up of the trust deed was lawyer work, and then the specifics of how the SMSF operated to achieve the desired financial outcome – the financial planner.

The professional privilege of lawyers to draw up trust deeds could be dispensed with (and was) by the creation of boiler plate trust deeds – which were poorly understood by financial planners. The accounting and auditing were not so easy to do away with. This resulted in poor practice from a quality point of view as the trust deed sets out the investment strategy which is meant to meet the needs of the client.

There was such large-scale lobbying of the law and regulation makers on the part of the accounting profession that it spawned the accountants' exemption for 'recognised accountants'. This new area of lucrative professional advice kept the issue alive for the factions: financial services licensees and accountants so that particularly in the financial markets crash of 2008, the powerful accounting bodies in Australia (Institute of Chartered Accountants in Australia⁷ and CPA Australia) secured a carve-out. This carve-out exempted accountants from having to become AFSL holders. The exemption applied until 1 July 2013 and then was phased out by 30 June 2016 (Halsey and Halsey 2013).

⁷ Now Chartered Accountants Australia and New Zealand.

*During the extensive consultation period when the proposed FoFA changes were being debated, the IPA was heavily involved as part of the JAB. We argued strongly for over two years that accountants should be treated differently due to the higher educational and professional standards to which accountants are subject. Also, that SMSFs are not a financial product and that the exemption should remain. However, given the policy objectives of FoFA, these arguments were not going to succeed. Of course, we all supported the objectives of consumer protection and access to affordable and competent advice. There were numerous stakeholders involved in the consultations, including those who did not support the SMSF sector.*⁸ (See Appendix 25)

This loss of territorial advantage for accountants remains one of the most resented pieces of regulation and further drives the wedge between those giving financial planning advice and accountants. (This resentment is exacerbated by the more recent inclusion of financial advisers into those able to register as a tax (financial) adviser – see prior explanation in Section 1 ‘Tax’.)

In a surprise parry, in 2015, CPA Australia – the largest accounting membership body in Australia and Asia – became a financial services licence holder/entity itself (AFSL) so that its members could offer superannuation advice under its auspices without taking up the additional education requirements of RG 146 training.

The use of the word ‘professions’ to describe all these stakeholders and contributors to the financial services sector in Australia would be at best precocious and at worst an indiscriminate use of the word. Sanders (2010, p. 16) describes financial planners as ‘accustomed to the unflattering gaze of media, governments, competitors and consumers’ in his exploration of the specific professionalisation barriers for financial planners.

Because there was (and is currently) non-compliant practices in the VET sector generally, in terms of quality and rigour of education, the education devised for financial advisers was also particularly poor and lacking educational value. The original and flawed (according to the 2004 mystery shopper exercise conducted by ASIC) grandfathering of financial planners under RG 146 has exacted an awful toll on consumers with scandalous behaviour by rogue financial planners that continues to be the subject of Senate inquiries today. (See also ‘Penske files’ (Ferguson and Butler 2014).)

Further, the education systems established by the ASIC training register were implicated in this poor standard with ASIC finally calling for a national re-registration exam – until now not enacted due to lack of funding. (See Consultation Paper 153 *Licensing: Assessment and professional development framework for financial advisers*, which has stalemated while standards continue to be debased (ASIC 2011)).

I examined this phenomenon in my Master of Business (WBL) research study entitled ‘*Can we educate for*

⁸ [APPENDIX 25 FAQs-FoFA-October2015.pdf](#) accessed 9 February 2017

professionalism?' I also made the point, prematurely (although many of my suggestions were taken up in the fullness of time), that rather than individual planners being at fault that problems of poor and scandalous practice are due to corporate commercial forces. I made the case that individual planners had a right to earn a living and that systemic abuse and failure by the sector to deliver on its fiduciary duty and rise above sales techniques would eventually be its undoing. Had the interests of the client over shareholders been the remit of financial institutions, their performance may not have become an election issue in the Australian election in July 2016.

There are several whistleblower stories that demonstrate the failure of large institutions to protect consumers and deliver on their fiduciary obligations. These were comprehensively treated in a recent article by Australian journalist Adele Ferguson who recognised the heavy price whistleblowers in corporates and the customers they are trying to protect pay:

Household brands such as Commonwealth Bank, National Australia Bank, Macquarie, IOOF and 7-Eleven have broken our trust and ruined the lives of thousands of people.

(Ferguson 2016)

Another challenge for financial planners is coming to regulatory terms with the element that the FSRA 2001 'forgot' to harmonise, and that is tax planning. Effective tax advice is so essential for the financial plan to achieve what it sets out to do – protect the financial futures of clients; however, it is not taught in the relevant minimum standard education and also not understood to the required level (minimum AQF Level 8).

This was the new regulatory frontier that financial planners were to face from 2013 and conquered (from a regulatory decision basis) in 2014. (See TASA 2009, discussed in Chapter 1 1. 'Tax', pages 38 - 45.)

4. Accounting

There is a higher number of accountants per capita in Australia than in most first-world countries, with 1 for every 4,000 Australians Gleeson-White (2012, p. 153). I suggest that this stems from the fact that Australia has an extremely complex tax system and that individual taxpayers self-assess. With the increasing sophistication of financial affairs over time (eg negative gearing, trusts tax law and superannuation), taxpayers need the professional skills of accountants.

This comparatively high ratio of accountants to taxpaying population, may also arise from the co-existence of major professional bodies lobbying to keep the accounting profession on the Skilled Occupations List – roles and skills for which professional migration is actively encouraged. This list is managed by the government and contains the roles most in demand in Australia⁹.

The two major Australian bodies, CPA Australia and Chartered Accountants Australia and New Zealand, combined represent over 130,000 practitioners. (CPA draws a large pool of members from Asia, whereas ICAANZ consists of both Australian and New Zealand practitioners.)

Since the early 1940s, when the Tax Act was a reasonably sized document the number of laws that have been proclaimed have grown to vast volumes. Each of these Acts has the potential to intersect and impact each other, leaving the accountant with an intensely nuanced legislative environment for which the current accounting education provides poor preparation. The following table (Table 6) shows a ranking of Australia compared with UK.

⁹ <https://www.border.gov.au/Trav/Work/Work/Skills-assessment-and-assessing-authorities/skilled-occupations-lists/SOL>

Table 6: Paying taxes: Overall ranking

Economy	Ease of taxes rank (in 189 economies)	Time to comply (hours)	Number of payments
Australia	42	105	11
United Kingdom	15	110	8

Source: Budak and James 2016

In a recent report (Bstar 2015), the dependence on an accountant by a large number of consumers/clients is under threat due to the ATO's Standard Business Reporting (SBR) regime. The new SBR regime is made possible because of digital disruption, and is underway with the one-stop-shop government services that connect the social security system 'Centrelink', the publicly funded health system Medicare, Family Benefits and Childcare refunds, and the ATO under MyGov (<www.my.gov.au>) (See again recent article re tax preparers and artificial intelligence at Appendix 22.

In this report, accountants' top three concerns are:

1. *Declining fee growth rates and profit returns;*
2. *Capacity and time constraints;*
3. *Services fee mix – compliance to advisory.*

(Bstar 2015, Part 2, p. 13)

The International Accounting Standards and International Financial Reporting Standards were introduced out of the calamities of Enron and other scandals and shortly after the FSRA 2001 was fully implemented.

Accounting as a profession is quite mature by comparison to financial planning, and features as one of the strongest in terms of professional influence in the advice contained in *Professional Education and Credentialism* (National Board of Employment, Education and Training and Higher Education Council 1996). However, in her account of the profession's 15th century influence on shaping the modern world, Gleeson-White (2012) is critical of the modern-day practice of accountants obscuring financial positions through 'exotic accounting practices', allowing corporations to fail 'spectacularly' where less artifice and more transparency may have averted at least the quantum or spectacularity of the failures.

In Gleeson-White's opinion, the Australian failures of HIH, OneTel and ABC Learning are the local variety of the international calamities of Enron, WorldCom and Royal Bank of Scotland.

Accounting's use of numbers gives it an air of scientific rectitude and certitude, and yet fundamental uncertainties lurk at its heart. Indeed, accounting is as subjective and partial as the art of storytelling.

Gleeson-White 2012, p. 218)

The education accountants receive prepares them neither for dealing with these subjectivities nor for the nuances of tax law. These skills are not only needed to become an accountant but also a worker in the 21st century.

In the public works I am submitting, I claim that the programs I have designed address this gap and promise to take the accountant's skills from 'compliance to advisory'.

5. Legal practice

Despite Australia having been federated in 1901, the laws in Australia require lawyers to register in the state in which they practise. As with tax professionals and the national regulator Tax Practitioner Board, there are moves afoot to nationalise the registration system and to coalesce the practising standards for lawyers (The Law Society of New South Wales 2015).

Tax law is a specialisation that does not necessarily have the required amount of practical education that it deserves given the volume, complexity and dynamism of the laws. The Graduate Diploma of Applied Tax Law now offered by The Tax Institute and which is part of the public works in this context statement addresses that gap.

Chapter 3: The development of my ontological and epistemological stance

Knowing how we know is the ultimate human accomplishment.

(Duffy and Cunningham 1996)

In making a case that I 'know how I know' and that I am approaching this 'ultimate human accomplishment', I return to the pre-history of my career. It has been self-revelatory to write this account of my learning in retrospect. I can now see how the decades of my career and the discovery of knowing have ultimately conflated my professional practice in education and creating of me a transdisciplinary. This is reified by virtue of my ability to provide a professional education program for others and to expertly navigate the regulatory landscapes of multiple sectors, including reaching beyond educational regulation and the accreditation horizon.

In this Chapter I select '*the parts of my previous experiences*' that make relevant the '*choice and conduct of research*' to produce the public works. This Neumann and Neumann posit is '*helpful for readers who want to evaluate the findings to know something about the origins of the scholarly gaze that engendered the research*' (Neumann and Neumann 2015).

And now to my early story ... ¹⁰

¹⁰ (Throughout this chapter I have created 'banded call outs' for the formal contemporaneous qualification and for the milestones of my work at The Tax Institute. I have inserted my reflections in text boxes within the text.)

1. The reticent educator

Running a mile away from the advice of my mother who saw a future for me as an educator, I indulged in a life of travel, a wide variety of workplaces and dabbled in many segments of society including the creative and theatrical – all the while funding this dilettantism with casual employment working in a variety of transient roles. By almost a decade later I returned to a more structured and stable existence.

In 1979, immediately after completing my BA I enrolled in a Master of Arts. Even though I was encouraged to do so by my professors I was ill-prepared by my undergraduate studies for this qualification and failed one of the subjects.

*✓ Bachelor of Arts (BA)
degree at UNSW 1979*

*✗ Master of Arts majoring
in French literature UNSW
1979 – 3 subjects studied
(1 fail)*

Reflection 1:

One important learning I take from this negative educational experience (at the Master's level) is that course architects, which I consider myself to be, need to consider articulation very carefully so as not to set people up for failure or dead ends to their programs of study. This finding has come into play in the many course structures I have established and is one of the drivers behind why I believed for tax to become a profession in its own right, required a different course architecture and articulation than what was on offer in Australia in 2005 when I started at The Tax Institute.

After a period working in my own businesses, producing a family, I returned to study and eventually to the work environment as a professional educator in 1987. This was due to a pragmatic need to stabilise my family's financial affairs. I recommenced my studies with a Graduate Diploma of Education: Secondary, with teaching methods being Teaching English as a Second Language (ESL) and French language. I had conceded to my mother's wisdom.

*✓ Graduate Diploma in
Education: Secondary (ESL and
French) at Sydney College of
Advanced Education 1988.*

On exiting this qualification, being as prepared as the next person, I began my first work as a one-day-a-week teacher in a dually funded (Italian government and Australian Commonwealth) position as an insertion classroom teacher teaching Italian language in primary schools (not in the secondary system for which I had studied). This was in the era in Australia where it was a struggle to justify speaking another language. The government of the day was encouraging the population to embrace bilingualism for the trade advantage it

would give – therefore encouraging the study of Asian languages. No acknowledgement was given to the prominence of and reliance on the romance languages in the medical and legal registers.

Reflection 2:

This teaching post and my degree studies introduced me to the politicisation of the curriculum (also again prevalent at the time in Australia). In this context it was the weight given to commercial advantage of one language over another.

I quickly realised that language teaching within the primary school environment in such a non-core area of the curriculum had an undesirable impact on my enjoyment of my work. Without a daily presence, I could not command the necessary respect and discipline in the classroom. I had children of my own and they were to be my focus; therefore, I decided that my teaching work needed to fit better with the demands of my family life. I commenced working in the Technical and Further Education (TAFE) adult vocational system in Sydney, bringing English language teaching skills into a variety of faculties by providing English language support, ie English for Specific Purposes (ESP).

From my understanding as a prior small business manager, having observed the commercial reality of running businesses in 'the world' as opposed to the classroom, I witnessed what were the early stages of the commodification of education and the economic rationalisation of 'the business of education' in Australia, with students and their employers being the 'end users' of this service provision. Education, training or re-training was also being used as a bargaining tool for those industries in decline, so it was a trade-off mechanism for large-scale retrenchments (eg in the manufacturing and footwear industry in the 90s). It was an era of training guarantee (percentage of total salary was to be devoted to training as an offset for payroll taxes *Training Guarantee (Administration) Act 1990 (TGAA 1990)* and the public and private provision of education and training was also being used as a cash cow for many people who started to invest in this lucrative industry (as opposed to profession). These people were not always from an education background or with the best of consumer protection intentions for students.

At that point, I had not come across the institutional theory which might have explained this commodification of education, however, as an *insider researcher* (Costley, Elliot and Gibbs 2010) I started to observe how publicly funded educational institutions were starting to replicate the world of business. From an educator's perspective, I have commented elsewhere on this demise from a philosophical perspective, but for the moment I use this example simply as the phenomenon of mimetic processes (DiMaggio and Powell 1983) ie of educational institutions miming the behaviours of commercial businesses.

Reflection 3:

I benefited from this mimeticism as my employers recognised my business background and I quickly rose to management roles in my work in educational institutions.

In Australia, TAFE (the 'T' not the 'FE' part of the acronym) concerns itself with teaching for blue-collar and lower level vocational outcomes. English language is fundamental to people, not only for surviving but for full participation in the workplace and for career progression. Australia's economy has benefited from migration and refugees, but the contemporary political dialogue of that time (the Hanson era) was that migrants were a cost to Australia. This dialogue continues today particularly in the face of the refugee crises and Australia's internationally declaimed policy.

It was in my teaching role at this time at TAFE as Costley et al's insider researcher I quantified the value of language skills and the lack of English language skills in both non-English speaking background (NESB) students and native speakers from low socio-economic backgrounds. The attendant remedy to this is dealt with later in this chapter. (Australia has abandoned teaching grammar, and despite its wealth is trending to a lesser ranking on literacy compared to world statistics¹¹.)

These early-in-my-teaching-career roles commenced the subjugation of my skills in teaching language to the technical area being taught (generic vs technical). I think this is an important theme to explain at its origins in my career as I have 'enabled' the teaching of specific technical areas without having the mastery of the content area and have made a success of this practice. Further, I have become adept at developing paradigms and patterns for extracting technical teaching skills from subject matter experts. I note here the theme of patterning and setting of paradigms that can be lifted and applied to different contexts..

Reflection 4:

I realised at this point how a person confident in their own discipline area (in the case of English language teaching – a generic area) can contribute to the teaching of a different subject matter/content. It launches the non-subject matter expert into new areas of learning (AsOL), for example for me the areas of accounting, childcare, catering, motor mechanics and so on. This exposure and ability to hold composure in unknown subject areas has provided me with a wide field of opportunity for my career as an educator. Looking back on this experience, it is this core skill that has released my abilities in transdisciplinarity. Further the technician enjoys primacy and power – affording no opportunity for professional jealousy. It is this wide applicability that has allowed me to move from blue collar train driver training to high qualification entry criteria taxation advisory skills programs¹².

At this juncture in my career, I had an opportunity to move into a management role with the Adult Migrant English Service (AMES). I was able to secure this opportunity due to the fact that I had the business and management skills from external environments. AMES was a federally funded (Commonwealth

¹¹

(<http://www.abc.net.au/news/2013-12-03/australian-students-slipping-behind-in-maths-reading/5132526> accessed 29 January 2017.)

Government). (Most educational activities at primary, secondary and tertiary levels in Australia are state funded.) It had a proud 50 year-old history when I joined it and was facing contestability for its recurrent funding for the first time in its existence.

Although I had had small business management and a current role managing almost 20 teachers, my management career in education according to the essential key selection criteria in permanent and managerial roles required further ESOL adult teaching credentials if I was to progress in AMES. Although it would make sense that any further study was in management, the edict was to gain postgraduate qualifications in Teaching English to Speakers of other Languages.

✔ Graduate Certificate in Teaching
English to Speakers of Other
Languages UTS 1996

It was then that I enrolled in a Graduate Certificate in Teaching English to Speakers of other Languages at the University of Technology Sydney (UTS). The distinction was that the qualification had to be to teach adults (not teaching at a secondary level as I had already completed this). I was happy to comply, having been disappointed in the lack of skills I had acquired in the prior secondary teaching qualification. Working in management roles in education while studying a relevant postgraduate qualification had placed me in ultra-left (political) environments. At the time, the curriculum department of AMES had embraced systemic functional linguistics.¹³ It was also the system adopted by the highly politicised academics of the University of Technology Sydney where I was studying.

The Halliday system (M.A.K. Halliday), and way of explaining language, was adopted by a group of researchers and academics in Australian education spheres who believed it was a teaching tool as a circuit breaker for generational poverty by putting the acquisition of language skills at the centre of social power structures.

Contrary to the plain English push afoot in government circles of the day, this school of thought agitated for the empowerment of people through an alternative to traditional grammar language teaching. (Although grammar teaching in Australia had been abandoned decades before, there were no alternative schools of thought – simply a vacuum.)

So controversial and political was this movement that the NSW State Premier of the day, Bob Carr, refused to implement this language teaching system because of his disagreement with its (in his opinion) unwieldy jargon:

¹³ **Michael Alexander Kirkwood Halliday** (often **M.A.K. Halliday**) (born 13 April 1925) is a British-born Australian linguist who developed the internationally influential *systemic functional linguistic* model of language. Refer to Wikipedia <http://en.wikipedia.org/wiki/Michael_Halliday>, viewed 25 May 2016.

'With functional grammar, children are no longer taught things such as parts of speech or how to parse a sentence; instead, the focus is on so-called real meaning and real contexts where language is defined as a socio-cultural construct. Nouns become participants, verbs are described as process and adverbial clauses and phrases are changed to circumstances. Such is the dense and arcane terminology associated with functional grammar that former NSW premier Bob Carr had it banished from the curriculum¹⁴.'

This is an important and core issue to the social mobilisation that can be achieved through education. Language is core to every facet of life and profession and my own understanding of what I am able to bring as an agent of change and transdisciplinary.

Reflection 5:

The Graduate Certificate course and this environment made of me a linguist rather than a speaker of other languages. It also resonated with my sensibilities for equality, given the entrenched social structures which education or the lack thereof continued to reproduce.

Studying and working in this environment forced me to examine the theme of professionalism of teachers, the equity and ethics of an education system designed to patriate migrants and refugees in juxtaposition with economic rationalism and commodification of education. I resolved that the making of students as 'clients or customers' did no harm to them, and in fact provided them with the protection afforded to all consumers (regardless of who was paying – the individual or the state). I felt justified in accepting education as a service to be delivered and consequently allowed me to be true to my principles and participate in this commodification trend.

The paradigm of 'student as customer' empowers students, although a difficult balance to maintain. This balance has been derailed in recent times in Australia by a lack of governance of accredited providers (see **Chapter 2** and **Chapter 4** for the paper prepared for accreditation which sets out the landscape of education in Australia).

It was not until a later course of study that I had the opportunity to read several papers related to the 'moral endeavour' of education. It reconciled my stance on the equity of education and commercial/economic measures by encouraging me to put students at the centre of all my decisions. This, I have observed, has established my immediate authority with any team I lead.

¹⁴ <http://www.newsweekly.com.au/article.php?id=3417> This article is from *The Australian*, June 13, 2008. by Kevin Donnelly

News Weekly, July 5, 2008

Reflection 6:

Shoring up student articulation to further study or work outcomes are central to any of my business decisions. It has helped me motivate staff in student services, convinced funding decisions and swayed curriculum design decisions.

At this point in time, I had the opportunity of undertaking a short course on internal auditing against the ISO 9001 standards. I relished this course because it created for me an approach by which to measure the quality of curriculum development. At the time at which AMES was entering a period of contestability, it gave me an expanded business language and the sensibilities with which to create tenders and to win funding for my employer. The methodologies of quality standards also appealed to my appetite for patterning, which via my newly acquired language of standards at the time, was called 'benchmarking'.

From this time, I stepped completely away from management roles in English language programs to managing a large team of training staff in the NSW State Rail Authority (SRA) (November 1997).

This role suited me very well, for it was a permanent role in a government organisation and the time had come in the financial affairs of my family to accumulate and consolidate. Again, this role provided the opportunity to manage an education business, where content areas were completely outside my (language) discipline area. It was, like the AMES, a highly unionised environment, but contrary to the environment of language teaching, the people being trained as well as those doing the training in SRA were from a blue collar environment, male dominated and mostly from low educational attainment.

A colleague from the TAFE system had advised me before commencing with SRA that respect is gained in a blue-collar environment when the person/manager pays particular attention to the occupational health and workplace safety of those they manage. In this role I observed this advice and determined I would need to achieve this respect from both the operational staff of the rail system as well as the trainers.

*☑ ISO 9001 Standards in Curriculum Development (short course undertaken in-house at AMES in 1997).
Delivered by National Association of Testing Authorities Australia*

☑ Certificate IV in Workplace Training and Assessment

☑ Diploma of Workplace Training and Assessment

☑ Certificate III in Transport Leadership

One of the other ways I achieved credibility with these training staff was to undertake the training package

qualification of Certificate IV alongside the people I managed¹⁵. This was a qualification that had been developed for those subject matter experts who needed to impart technical knowledge and skills in the workplace.

Sitting beside these people as their manager but also fellow learner earned me their respect, and as a result they engaged in the training more fully as it was not seen as being 'imposed'. It also established their training skills as a baseline (and was something that the college had been obliged to achieve from an educational regulator point, being an applicant RTO).

Along with my team, I also benefited immensely from this course, as for the first time in my teacher training, the skill of setting a curriculum and a framework for classroom practice was well thought out and taught.

After two years of what was essentially 'business as usual' within the college (apart from the tragedy of the Glenbrook train disaster of 1999), the Sydney Olympics in 2000 presented a positive project to work towards and so began the largest training project I had ever completed. The success of this project was to be the catalyst for me to step away from this blue-collar environment and semi-commercial training provision into the world of professional education delivered by membership associations and institutes.

Reflection 7:

From the Olympic Training Project, I learnt the positive challenge of rising to a seemingly impossible task. Contrary to being defeated by the dimensions of what was to be achieved, I found myself energised. Designing and delivering 18,000 days of specific training to 9,000 trainees with many union speed bumps on the way, gave me immense pride and a sense of achievement.

The three years in this organisation was not without an accompanying qualification. I realised that if I wanted to pursue further career progression that I should continue to study and add to my Graduate Certificate in TESOL with a Master of Adult Education and Training, again at the University of Technology Sydney.

✔ *Master of Adult Education and Training UTS*
1999

From this role in a blue-collar, taxpayer-funded and hyper-criticised (and at times ridiculed) institution – the State Rail Authority – I stepped into a role as Course Logistics Manager in Sydney at the Securities Institute of Australia (SIA).

¹⁵ See Chapter 2 for description of training package qualifications and Australian Qualification Framework (AQF).

The SIA environment could not have been further apart from that of the State Rail Authority. The SIA was a pre-eminent membership association which delivered courses to ambitious, well-educated finance sector professionals. The Institute had been 'born under the staircase of the Australian Stock Exchange' by investment professionals who were seeking to develop their staff with practical skills. Securities Institute Education (SIE) had grown to be an education provider to over 13,000 students with qualifications ranging from undergraduate Diplomas to a Master of Applied Finance and Investment. With this latter qualification, the SIA had outpaced the university sector in terms of prestige and developed the body of knowledge in finance and investment in Australia. However, SIA (the membership organisation) had an international competitor in the Chartered Financial Analyst® (CFA®). This designation was the Holy Grail of all people who wanted international recognition.

This separation of intent between SIE and SIA was the first time I had been exposed to the concept of short-term business success (ie high-selling courses) compared to long-term annuity business that is the privilege of membership organisations with a prestigious designation.

The SIA had been led by a heroic leader, Ros Allen, who had built the organisation from the ground up. With an illness taking her out of play, the organisation had been subjected to factionalism and power plays from longstanding employees (six people) who felt they had a claim to the Managing Director role. The instability caused by this factionalism harmed the organisation because, as with AMES, the monopoly that the organisation had held in the financial services sector was about to be contested with the introduction of the *Financial Services Reform Act 2001* (FSRA 2001).

In the SIA, only one other person (one of the six) had a strong educational background and was a very charismatic and innovative leader. It was he who placed confidence in me to take on an impactful role of Regional Manager which came up six weeks into my starting with the SIE as the Course Logistics Manager.

The role of Regional Manager that had become available was due to a maternity leave vacancy. Essentially, a General Manager role in the organisation as New South Wales (NSW, Australian Capital Territory (ACT) and International Regional Manager. I applied for and was successful in securing the Acting Regional Manager role. Along with my current position at The Tax Institute, this was one of the most enjoyable roles I have had in my career to date. The impact promised by the metrics of the role pleased me, and in addition I was able to contribute my knowledge of education to the betterment of the program for students.

The quality of my work in this role is remembered to this day, attested by the fact that I was approached recently by the directors as part of an executive search for the CEO role.

The dimensions of the role were:

- managing an education program with over 4,000 students
- a multi-disciplinary staff of over 35

- a revenue budget which was approximately 40 per cent of AUD 13 million per annum
- key relationship manager with business leaders and banking chiefs in the financial services sector.

One of the drawbacks of this role was the infighting between the Executive six – the ‘factional warlords’. I had been given a vote of confidence by the person who appointed me, but the other ‘faction’ had lost out on ‘their’ candidate. Despite these impediments, I had an impressive year of achievements, including:

- returning the highest profit and highest enrolment numbers in the history of the Institute (my division was responsible for 40% of the Institute’s activities)
- improving staff morale
- introducing new products and services
- increasing the student/customer service focus.

Reflection 8:

Workplace politics can cause immense distraction. In this instance, it was permeating down to lower ranks from a leadership vacuum. I was able to stabilise staff who in turn was proud to be able to deliver good service by ignoring these distractions and concentrating on the service delivery to students and members and adhering to my educational ethical sensibilities, I felt staff members’ ability to deliver good student service came about because of the leadership and influence I exercised, ensuring adequate resources were negotiated.

Alas, I was in the role only to cover a maternity leave position and I was required to vacate the position for the incumbent’s return. I was invited to take up a position in accreditation and quality assurance for the SIE.

The volume of and scope of tasks that needed to be undertaken in that time period matched my preceding work-experiences (for example AMES (ISO 9000 and 9001) and SRA Olympic Training Project.

In Australia, from 1999–2003, the financial services sector was undergoing major reforms which were designed to harmonise the provision of financial advice. The combination of my ISO 9000 and 9001, the Masters of Adult Education and Training, the Certificate IV in Workplace Training and Assessment and coverage of the entire Australian Qualifications Framework (from post-secondary, vocational through to Masters qualifications) stood me in good stead as the FSRA 2001 and the SIA’s re-accreditation of existing awards along with the introduction of new qualification streams all converged on the 2002 year. It fell to me in my new role to navigate this landscape.

At this point in my career, I came face to face with the task of converting previously discretionary education to meet the new regulatory requirements under the FSRA 2001. In reflecting on my learning history, this represented a major gear change and catapulted my learning beyond educational qualifications to professional licensing. I started to read legal and regulatory documents and as lay person to make sense of

what they contained.

I observed that while the regulator Australian Securities and Investment Commission (ASIC) started an engagement and communication process with the various professional elements of financial services (providing information sessions which the SIA hosted), the confusion and lack of practical answers of how the new regulations 'apply to me and what I do' showed a cynical lack of resourcing from the government and it was left to the SIA as the only membership body servicing the sector to advise and guide. This phenomenon of regulator obfuscation was to re-occur again for me eight years thence with the introduction of the *Tax Agent Services Act 2009*¹⁶.

Information and distilling policy into practical next steps as a member service became the remit of the SIA and it became the 'go-to' organisation. In my role as Educational Policy and Quality Assurance Manager, I was the key resource to answer these questions and to lead the SIA in assisting people to be prepared in terms of education/examination by the end of the transition period in 2003.

Another critical influence I exerted was on the formation of the ASIC training register. ASIC had outsourced the maintenance of the training register (list of acceptable courses to licensed representatives) to the National Finance and Investment Training Advisory Board (NFITAB). As set out in **Chapter 2**, in Australia at that time, ITABs were semi-government organisations formed to represent industries so that training and education programs were delivering the skill sets the sector needed. They were the link between the education authorities, registration and licensing, the employer and the workplace.

The NFITAB's management of the training register resulted in a very narrowly focused and low-level qualification list to meet Regulatory Guide 146 (RG 146) (or PS, as it was still known as a Policy Statement at that stage) for anyone offering financial services advice¹⁷.

The implementation of the training register was about to proceed without any listing for the postgraduate qualifications that the SIE had on offer. It was at my identification and intercession that the SIE and other postgraduate qualification providers (universities) were able to list their courses. This was achieved despite the incongruence of course architecture (competencies vs learning outcomes) vis a vis the register's requirements. (Atomistic and formulaic vs substance as future financial planning and education scandals would attest – see **Chapter 2**.)

With the core of SIA business (ie the cash cow that was SIE) being under threat from regulatory disruption, I moved quickly through the work at hand such that by the end of the 2002 year, I had protected the Institute's

¹⁶ This is the rationale for including the Public Works 19 which provided a series of free Roadshows to the tax professional community.

¹⁷ This story cannot be followed without an understanding of the VET and Higher Education divide as explained in Chapter 2.)

business by:

- reaccrediting five awards (Diploma to Masters)
- introducing five new awards (newly accredited) and listing these on the training register
- re-registering the Institute as a higher education provider (ie able to award a Masters and other postgraduate qualifications)
- registering the Institute as a Registered Training Organisation (RTO) for the first time
- developing expertise in the regulation RG 146 (policy statements and regulations from the FSRA 2001)
- accrediting the SIE's own qualification in Mortgage Lending (this had not yet formed part of the Training Package).

Again I felt positively challenged by such a large undertaking and exhilarated by the criticality of the outcome of my work to the business.

I was in a strong position with my skills, I was clearer about the sort of role I enjoyed best and I had had the SIA's support in 2004 to start a Master of Business in Work-based Learning at (again) University of Technology Sydney.

[!\[\]\(cbe2492b119e39e02a1dab2af4a4b296_img.jpg\) Master of Business WBL UTS 2005](#)

For the first time in my career while at the SIA, I had seen the generosity of volunteers in a community of practitioners and had gained confidence in interacting with the financial service regulators (in addition to educational accreditation departments).

One of the strongest motivations for my undertaking the Master of Business was that I wanted to universalise my qualifications beyond language teaching and/or education into something with credibility in business and management. The first part of the Master of Business award was entitled 'Program Planning'. This part of the qualification was a negotiated work-based learning program with claims of achievement which were retrospectively justified.

I was required to complete three tranches of this program: the first to establish my own curriculum and present my experience/portfolio as evidence of attainment of the learning outcomes; the second to undertake a formal subject; and the third a research project.

The Areas of Learning (AsOL) I identified were:

1. Managing Workplace Learning and Reform Through Change
2. Leadership in a Commercial Education Business
3. Managing learning Activities/Training Projects
4. Adult Education
5. Quality Assurance in a Self-funded Education Business

6. Effective Communication Skills.

Each of these AsOL had learning outcomes and I was required to create a portfolio of evidence to establish the attainment of these outcomes. I left the SIA and commenced a role at the Institute of Chartered Accountants in Australia ((ICAA) – now amalgamated with New Zealand forming the Institute of Accountants in Australia and New Zealand (ICAANZ). I put my study on hold for a few months.

Reflection 9:

This WBL award was a great learning event in my life as it had a multi-layered benefit to me. By designing my own coherent award at a Masters level, I had branched into the work of course architecture at a postgraduate level.

*Not everything that can be counted counts and not everything that counts can be counted.*¹⁸

Despite the fact that again I had a role in an organisation where I held the highest qualifications in education and educational management, I did not fit in well. The same factionalism was afoot in this organisation that had plagued the SIA, and my appointing manager left within two weeks of my arrival.

Reflection 10:

It was at this organisation that I learnt the value of *meal-ticket qualifications*,¹⁹ ie those qualifications that are endorsed by regulators and which arm and protect the professional to carry out their work. It is these designations that are consistent with the regulatory livery required to survive regulatory arbitrage and professional closure.

SIA offered a discretionary membership without an internationally recognised designation. The CFA® was fast closing in on the pre-eminent status of the financial services players and members of SIA. At the (then) ICAA, however, there was a unique pathway to become a chartered accountant. I saw the value of 'hard wiring' membership credentials into the infrastructure of the regulatory frameworks extending into the business environment of Australia.

After an unhappy six months – due to my philosophy of 'education as a service' being at odds with my managers – I left to join the Financial Planning Association (FPA) as Education Manager. I also resumed the study of my work-based learning project. In deference to my host organisation, I chose the research project which was also my entry point to understanding professions by investigating the question: *Can we educate for professionalism?*

¹⁸ Attributed to Albert Einstein.

¹⁹ See **Chapter 2** framework for professional regulation in Australia.

It was 2004, and the FPA and the financial planning community had undergone the reform changes of the FSRA 2001. Consumer protection scrutiny and being registered to provide financial advice were highly contested spaces with accounting and law professions also claiming practising privileges.

In researching this question, I undertook a literature review which introduced the concepts of institutional theory, professionalism, post-tertiary education and professional demands on an applied curriculum. I was fortunate to have been supervised by Dr John Gray who had a research background in institutional theory.

Reflection 11:

I felt an immense upsurge and impact of learning at this point in my career. I was working in an environment that looked at systemic patterning and the way societies organise themselves. I was participating in a sector undergoing regulatory reform with a running power grab from various professions.

I was comparing this with a wider body of knowledge that ensured my reflections were being actively encouraged and confirmed.

The institutional theory to which I had been introduced through the literature review resonated immensely with my predilection for patterning and formulae.

In this Chapter I deal with the tangible and ephemeral in the analysis of my personal learning account, I believe I demonstrate sufficient prescience and innovation to a level where I have overturned my self-assessment of that time, creating new value and new works in emerging the tax profession and the praxis of institutional isomorphism.

2. My learning biography – prelude to Public Works

From one thing, know ten thousand things.

Miyamoto_Musashi

I would like to emphasise my predilection for patterning, formulaic frameworks and benchmarking. Not only do I have an attraction to systems and patterning from a mental organisation model, I am also drawn strongly to visual patterning. It is important that this attraction to patterns is not trivialised, as I make a claim for this in connection with heuristic learning – knowing ten thousand things.

As Neumann and Neumann (2015) state, autobiographical situatedness influences the choice of theory – in my case Institutional theory. It is this precursor environment, my specific ‘social experiences’ (ibid) to the public works that see me entering the environment as a reflexivist – ‘acting as a self-aware modest witness’ (Haraway in ibid page 800) and then at a key point of inflection becoming an analyticist and affecting the interlocutors.

It is difficult to describe what sort of researcher and learner I am without first acknowledging the serendipitous nature of finding a work environment that has allowed me to perform in a way that is consistent with my attitude to ‘education as a service’ and the work environment from which to glean observations from the standpoint of the ‘insider-researcher’ (Costley, Elliot and Gibbs 2010) to ultimately become a producer of impactful public works. In essence, there needed to be enough scope in any role I secured to create public works of import and impact.

Clegg (2010) comments that ‘All practice is social, all practice is shared with others’ (Clegg 2010). In 2004, with the opportunity to work with a prior manager (who was also studying the same award of Master of Business) within an emergent profession of financial planners, I was able to utilise this workplace environment to complete my Master of Business in Work Based Learning (WBL) through the University of Technology Sydney.

Neumann and Neumann state: ‘the more the researcher knows about why they have chosen to attempt data production about phenomenon X rather than Y, how they go about producing that data and how they produce their stories about X, the better the data and the better the texts.’ (p799)

The reason I chose the research question at that time, apart from the fact that it was completely relevant to my role, was that there was a prevailing negative attitude in Australia towards people in the financial advising sector (as established in Chapter 2 and in reference to Sanders 2010). My ‘phenomenon X’ in this instance was that I wanted to establish that individual financial planners could increase their professionalism through embracing rigorous formational and continuing education. My research found that regardless of financial planning being considered worthy enough to be deemed a profession, this status would always be undermined by the interests of large financial institutions.

I posited that individual financial planners have been systemically scapegoated when in fact, as engineers of the regime, large institutional greed was the barrier impeding financial planners acting in the best interests of their clients and therefore from becoming fully recognised as a profession.

My findings in this research privately and precociously (2005) predicted the development of that sector in Australia, which now has had a fundamental shift with the Future of Financial Advice reforms (FOFA 2013) (The Treasury n.d.). The result was large-scale reform at the institutional level, which was embraced and led by the professional association in which I had then worked and studied.²⁰

Unbeknownst to me my project concluded in close proximity to the commencement of the thesis of Deen Sanders (Sanders, D. 2010) who took up the role of Chief Professional Officer²¹ at the FPA in approximately 2006 – 2012.

As recently as May 2016, large institutions are pointed out as responsible for the financial sector scandals and a class war is ensuing with the Opposition Labor leader Bill Shorten calling for a Royal Commission and the current Prime Minister Malcolm Turnbull (as a former investment banker our Prime Minister mocked by the opposition leader as 'Mr Harbourside Mansion') is seen as having an unseemly influence exacted by the banking and finance sectors.

Another benefit of my earlier exposure to Institutional theory was that I started to see a predictability through patterning which allowed me a certain intuition and it is for this that I lay claim to an ability to foreshadow emergent issues. This came into play at The Tax Institute with the introduction of TASA 2009 (in 2010) and my preparedness to create an award 'equal to' the calibre of an applicant to the CTA designation in 2012.

On this journey and literature review I also discovered an area of research of great interest and a deeper intrigue in the study of the nature of professionalism in itself – '*The patterns and relations that make the mundane intelligible*' (Clegg 2010) – how professional status might be mapped back to Institutional theory.

The questions I reflected on as a reflexivist (Jackson 2010 in Neumann and Neumann 2015) were:

- How do professionals gate-keep their professional status?
- Are they accepting and willing to share their body of knowledge?
- Do they have an egalitarian approach in their values and attitudes to those wanting inclusion or are they excluding to create elitism once they are safely through themselves?
- Where is the consumer of that professional skill (the client) left in any power play?

²⁰ Please note I do not lay claim to this as my public works; however, it indicates my powers of prediction that come from reflection and observations.

²¹ The title of Chief Professional Officer will be revisited in **Chapter 4**.

- Is fiduciary care (the mainstay of ethical behaviour) encouraged?

The multiple regulatory forces described in **Chapter 2** and the modus operandi of people in power to gain control within a vacuum were recognisable as the regulation came to conclusion.

From the literature review, I remember feeling that I had discovered an Aladdin's cave in understanding how societies and sub-groups organise themselves. I was exhilarated as this was a conceptual handle to describe and understand the motivations of those groups of people who were influencing the sector. It was not apparent at the time that it also resonated with my predilection for patterns and systems. I have made that connection more recently in writing this learning biography.

I also had occasion to reflect on what could be a power struggle between different social stratae for emerging professionals. A cynical perspective on this was exposed in Morley (2003). This article exposed the activities of a dominant religious and socio-economic group in the accounting profession in New Zealand who had effectively closed ranks to guard against unwanted entrants to their profession. They did this by insisting that accounting education be taught during the day making the qualifications only accessible to full-time students, *ergo* those who could afford to be studying full time.

Little did I expect that it would be economists who would demystify Institutional theories for me further with the extrapolation of this extreme professional gate-keeping as it was translated into economic theory. Carillo and Zazzaro (2001) argue that new technical knowledge is protected by the prevailing powers and is used to exclude and aggrandise those in or seeking power.

Professionalisation has been, and still is, a process that has profoundly influenced the economies of the most industrialised countries. Professionalisation entails a radical transformation of the whole occupational system, since it gives the members of occupations characterised by a high degree of generalised and systematic knowledge the authority to decide whether or not to admit a potential recruit, to control the behaviour of those who belong to the profession and a monopoly power on the market for professional services. One consequence is the high position in the occupational hierarchy assumed by members of the professions.

(Carillo and Zazzaro 2001 abstract)

Without a clear delineation of the tax profession, The Tax Institute would therefore be unable to transform the occupational system and as chronicled in **Chapter 2** in relation to financial planners were unable to control who would be admitted.

I do not claim to have advanced these theories as my 'situatedness' had been as an observer up until then, but rather having applied this analysis when I searched for a way to effect my public works, it is these

theories that explain very well the phenomena at play in the regulatory space. I have also harnessed the theories as powerful levers to operate to achieve the outcome I felt was an honourable one and 'authorised' (ibid) – to emerge the tax profession in Australia. This is the point of inflection from observer to activist, from reflexivist to analyticist. (Jacson in Neumann and Neumann 2015).

In March 2005, I was offered my current role to establish an education program at The Tax Institute – a greenfield set-up project. The experiences that I had in my favour, in addition to educational and business qualifications, that supported my candidacy for the role were:

- exposure to professionalisation and institutional theory, which had given me significantly more knowledge to apply to this new setting
- credibility of effectively managing large operational teams (SIA)
- impressive project dimensions due to my work on the Sydney 2000 Olympics.

In establishing an education arm (the general ledger code at the time of my joining was Recognised Professional Association) for The Tax Institute, I found a role in which I could create and influence for the 'moral endeavour', that is, education (Rizvi 1995). These influencing skills had been gained in the tendering process with TAFE and AMES and the rough and tumble of the union environment at SRA. These skills were also employed to prompt the decision makers at The Tax Institute about the student outcomes - the decision makers were, after all, the gate keepers of the profession and the graduates' future employers.

With global and market forces commodifying education services, I was keenly attracted to the prospect of a new 'pristine' site and one where the educators (the members who were tax experts) had 'skin in the outcome' in the viability of the outcomes and graduate attributes.

With the privilege and status of the Institute (an almost 70 year old organisation at the time of my joining - with members from the ranks of academia, legal profession including judges and business leaders), it was extremely easy to 'insinuate' the organisation as a high-quality educator.

Herein were the levers to operate. I chose archetypal features of a well-run education activity: adopting the standards of accredited programs (without choosing to enter into the regulatory mire at that time). By having completed the accreditation projects I had at the SIA and by my own studies in designing my own Master's award (Master of Business), I had had enough exposure to accreditation to understand the governance structures and enough practice in course architecture to draw on this knowledge and skill base. To my delight my educational philosophical stance was shared by the CEO and Directors of the Institute.

The language of business at the time also used 'benchmarking'. I felt that this was another way of drawing on patterning which was by now a consistent theme in my interpretations of my workplace and to inform my work. Although at this point I encouraged those on our boards to be creative, to push pause on institutional isomorphism (McNair and Watts 2006), in order to create new educational experiences which were fit for

Creation of a three-level education program.

Establish two boards (academic board and 'voice of customer' board) to provide academic governance.

First delivery in September 2005 (May 2005 commencement of my role).

Influence on membership pathway rules to influence appropriate grandfathering.

Built capacity and capability of Institute as an education provider.

Leadership in educational practices:

- secured multiple recognition and exemptions for graduates of short courses
- positioned the Institute as go-to for educational practices including competitor organisations.

purpose. I argued that these outcomes could be achieved without the strictures of the check boxes and unwanted scrutiny by the regulator. I was also cogniscent (based on my prior experience at the SIA in dealing with the implementation of FSRA 2001) that the regulator might do little other than to set minimum standards.

My business acumen led me to recognise that whatever choices were made at that neonate stage, would be called upon to future proof the Institute for the inevitability of establishing 'organisational legitimacy' (McNair and Watts 2006, p. 3) (applying to register and to accredit with the Australian education regulators, whoever they might end up being). The framework and terms of reference had been set by prior deliberations of the Directors of our Institute. By comparing with other tax institutes around the world (mimeticism), it was evident that a formal and structured education program was desired – one which would lead to particular membership designations for the alumni of the education program.

The business case presented to the then Board of Directors to create both my position and the education division at the Institute was to secure the sustainability and long-term viability of the organisation. It also allowed in turn (although not necessarily known at that time) an enhanced position to negotiate the licence for the Chartered Tax Adviser designation. Over time (from 2005 to 2010), a more daring ambition (personal and professional) crystallised, and that was to create tax as a profession in its own right.

This recognition of professionalisation was not necessarily the intention of the Directors or the CEO, but it was one that I felt was warranted because, remembering the unique and strong position of the Institute of Chartered Accountants in Australia (as it was then known) it would ensure 'meal-ticket' status for the Institute and truly reflect the depth of professionalisation of those working in tax. Without stitching the tax profession into the regulatory framework of Australia,

the tax profession membership always be discretionary and not a meal ticket.

Based on my established expertise in educational accreditation and consultation with the profession, (evidenced by being appointed to the role and having the confidence of my employer - performance reviews were consistently positive) I advised the governors of the Institute to create a three-level program. I argued that it would be premature to pursue educational accreditation without first building the capacity and capability of the managing a student body – I painted the picture effectively by describing the minutiae of delivering education as being ready with policy for ‘the dog ate my homework’ scenarios. My advice was based on the fact that to be creative in our design, we needed to avoid being overly influenced by mimetic institutional processes (DiMaggio and Powell 1983, in various). I advised it was a better approach to delay accreditation. I reviewed this each year (2005 – 2012) by conducting a feasibility study and presenting it to the relevant boards. This staged approach was accepted until accreditation was pressed upon the Institute in 2013.

I have intentionally chosen to work in professional associations because of the increasing restrictions that are imposed on the public and private education sector and the general dissatisfaction of those working in universities and vocational institutes which colleagues (and headlines) describe as a ‘race to the bottom’ (www.news.com.au/finance/work). I knew from past experiences that within a practitioner-led education activity there would be protection of a high standard of professional expertise. This knowledge was gained in the FSRA 2001 environment of SIA where the catch cry was ‘raising standards’.

So the work at hand was to build a metaphoric edifice that would house a high-quality teaching and learning program and furnish this with the required learning resources which would produce desirable graduates who in turn would be pursued by employers for their knowledge and skills.

As a subterranean or covert endeavour, the personal motivation and agenda was to understand the backdrop of this activity as the process of professionalisation:

Once established as a profession, the professional "Acolyte" initiates a process of social status accumulation that affects the rewards of different occupations and, consequently, the pace of technological change.

(Carillo and Zazzaro 2001, abstract)

Why did I believe so strongly that establishing the tax profession as a profession in its own right is so important? And at what point therefore did my situatedness as a researcher change from reflexivist to analyticist?

As foreshadowed in **Chapter 1**, any country’s revenue base comes from its taxation systems. In Australia, we have one of the most complex, controversial and contested tax systems in the world. The jurisdiction has a self-assessment system where taxpaying entities are required to state their earnings and predict their tax

debt (or credit). Australian tax law has slowly unfolded over decades, and since baby boomers are approaching retirement age, the revenue base is challenged with the provision for the ageing population and the superannuation system. A comparison of Australia and United Kingdom tax system complexities is provided in Table 6. The importance of revenue collection to Australia as a modern society is provided in Table 7. (Statistic from ATO at Table 8 on percentage to social welfare on page 80)

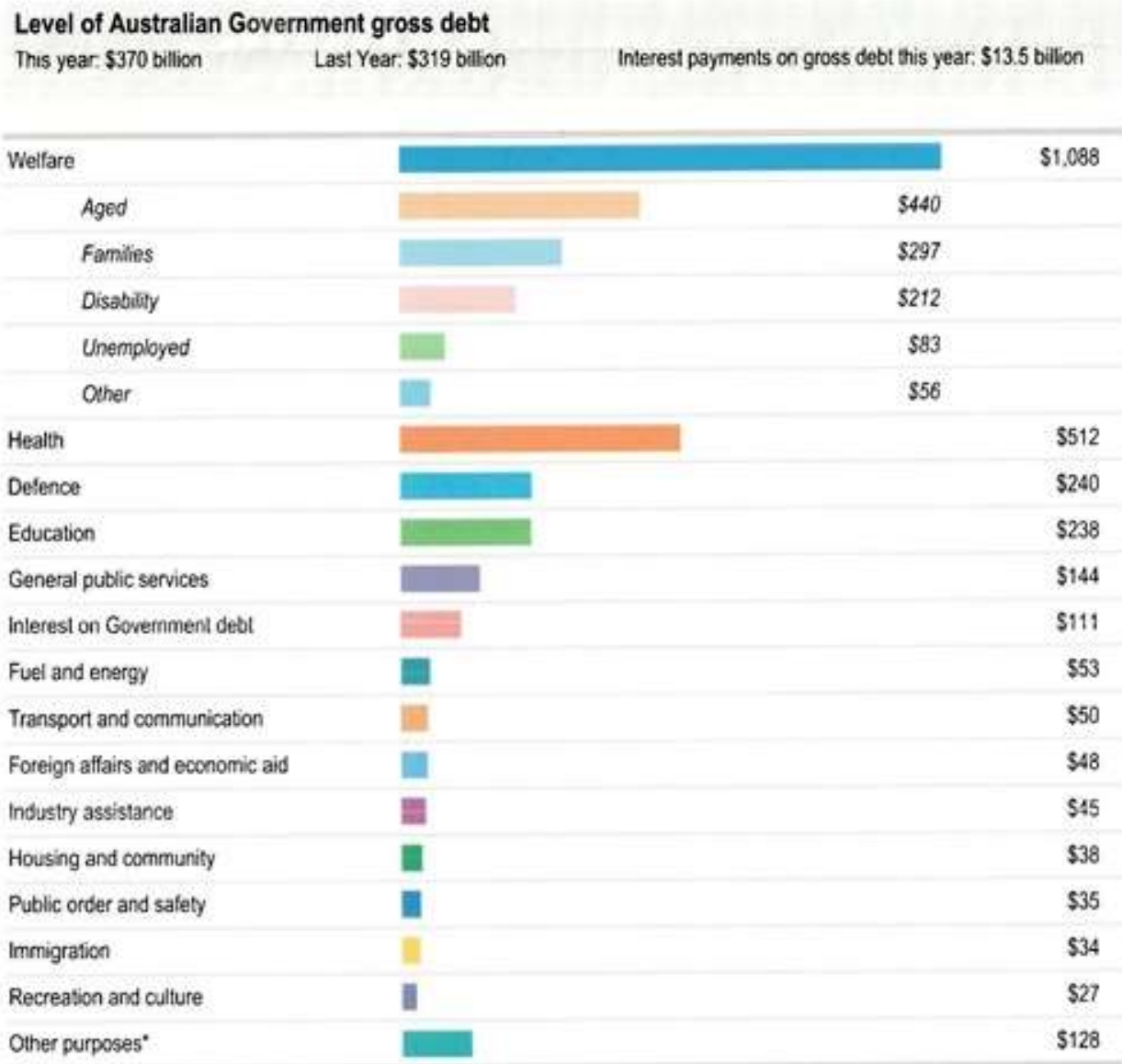
Table 7: Comparison of underlying complexity and impact of complexity

		Income tax		GST/VAT		Total underlying complexity	
		Australia	UK	Australia	UK	Australia	UK
1. Numbers of exemptions plus the number of reliefs	Policy complexity	2.9	3.42	2.61	2.72	8.74	7.08
2. The number of Finance Acts with changes to the area (since 2000)							
3. The Gunning–Fog readability index.	Legislative complexity	3.07	2.5	4.53	1.125		
4. Number of pages of legislation							
Underlying Complexity Index		5.97	5.92	7.14	3.84	Total impact of complexity	
5. Administration costs for tax administration/net revenue collected	Average resource cost	2.35	1.85	2.35	1.85	6.38	6.66
6. Number of taxpayers	Aggregate impact	4.58	1.8	0	.83		
7. Average ability of taxpayers							
8. Avoidance risk							
Resource Impact Index		6.93	3.65	2.35	2.68		

Source: Budak and James 2016, appendix, pp. 25 and 26

Table 8: Distribution of taxes in Australia in 2015

The Australian Government thanks you for your tax contribution for 2014-15. This statement details Australian Government debt levels and where your personal tax was spent, based on 2015-16 Budget estimates.



Source: Australian government tax receipt

Purely from an educator's point of view, the body of knowledge required to provide tax advice demands substantial education and experience, and while the professional skills required to assist taxpayers to comply with the tax laws are thought to be based largely in accounting, rather it is the higher order advisory skills of an accountant and/or lawyer that prepares the professional to understand and interpret tax law. A tax professional must interrogate the justice of those laws and apply a professional's advice and skills. These are the skills required to be taught. In addition, the profession itself is shape shifting, and in a perverse twist I found myself in 2008 – 2015 returning as an observer of the battlefield between financial planners and accountants in the grab for status, technical and professional superiority (Hoyle 2014) and Appendix 23.

As previously established (in Table 7), the Australian tax environment is one of the most complex and risk-intense professions in which to practise, remain legislatively compliant and deliver professional client advice. Despite this high risk and complexity, the profession did not have a clear pathway for entrants to become a 'tax professional'. For example, if you asked a school child in year 10 about what a tax professional does, they would answer, 'work at the Australian Tax Office' or perhaps with a bit more knowledge, 'they're an accountant'. I understand this misunderstanding as it was also mine when I first arrived at the Institute.

In recent years (2011 – 2016), I have started to voice my opinion regarding my belief in creating a tax profession as a profession in its own right. I had more confidence to do so with the legislation that was proclaimed in 2009 and implemented on 1 March 2010 (the *Tax Agent Services Act 2009*), which was heralded as the 'birth of a profession'. I have actively socialised this concept internally at the Institute, and finally in 2012 was successful in having this statement included in the three-year strategic and business plan. It was at this point that my situatedness changed from reflexivist to analyticist (Jackson 2010 in Neumann and Neumann 2015).

From a personal perspective and to justify my claim of leadership I posit that this agitation and influence comes from the stage of my career and my evolved leadership style. I could have chosen to simply mark time and focus only on my division's success. Instead I challenged myself and find the most apt explanation of this in a description of values-based leadership. In an engagement survey conducted in 2014 my leadership was endorsed by my team and my peers. Over time when I have spoken up on issues which trouble me, my contributions are welcomed and accepted. Barrett 2013 describes a range of leadership styles and levels of consciousness with 'Serving (Service)' being most likely to be in the age range of 60+ years with the value priority of social justice.

'Wisdom/visionary leaders are motivated by the need to be of service to the world. Their vision is global and they have a holistic perspective on life. They can handle multiple levels of complexity. They are focused on the questions, "How can I help?" and "What can I do?" They are concerned about the state of the world and social justice. They also care about the legacy they are leaving for future generations. They are not prepared to compromise long-term outcomes for short-term gains. They use their influence to create a better world. They see their own mission and that of their

organisation from a larger, societal perspective. They are committed to social responsibility and ethics. For them, the world is a complex web of interconnectedness, and they know and understand their role. They act with humility and compassion. They are generous in spirit, patient and forgiving in nature.

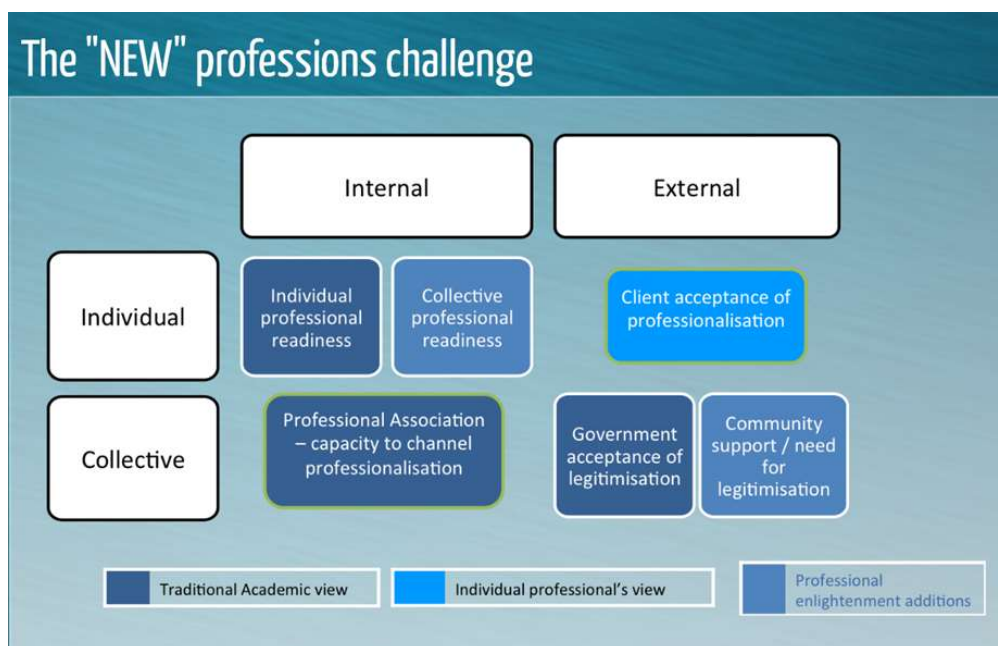
They are at ease with uncertainty and can tolerate ambiguity. They enjoy solitude and can be reclusive and reflective. Level 7 leaders are admired for their wisdom and vision. They are destined to become the elders of our society.'

Barrett, D. 2013 Excerpt: The Fundamentals of Values-Based Leadership

So although The Tax Institute, with its education program now developed, had the reputation, capacity and capability to champion the profession as a profession in its own right, its collective will was not as yet articulated in this regard. I took up this leadership challenge.

In his examination of the forces of professionalisation, Sanders (2010) has depicted 'readiness' as a challenge as shown in **Figure 8**.

Figure 8: Readiness and professionalisation



Source: Sanders 2010

I have proposed that as a body focused solely on the tax profession, The Tax Institute should champion the establishment of tax as a profession in its own right; it is not a view shared by all within The Tax Institute. As a coalition of members whose directors and members come from either accounting or legal disciplines, the Institute's members' loyalty has been more easily given to their professional 'discipline of origin' (ie if they are accountants to the accounting profession or lawyers to the legal profession). It is through these disciplines that they are connected into the infrastructure of the Australian professional landscape. To overturn this loyalty of discipline of origin would require significant re-engineering and influence on regulators (Carillo and Zazzaro 2001).

Recently, with the dialogue on 21st Century skills and digitisation of low-level tax compliance work included in the Standard Business Reporting (SBR) Framework, in a process of implementation since 2010, the concept of the tax profession has become more highly embossed.

Frecknall-Hughes and McKerchar (2012) acknowledge this emergence in their comparison between the UK and Australia. However, in Australia, in contrast to other countries, how to become a tax professional is still very unclear and is a choice made too late in a person's study program to give the immense body of knowledge its due reverence. Clearly, starting the study of a body of knowledge earlier in a person's career and using formational university years is a better program of development than choosing at year 15 (12 years schooling and then three years' university).

It is at this point – education – that I feel I have found my authority and the point of entry to drive the discussion. Knowing as I do the interlocking pieces that produce the education regulatory landscape and the politics of curriculum played out in Australia, I have the necessary wisdom and leadership to influence (Barrett 2013) the amount of education, training and ongoing professional development that such a body of knowledge requires. And additionally, I understand, through the lense of Institutional theory and the utilitarian 5E's componentry of a profession (Education, Ethics, Experience, Examination and Entity) (PSC) is required to further launch the profession. Not only now do I have a strong opinion through my

Championed a new definition of knowledge and skill spectrum for tax advisers.

Influence with contributors – ensuring that practitioners understand 'they know how they know'.

Leadership in cross sectoral and cross jurisdictional educational program development.

Leveraged Chartered Tax Adviser designation and TASA 2009 to strengthen meal ticket membership.

success in building the 5 Es, I have an audience willing to listen and the regulatory environment has 'caught up'.

Since its beginning in 1943, The Tax Institute has been chosen as a 'discretionary' (albeit elite) membership. To protect the longevity of the organisation, to remain worthy of being a designator of the Chartered Tax Advisor²² status and to strengthen the appeal of becoming a member and a recognised professional, the Institute's professional membership must be hard-wired into the financial services, commercial law and educational accreditation sectors of Australia, and the Institute must play an active and highly visible role as champions of the profession.

These have been the principle tactical aims of my public works: to produce the 'artefacts' of a profession, and to build an indisputable position of influence with the regulators of this profession, not only to contribute to the work of the profession (which the Institute has done effectively for almost 80 years) but to coordinate and control regulatory forces to advantage the members of the profession.

In my area of technical expertise I then looked at what education, training and professional development do professionals set for inclusion to their ranks. How learner-centred are these programs? Do they have best practice educational features? Do they allow learners to show what they have learnt or are they raising the bar continuously and trying to keep the apprentice out? Is the assessment robust, rigorous and of high integrity? Are the graduate's attributes on show in their practice, emblematic and a clear indication that they bear the marque of the education course they have followed?

These questions have been central to my own learning journey and have allowed me to piece together my own professional and personal interest in continued adult learning and the examination of the phenomenon of profession-led education and training.

Because the tax profession in Australia is not seen as distinct from accounting and law professions, I propose that by having socialised the concept of the tax profession as a profession in its own right and in creating these indicators of a profession through the public works, I illustrate how I have led and influenced to ensure the Institute has kept pace with the international tax communities of practice. In turn I have translated this to the Australian context, changing the boundaries and recognition of this professional field (Frecknall-Hughes and McKerchar 2012). These activities are integral to my public works and completely consistent with the constitutional objects of The Tax Institute as it represents over 14,000 members and as the Institute enters the consolidation phase of licensing the Chartered Tax Adviser designation.

At first resistant to the findings and guidance of Institutional theory in order to innovate (that is not mimicking other association programs but introducing new ways of teaching and examining), but then in turn reliant on

²² The Tax Institute was licensed to designate Chartered Tax Adviser status by the Chartered Institute of Taxation in the United Kingdom in May 2012.

normative pressures to establish an area of professional practice *as a profession in its own right*, I posit that through the Institutional frame and the conceptual handle afforded by the 5Es, for tax to be seen as its own profession, the elements of **Education, Ethics, Experience, Examination and Entity** need to be in place, and my public works have been undertaken to that end. Figure 2 and Table 2 depict this temporally, impact-wise and in a way of explaining the interconnectedness of the public works. I have set out in **Chapter 4** (following) the accomplishments in building these artefacts. Further, these five elements (or the statement of claim for each of the achievements against each of these categories) is part of the public works ‘form’ in **Chapter 1** and revisited in ‘substance’ **Chapter 4**.

After agitating to establish a professional standards division and finalising by-laws, the next work is to create the Code of Professional Conduct (COPC) and to communicate and educate our members in this code.

The final pieces of the establishment of the profession will come from tracing the roots of its legitimacy through its early formation (1947) and soldering the Institute into the current regulatory infrastructure. My work to this end has been rewarded in winning research grant money to fund the creation of the COPC and to review the viability of a practising certificate.

With the SBR Framework starting to take shape in 2015, and effective from 2016, it was serendipitous that while preparing the submission for TEQSA and putting forward our stall that the profession needed a different style of education, an ATO-commissioned research report cautioned that the tax professional needs to ‘evolve or die’.

By reflecting the higher order skills and professional attributes necessary to effect good tax advice in the association-led program that educates and serves them, our graduates will be able to demonstrate the skills of the 21st century and be able to take their place among the emerged tax profession.

Chapter 4: Public works


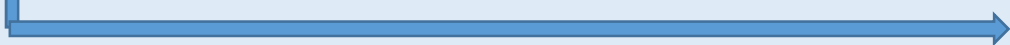
Learning comes from bringing thinking and doing together. Because people are working on a real-life priority, the reflection has more of a cutting edge to it; and because people are stepping back from time to time to reflect, the quality of the doing can be much greater. The desire to learn, a sense of excitement about it, and an enthusiasm for discovery and enquiry – all essential ingredients in learning – are encouraged because people see how learning is helping them achieve personal and corporate objectives.

(Binney and Williams 1997)

As previous Chapters established, the entry point to and framework for my Public Works I have adopted is through five main themes. These themes headline, explain and justify the impact of the Public Works on the emergence of a profession. According to the Professional Standards Councils' academic view, it is these five artefacts that need to be established or are signifiers that a group may be considered a profession or that professionalisation has already occurred.

For each arena of Public Work, I will demonstrate its contribution and impact to the relevant element. In accordance with the requirements of the professional doctorate by Public Works, I therefore present five main Public Works (ie each of the elements). The Public Works themselves may have more than one artefact to illustrate the quantum of work. These multiple works are also provided to address the evidence from an authentication perspective. I have indicated the Public Works available in Appendix 1 as follows:

Table 9: Taxonomy of Public Works

 Primary	Primary and Additional Public Works securing Additional outcomes. These are Public Works where I have primarily authored and drafted the Public Works. The symbol for Primary and Additional is: ③	Primary and Necessary: These are Public Works where I have primarily authored and drafted the Essential Public Works. The symbol for Primary and Necessary source is: ①
Secondary 	Secondary and Additional Public Works. These are Public Works that I have collaboratively written or contributed to documentation as a representative of the Institute. The symbol for Secondary and Additional Public Works is: ④	Secondary and Necessary source: These Essential Public Works are where I have collaboratively written or contributed to documentation as a representative of the Institute. The symbol for a collaborative source is ②
Additional Public Works		Necessary Public Works

As well as the publicly available information (most of my claims for Education are in the public domain), those documents that are not directly accessible are provided in the Public Works Appendices 1 – 20 as attachments.

1. Education

The specific technical and professional requirements to practice in a discrete professional area. Reflected in entry-level formal qualifications or certification, and ongoing education or continuing professional development expectations.

(Professional Standards Councils)

PUBLIC WORK 1: CREATION OF THE GRADUATE DIPLOMA OF APPLIED TAX LAW ①

The accreditation of the Graduate Diploma of Applied Tax Law established a course of study that builds the skills from entry level through core subjects into deeper tax specialisations. The program was approved by the Tertiary Education Quality Standards Agency (TEQSA) under the *Tertiary Education Quality Standards Agency Act 2011*. The public work cited is the availability of the program and the current Equivalent Full Time Study Load of 68 (representing over 320 students in the first year of providing the qualification).

As a late entrant to formal tax education for the Australian education population, the Institute needed to quickly insert itself in the plans of those wishing to study tax. Of particular importance was the recognition of the students studying the prior subjects offered (short courses) who were provided with advanced standing. It was not sufficient to simply create a new course; the design needed to satisfy the many stakeholders of tax education and to anticipate the needs of the profession into the future.

I designed the course architecture, authored and drove the creation of the award. In doing so I also accommodated the changes the tax profession is facing in Standard Business Reporting (SBR) in the design of the award. These changes and challenges were identified in the Systemic drivers of change – a foresight report into the next decade for taxation. (<https://www.ato.gov.au/Tax-professionals/TP/Systemic-drivers-of-change/> first accessed February 2014). While this research was completed by the Australian Taxation Office, the report had not become available until February 2014, by which time the design of the course had already been presented.

This ATO 2014 research report²³ validates the design approach of the course from entry-level subjects with wide-ranging topics into the deeper specialisations of the tier 3 subjects within the award. The subjects designed addressed both the sub-specialisations of closely held entities and widely held entities, thereby ensuring applicability to all client segments and the professionals that advise them. This report evidences the rationale and the impact of the award design to the emerging profession. In so doing I was employing a coercive isomorphism model.

²³ *Systemic Drivers of Change - A foresight report into the next decade for taxation.* (ATO 2014).

The innovation in design of the award is attributed to the fact that I was able to ensure a practical and applied emphasis to the delivery model of each subject and exposing those who had hitherto studied in a discipline that encouraged 'absolute' thinking (Baxter-Magolda in Jonassen, D. (2004)) to one that required a different mode of study which coached critical thinking and solving 'ill structured problems' (King and Kitchener 1994)).

This design feature was most prevalent in the Tier 3 subjects (the layer considered the most difficult and capstone to the award) in the award and in the Chartered Tax Adviser exam.

As part of the accreditation process I was required to author a scholarship statement for the Institute. This supported our application for registration and has been adopted by other membership body providers of postgraduate education. This scholarship statement contributes both to the Education and Entity elements.

Further financial returns were secured by the leadership of tax education which was validated by selling/licensing content to other providers.

Downward pressure is still exerted on education providers; however, this has been resisted under my leadership at the Institute, and despite the fact that our subjects are longer, harder and more expensive to undertake, the population of tax professionals still subscribe and are projected to increase.

PUBLIC WORK 2: SCHOLARSHIP ①

PUBLIC WORK 3: COURSE DESIGN ①

While in 2013 I felt the Institute was not ready for all the academic governance strictures of the regulator, I understood that accreditation was being pressed upon us and an ever-narrowing opportunity for the Institute required a response. I had anticipated this eventuality in the creation of the two boards in 2005: Education, Examinations and Quality Assurance Board and Education Advisory Board. I realised that without accreditation, the Institute's programs would not be able to scale up to become widely recognised and would not offer the pathway to professional status that had been the missing link for the tax profession. In a reflexive activity, I prepared a paper for the Board with the recommendation that the Institute proceed with the registration and accreditation of the course.

PUBLIC WORK 4: PROPOSAL TO ACCREDIT A COURSE ①

As course architecture is my core skill set, this curriculum design is the primary evidence and it illustrates how it meets the needs, as expressed by our members, as well as future proofs the education program

required to support professionals in a volatile and dynamic professional landscape.

The accreditation process was not without its casualties – in the opinion of at least one of the contributing lecturer/practitioner's (Jemma Sanderson 2015), there was a diminution of quality as we were required to reduce our pass marks (set in short course prior offerings) from 70% to 50% (TEQSA appointed academic/expert whose advice was that the program would suffer from not having a full array of grades). We were also advised by TEQSA against pursuing the work-integrated subject with and for KPMG (a large global accounting firm). The reasons for this was that the quality of the program would not be under the control of the registering entity – The Tax Institute..

A critical outcome of the course design was to ensure maximum enrolments and financial success. To do so the program needed to attract those in existing short courses into the qualification and to secure existing recognition provided by other institutions. Under my leadership, educational design finesse and regulatory awareness, those studying the program are variously recognised:

1. Graduate Diploma of Applied Tax Law (TEQSA) (2014–2021)
2. Course in Australian Taxation Law (TPB)
3. Course in Commercial Law (TPB)
4. Register as a tax agent (TPB)
5. Meet the criteria of voting member of a Recognised Tax Agent Association (RTAA) – The Tax Institute or other RTAAs.

Each of these recognition achievements was secured by documentation submitted to the authority/regulator. Comments received from the regulator were to the effect that my submissions set a new benchmark for other applicants due to their professional presentation, quality of documentation and clarity.

While the Graduate Diploma of Applied Tax Law was designed and developed to educate the future professionals, existing registration of tax agents were also an important stakeholder group.

The profession, it has been identified (conversations with various large firm employers including KPMG), is on the move with major employer groups) stating that they were no longer willing to limit their recruitment to accountants or lawyers. Rather it was stated that the future tax professional would be sourced by those from a variety of disciplines (eg science or engineering). This was also consistent with the ATO 2014 research (previously mentioned).

This evolving professional education however would meet an impasse as those who did not meet the specific entry pathways as identified on page 23 of this submission (ie Public Work 4) would not be able to become voting members of The Tax Institute. In effect this is a phenomenon (previously mentioned) by Catherine Livingstone AO – regulation is about 'yesterday's problem'.

Once I had identified this anomaly I moved to address it by meeting with the Chair of the Tax Practitioners Board (TPB). I did this after scoping out the chance of a change to the regulations. I sought the advice of two people who were members of the academic governance board and themselves also past members of the TPB. These people advised me that it was virtually impossible to change the regulation but that there existed a wider opportunity for discretion to be applied. I then took that advice and approached the TPB Chair by explaining the problem and asking to meet.

After setting out this anomaly with the Chair of the TPB it was agreed that while the identification of this problem would not necessarily be able to change the regulation, it was agreed that it would fall within the discretion of the TPB to allow these graduates to become voting members of The Tax Institute. The letter in response authenticates this achievement. In this Public Work documentation I have also provided the series of emails to secure the meeting.

The Public Work 5 represents the successful representation by me to the regulator and consequently protected the Institute's interests into the future by allowing an alternate pathway to voting membership of the Institute.

PUBLIC WORK 5: SERIES OF EMAILS AND MEETING PROPOSAL FOR TPB DISCRETION ①

Not only did the accreditation of the course allow for a nationally recognised qualification to be awarded it also provided access to other recognition (once an application had been submitted). Those studying could also now receive government funding to study if receiving social security benefits. This was a relatively simple application but accrued the value of the Graduate Diploma of Applied Tax Law. Without accreditation this funding would not be available.

PUBLIC WORK 6: DEPARTMENT OF HUMAN SERVICES REGISTRATION ②

Widespread acknowledgement of the Institute's leadership in tax education is evidenced by the dignitaries who attended the launch. In particular:

- Australian Taxation Office Commissioner,
- President of The Tax Institute and
- Chair of the Education Quality Assurance Board
- Business leaders of the tax profession

PUBLIC WORK 7: VIDEO OF LAUNCH OF GRADUATE DIPLOMA OF APPLIED TAX LAW ④

Each of the following exemptions afforded to our graduates, was in response to applications that I generated where I clearly set out the quality of the education program and its relevance to the profession. In some

instances these were entities that were in direct competition to the work of the Institute. I was able to negotiate this recognition based on care for the member/student/tax professional. In particular I pointed out that we had a shared remit to service members and that collaboration and recognition of equivalent studies was member-centred. The first exemption was secured with the only university offering a Bachelor of Tax and from that successful negotiation others followed. This first application is provided as the exemplar of the Public Works that follow (b. – f.v.):

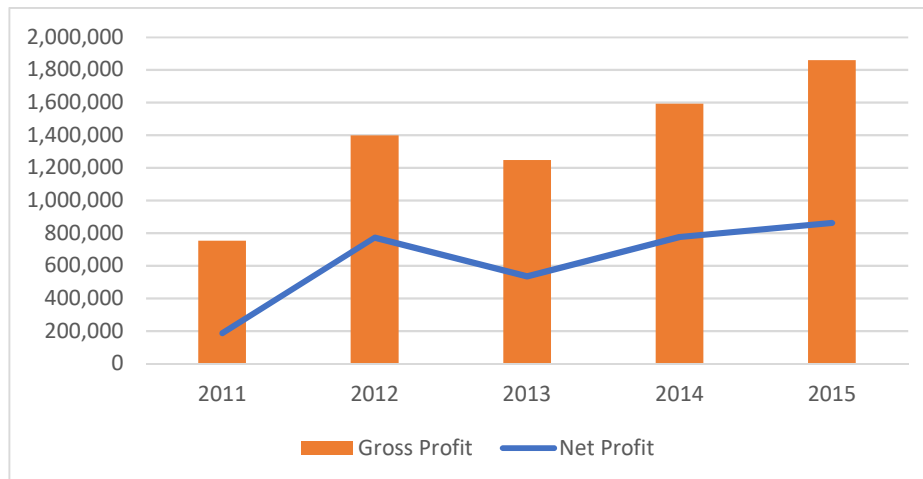
- a. ATAX UNSW exemption
- b. ICAA and ICAANZ exemption
- c. CPA Australia exemption
- d. Curtin University exemption
- e. University of Sydney exemption
- f. Tax Practitioners Board course approvals (at <www.tpb.gov.au>):
 - i. Course in Australian Taxation Law
 - ii. Course in Commercial Law
 - iii. Course in Required Knowledge of *Tax Agents Services Act 2009* and the Code of Professional Conduct
 - iv. Course in Australian Taxation Law for Tax (Financial) Advisers
 - v. Course in Commercial Law for Tax (Financial) Advisers

PUBLIC WORK 8: SUBMISSION TO UNSW ATAX FOR EXEMPTION ②

Financial success is an important measure by which to judge the success and uptake of the education program. The Institute is a not-for-profit entity and good governance and responsible financial management requires that the Institute continues to contribute equity and member value.

The financial success of the program can only occur with the appropriate management of resources (cost) and the number of enrolments which flow from whether the course meets a market need. For the first element, the investments the Institute has made over the years were conserved and brought forward into the new qualification. This meant that rather than an upfront investment in the Graduate Diploma course development, the subjects had self-funded and the Institute had in fact come to rely on the revenue gained from the education activity. This overall success allowed new subjects which were under-subscribed to be cross-subsidised by the larger enrolment numbers in other subjects.

PUBLIC WORK 9: FINANCIAL SUCCESS ①



The commercial law subjects within the qualification continue to attract large enrolments to the bewilderment of Board members; however, this is due to an initiative on my part of interpreting the regulatory requirement for a course in commercial law (three subjects) to register as a tax agent. This need arose in 2013 from a TPB decision, and the requirement for three commercial law subjects caught universities and large accounting professional bodies off guard. (Previously the main undergraduate degree leading to the study of tax was Bachelor of Commerce. The curriculum for these degrees are all accredited by the major professional accounting associations²⁴.

I was able to bring the course to market within three months by utilising a well-respected publisher and engaging an author to write the study guide. The TPB approval was secured for a *Course in Commercial Law*. These enrolments represent approximately 30 per cent of the enrolments within the award or as standalone subjects. The inclusion of these subjects would not have occurred had it not been for my identification, agitation and influence through business case.

Each further subject was carefully chosen for the contribution it would make to the graduate attributes of the Graduate Diploma of Applied Tax Law. The whole award framework rolls up to the learning outcomes at the award level which map to the attributes of the Irish Institute of Tax were adopted and adapted for the Australian context and jurisdiction. (See Public Works 3 Course Design page 3).

²⁴ See also National Board of Employment, Education and Training and Higher Education Council 1996 *Professional Education and Credentialism*.

2. Ethics

The prescribed professional and ethical standards clients can expect their professional to exhibit. This extends into specific expectations of practice and conduct, and a commitment to a higher duty.

These standards are typically negotiated through the professional community that governs a profession's conduct, and is expected to improve consumer protection – not just reiterate statutory expectations.

(Professional Standards Councils)

As established in the paper presented to the Membership Committee of The Tax Institute had never created aspirational statements of practice. Rather the By-Laws listed disciplinary events which would cause expulsion from the register of members.

This was an area of deficit and I argued for the establishment of the Professional Standards Committee. In this area, to secure what I thought would address the deficit I argued quite strongly, and in this employed the institutional theory phenomenon of mimeticism (Leiter 20015) as I was intentionally using my knowledge of the CIOT's requirements and leveraging that to gain acceptance of my proposal.

Some of the appendices in this Public Work 10 are not my work but were provided to the internal committee for the purposes of leveraging the isomorphic elements of the decision I was seeking.

PUBLIC WORK 10: ESTABLISHING A PROFESSIONAL STANDARDS COMMITTEE AND CODE OF PROFESSIONAL CONDUCT - PAPER TO NATIONAL MEMBERSHIP SERVICES COMMITTEE ①

While I was successful in establishing the committee, there is still poor commitment to the workings of this committee and due to my personal circumstances between August 2014 and July 2015, I was unable to drive the outcome I wished. There was an absence of leadership at the Institute other than what I had generated, therefore no specific Professional Code of Conduct for the Institute has been designed.

The Chair of the Professional Standards Committee did not support writing a code of professional conduct specifically for the Institute and argued for the adoption of the Accounting Professional and Ethical Standards Board (APESB) standards. I was concerned that the adoption of the APESB standards would disenfranchise our members from a legal background. This work is still in train.

Another area of deficit arising from my personal circumstances was the failure of the Institute to deliver on a project for which I had won funding. Without my drive behind this project, the Institute did not resource the project and the funding was withdrawn.

While the withdrawal of funding was a lost opportunity, it demonstrates that without my personal drive, commitment and leadership the prospect of the Institute achieving the ethical component of the 5 Es.

PUBLIC WORK 11: FUNDING GRANT FROM PROFESSIONAL STANDARDS COUNCILS ②

I continue to argue for the prestige of an organisation that has rigorous standards and holds its members to those standards. Currently the Institute is an 'also ran' and uses the *Tax Agents Services Act 2009* Code of Professional Conduct. Like the APESB standards, this codifies practice but does not offer the commitment to higher standards and relies on other professions' codes (accounting and law).

The attributes which I have adopted for the GDATL do, however, go some way to address this deficit. This work continues and I have developed an organisational committee infrastructure to integrate the elements in particular the graduate attributes as they are expressed. (See page 3 of Public Work 3 Course Design). (See also Public Work 21 for By-Laws related to Professional Standards Committee, Disciplinary Committee, Education Quality Assurance Board.)

I have previously mentioned that I believe my work as an educationalist and senior manager of the Institute needed to enable the emergence of the tax profession. My behind-the-scenes work have been successful because of the intuition I have brought to choosing the right member to lead an endeavour.

The Institute has the privilege of senior professionals who are devoted volunteers and contributors to achieving the Institute's constitutional objects. In the instance of this committee a Past President of the Institute and the epitome of professionalism was invited to be the Chair. The relationship management skills I brought to this Committee and the strategic appointments I made served (and continue to serve) the Institute well. In the case of the composition of this committee I ensured I chose a member from each state of Australia (6) and people who covered administrative law, represented small to medium sized practices and large accounting firms as well as legal practices.

I was able to attract a full complement of committee members from the community of practitioners. Their profiles added to the Institute's prestige in this key function as unassailable experts and professionals beyond ethical reproach. It is these people who are able to guide decisions on disciplinary events and aspirational standards.

PUBLIC WORK 12: COMMITTEE STRUCTURE TO MANAGE ALL ELEMENTS: EDUCATION, ETHICS

EXAMINATION, EXPERIENCE, ENTITY AND MEMBERSHIP PROFILE OF COMMITTEES ①

3. Experience

The personal capabilities and expectations of experience required to practice as a professional in a discrete professional area.

(Professional Standards Councils)

Because of the diversity of the tax profession it was difficult to standardise experience requirements. The method applied therefore was to adopt and adapt the relevant experience required by the Tax Practitioners Board and the experience requirements for membership levels. These are now also interwoven through the application process to the education program.

See the entry-level requirements for Graduate Diploma of Applied Tax Law (GDATL) as well as the membership criteria. (Available Public Work 3 and the Public Work 13.)

For the graduates of the GDATL and our members who have chosen a different pathway to our membership, the attributes of our members needed to be created. They are abstract statements and the end point of the study program of our members' aspirational attributes needed expression.

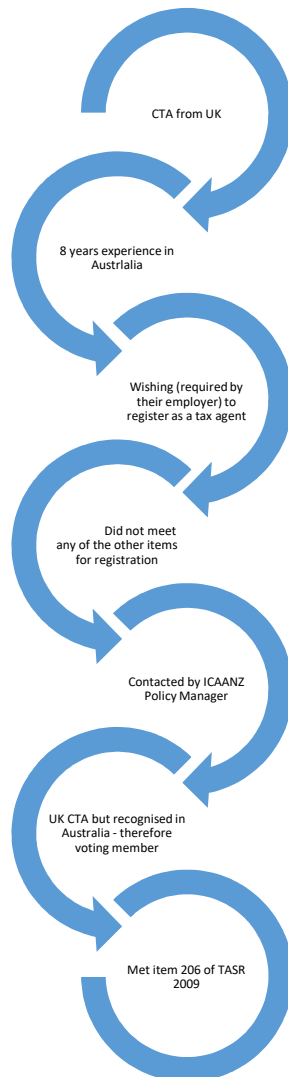
I utilised my knowledge of the tax profession in Australia. By comparison with the emerging codified 'relevant experience' emanating from the Tax Practitioners Board requirements was to develop a practice of equivalence.

Further this was applied to the implementation of the CTA designation (and inter alia the experience requirements for Chartered Tax Adviser designation as set by the Chartered Institute of Tax (CIOT). I also employed the international recognition practices for qualifications (set out in the work of the National Office of Overseas Skills Recognition) to establish the experience requirements for our members.

The skills required in this environment were part of my own and my teams as the Education Division. This meant that we were the knowledge centre for individual applications from people who were variously – enquiring how to become a member, how to register as a tax agent or critically how to become a Chartered Tax Adviser.

By establishing this capability within the Institute we could in turn advise other Institutes, this in fact occurred with policy managers at another professional association contacting me to assist their stakeholders to use their CTA to become a voting member of The Tax Institute in order to then register as a tax agent.

Figure 8: Capability in advice giving – from UK CTA to registered tax agent in Australia



The outcome of this work was that the person was able to maintain their position in the Big 4 firm, became a CTA member of the Institute. Once again I embraced this work as did my team members creating value for the Institute as a member service.

Without the collaborative, member-focussed approach and the relationships from a leadership stance I had struck with these other bodies these impasses would not have been effectively dealt with.

PUBLIC WORK 13: COURSE POLICIES ①

PUBLIC WORK 3: COURSE DESIGN ①

4. Examination

The mechanism by which all of the elements: The specific technical and professional requirements to practice in a discrete professional area, are assessed and assured to the community. This covers more than qualification or certification requirements and traditional examinations. It also extends into expectations of regular assurance, such as compliance and professional audit expectations.

(Professional Standards Councils)

The assessment methodologies chosen were designed to slot into the regulatory requirements (of both TEQSA and TPB), but also to provide assurance to employers and the community and importantly the licensor of the Chartered Tax Adviser, the Chartered Institute of Taxation in the United Kingdom.

Work in establishing the terms of reference and the by-laws for the Professional Standards Committee and Disciplinary panels was also important to ensure acceptance by the community of professionals. Prior to 2010, the Institute had had very little appetite to strike off members from the register; however, to provide assurances to all these important stakeholders (licensors and regulators), it was strengthened through the creation of by-laws.

Interactions in terms of student behaviour were also considered in releases and disclaimers in the enrolment form to employers and the membership committees. This further conformed to the Australian privacy laws ensuring that information collected conforms to the consumer protection environment.

I identified a number of committee members who brought profile and a high level of skill to the Institute. I was able to identify these people because of my influence and leadership style.

Although the use of examination pervaded the design (I believe examination is a limited way to test a practitioner's skills) nevertheless the validity of the assessment for the tier 3 subjects within the program needed to be assured. I set about auditing the skills of the tax adviser. The Chartered Tax Adviser program mirrors the tax adviser's practice as it teaches by case study and presents a late-breaking fact in examination conditions, thereby testing the work is authentically the work of the candidate, time pressured as with a practitioner's work environment, and replicating the typical client/adviser interaction plus the dynamism of tax law.

I also believed it was important to choose examination over other styles of assessment, as under the normative pressures of isomorphism it:

- Met regulatory requirements of the Tax Practitioners Board (previously provided)
- Conformed to United Kingdom Chartered Institute of Taxation (CIOT) Chartered Tax Adviser practices
- Was consistent with tax professionals' respect for the qualification

- Addressed TEQSA's integrity concerns (integrity of assessment concerns are prevalent in Australia and are plaguing universities and any provider using assignments as their assessment tool).

The assessment framework I designed was based on the usual principles of fairness, validity and reliability of the assessment instrument however was a result of an audit of the skills of the tax professional – solving ill-structured problems.

This required a particular approach to assessment which was based on case studies and the encouragement of a different thinking and learning. Testing 'absolute knowledge' was rejected in favour of testing 'flexible thinking' (Jonassen 2004). The assessment design was also premised on the IFAC Assessment design project that had recently concluded in 2004. I referred to this not because it presented anything new but it had an authority beyond my own that encouraged trust.

This work also related to the licensing of the Chartered Tax Adviser designation from the Chartered Institute of Tax (CIOT). I was able to demonstrate a rigorous examination environment to the satisfaction of the CIOT.

The public works presented are therefore:

PUBLIC WORK 14: CHARTERED TAX ADVISER EXAM ①

- Exam booklet (2015)
- Exam orientation provided to candidates (2015)
- How to write a case study for instructional and assessment purposes

PUBLIC WORK 15: ASSESSMENT FRAMEWORK FOR GRADUATE DIPLOMA ①

- Recent presentation to those who expressed interest in call for authors of exams
- Presentation on a Subject Convenor professional development day (2015)
- Refer also to Course Accreditation application (Public Work 4)

PUBLIC WORK 16: COMPARATIVE FRAMEWORK FOR LICENSING THE CHARTERED TAX ADVISER DESIGNATION ④

5. Entity

For a profession to exist there must be a capable entity to oversee and administer professional entry, professional standards and compliance expectations on behalf of the public. This is often an association made up of individuals who are regulated participants in that profession.

(Professional Standards Councils)

This element came into focus and has evolved over the writing of this context statement and relates directly to The Tax Institute as a membership body, Recognised Tax Agent Association (RTAA), and Registered Higher Education Provider (RHEP) under TEQSA (TEQSA Code: PRV 14/016). On reflection, this is as important as other elements as it describes the preparedness, capability and capacity of the Institute to champion the tax profession. (Sanders 2010)

The educational accreditation required a two-pronged approach – registering as a higher education provider demonstrating both corporate and academic governance structures, and course accreditation. The accreditation was my strong suit. The corporate and academic governance structures required a commitment by the Board of Directors to the statement:

Education is a primary focus of the entity.

I secured the registration of the Institute by preparing a comprehensive submission that met the Higher Education Standards Framework 2011 and developed an awareness with my colleagues of the commitments made.

PUBLIC WORK 17: REGISTRATION DOCUMENT TO TEQSA ①

(SEE AGAIN) PUBLIC WORK 5: SERIES OF EMAILS AND MEETING PROPOSAL FOR TPB

DISCRETION ①

Another requirement that emerged under the TASA 2009 was for the Institute to become a Recognised Tax Agent Association. This replaced the previous status held by the Institute as a Registered Professional Association under the *Income Tax Assessment Act 1936*.

I prepared the statements and declarations required to be approved as a Recognised Tax Agent Association. This required an audit of our members, their qualifications and the relevant experience requirement. A rethink of our membership pathways was conducted and the education programs (prior short courses) integrated to the framework.

I ensured the Institute met the requirements, advised the committees involved with membership pathways – often where there were multiple incongruent rules – systematising the membership application to comply with the RTAA.

I undertook this work because I believed strongly in the nexus between education and membership. The effort was undertaken in addition to my role, without additional resources. I was pleased to undertake this as it was my understanding that the sector was mobilising and finally I was convinced that I would realise my goal of creating a tax profession as a profession in its own right.

PUBLIC WORK 18: RECOGNISED TAX AGENT ASSOCIATION APPLICATION TO TAX

PRACTITIONERS BOARD ③

PUBLIC WORK 19: TPB COURSE PROVIDER STATUS ②

In 2010 with the inception of the *Tax Agents Services Act 2009* I led the project where information sessions were offered to the membership (and beyond) to identify for these tax professionals the change agenda for which they needed to prepare. At my suggestion these roadshows were initially free and the return on investment was that it set up a position of authority for The Tax Institute.

From these free information sessions came the opportunity for other divisions of the Institute to provide products and services taking the free sessions into the domain of paid events and seminars which were further supported by the handbook that was published by the Information Products Division of the Institute. From that authoritative leadership position I ensured that we had the necessary skills and knowledge to advise individuals whose questions came thick and fast as a population of 45,000 people came to grips with their new obligations under the new regulatory regime. 'How does this apply to me?' questions were dealt with because our members' livelihoods were at stake. While my team members were not employed directly to answer these questions they became expert in navigating the complex registration requirements and became a reference point for the regulator themselves (and the membership team). Where a person had been wrongly advised we were able to correct that and feedback to the regulator.

In addition to the roadshows I converted the practice of practitioner created seminar papers to utilising the manual that had been produced by the publishing division of the Institute. This further created the position of authoritative leadership for the Institute. While the initial roadshows were free and 'loss leaders' the subsequent commercial returns and positioning brought about by this activity ensured the Institute was the leader throughout the change and reform wrought by TASA 2009.

Had I not taken the lead in this key moment of the profession's history the Institute would have lost its position as the champion of the profession. Additionally, had I not taken this service attitude, the referrals we

have from the regulator for the education we offer ensuring at least 60 per cent of our business would not be the case.

PUBLIC WORK 20: TAX AGENT SERVICES ACT 2009 ROADSHOWS ③

PUBLIC WORK 21: BY-LAWS ④

Chapter 5: Conclusion

I started by saying that I wondered if I can do it and now I must tell you what it is I have tried to do.

(Somerset Maugham)

In Chapter 1 I introduced the strategic goal I had set myself – to emerge the Australian tax profession as a profession in its own right. I selected a series of public works that followed the thematic seams of Education, Ethics, Experience, Examination and Ethics – the 5 Es – the ‘academic view of professions’ (PSC). I argued that, based on the explanation afforded by applying an Institutional theoretical lense and the methodology of auditing the 5 Es, these public works were the necessary tangible artefacts and tactical milestones which would lead to realising the strategy of an emerged profession.

In Chapter 2 I explained the climate of change, complexity, competitiveness and chaos wrought by legislative and regulatory upheaval, professions’ competition for access to a client base, a detailed account of the professional education sectors and the impact of global movement and digital disruption on the tax profession.

In Chapter 3 I laid out my ontology and epistemology. In writing this account I recognised my ‘situatedness’ and gave voice to deeply individual, if not personal, discoveries of my attraction to patterning. I made the link between my metacognitive style, attraction to patterns – of a geometric and mathematical nature – to the patterning of social organisation models in workplaces and at a societal and systemic level. I pinpointed the time and explained the change from ‘reflexivist to analyticist’ my interlocutors affecting me transmogrified to me strategic intent affecting my interlocutors. This Chapter also provides the key to my motivations and my preparation from learning, acumen and career perspectives by tracing my discovery of the theoretical frame from when I had first interacted with Institutional theories in 2005.

I linked my metacognitive patterning style to identifying patterns that societies move through to organise themselves and create value, sustainability, privilege and power. I pinpointed an éclat of discovery and the adoption of Institutional theory as my way of understanding and interpreting the world of professions in which I have worked for over 16 years and where my public works have taken place.

In Chapter 4 I presented the selected public works under the specific 5 E domains and analysed their impact on emerging the profession.

On concluding this context statement, I return to make a further link between patterning and heuristic learning, which has evolved into a deepening self-trust of powers of prediction that inform and influence my professional and personal life and provide a bridge into applying to other disciplines.

To perform as a transdisciplinary I posit that patterning is a necessary element in the practitioner's toolkit. It is the ability to abstract, extract and extrapolate, and in turn identify patterns that allows a practitioner to apply these findings to new areas/professions and other practitioners/entities to adopt in order to emerge other professions. It is this carry forward and 'generalisability' of my work – a how to practice emerging a profession that provides the multiplier effect of the value created.

I have had cause throughout this Context Statement to measure and evaluate the knowledge and skills both applied and gained in producing the public works. I argue that it is the amalgam of tactical advances engineered by my express strategic intent which has produced the alchemy of professionalisation for the tax profession in Australia.

I was able to identify the highly choreographed and predictable steps towards regulatory reform for tax practitioners because I had lived the experience of regulatory reform for financial planners. I could anticipate the way the regulator would rely on professional associations to fill the information gaps, and I led the Institute by making decisions in terms of member information services that reinvigorated The Tax Institute's position with tax professionals in Australia (public work 20) (which at the time was at risk of being redundant or irrelevant). I was able to forewarn on the moves by financial planners to access the market for tax advice and prepared suitable educational experiences for financial planners for when that would occur. I furthered the scope and scale of the curriculum under design, in turn allowing The Tax Institute to secure the licensing of the Chartered Institute of Taxation from the United Kingdom, enabling the Institute to designate the Chartered Tax Adviser (CTA) (public works 1, 3, 7, 10, 14, 15, 16 and 21). Not only could The Tax Institute's member aspirant be educated to the level required by the regulator/s but also progress their career to become a Chartered Tax Adviser.

Simultaneously, I was positioning the education program – my natural discipline area – to exemplify best practice teaching and learning and graduate outcomes by focusing on the employability skills that the program developed in graduates (public work 1). Cherishing students in the programs I created not only sat well with my philosophies and my ethical core but would also assure the students' lifetime connection with the Institute as alumni. This would ultimately result in securing the viability and sustainability of The Tax Institute – the original intent of establishing the education division (and employing me) – now achievable because the quality of graduates, bearing our credential and designation, on show as employees, would speak to the efficacy of the pathway (public works 1, 2, 3, 5, 9, 10, 14 and 15).

Clarity of why, discipline of how and the consistency of what

Simon Sinek (TED Talks)

I also confessed in **Chapter 1** that in addition to the remit of my role to create a formal education program, I also had set my own course to emerge the tax profession as a profession in its own right. I had established the 'why'. However, I struggled to influence internally within The Tax Institute's micro climate. For a division

or product to be supported by resources and to have the airplay across the business, it needed to be a revenue generator. Expenses in building the education program were not necessarily viewed as they should have been – as investments in the long-term asset that the education activity and member service were to become. This was only able to be proven after the asset had been built (public work 9).

I was clear that maximising the value being realised from the investment that the Institute had made was consistent with the Articles of its Constitution:

- a) *Advance public knowledge and understanding of Taxation Laws, the practices of public authorities administering Taxation Laws and the attitude of Governments of Taxation Laws;*
- b) *Advance education in relation to taxation and Taxation Laws;*
- c) *Encourage and facilitate the study of taxation and Taxation Laws;*
- d) *Encourage research into the reform of any Taxation Law; and*
- e) *Disseminate information concerning the work of the Institute.*

(The Tax Institute, Constitution)

Not only is the professional education and professionalisation momentum I have created consistent with the articles of the Constitution of The Tax Institute, delivery of education also protects the highly prized charitable status (education is the very determinant in the charitable tax status of The Tax Institute and an important aspect of its corporate governance).

For a 'disciplined how', I relied on my leadership in education and curriculum design and development to commence partnering with other providers of tax education. In some instances, this was rewarded with large commercial returns; in others it was simply an annual licensing arrangement, still others it created a collaborative approach with other institutions gathering around to problem solve for individual members. From a purist sense, I believe this endeavour has extended the Institute's influence on building tax professional skills. In addition, I have had confirmation time after time that in current business strategy the order of the day is 'co-ompetition' – a blend of cooperation and competition. This approach has also furthered the Institute's leadership position and its readiness to champion the tax profession as its 'Entity'.

The Institute's corporate governance arrangements are such that directors cycle through the Board with a President being in the role for 12 months. It is understandable that short-term outcomes are valued as they are achieved on that person's watch. The Institute is a not-for-profit entity, but this is sometimes set aside as a group of business leaders (victims of their discipline), who advise and operate commercially successful professional services practices themselves, direct the strategic intent of the Institute and, naturally, consider what an annual outcome might mean for their own careers. Kanter and Summers (1987) in Leiter 2005 describe this as '*... being hamstrung by the very ambiguity, multiplicity, inconsistency and incoherence of their goals*' (Leiter 2005, p. 6). This phenomenon added to the complexity of my political agility but did not detract from my focus.

Further, Riiskjaer and Nielsen (1987) in Leiter 2005 find that non-profits are '... subject to coercive isomorphic pressures'. I have addressed these governors' needs by building a profit centre which represents the entry point to membership and also contributes approximately 30% of the annual profit each year. (In this sense 'profit' means revenues that are re-invested in member services, providing the 'consistency of what')

I do not suggest that revenue/profit generation was of no interest to me; however, I was and am devoted to the long-term, high-quality, brand-equity building endeavours – not the shorter term, tactical and transactional. I am further able to resist the 'clamp down on innovative efforts' (Leiter 1987) by presenting the lifetime value of each enrollee to the governors.

I conclude that it is the governance and leadership of The Tax Institute – the remit of 'Entity' and governance that needs a '*capable entity*' (Professional Standards Councils) if it is to continue to emerge the tax profession. If attended to by the corporate board, this element will continue to protect the emergence of the profession.

I have previously explained my agency in emerging the profession and trace my emboldened attitude and claim of new value creation to a moment of clarity when early in 2010, a professional development facilitator addressing the executive team said, 'If you are looking for leadership – look in the mirror'. I considered this to be applicable to my situation and from that moment resolved to author and convince others on the destiny of the education program, particularly as it supported the development and emergence of the tax profession.

I did so because I believe that to become a tax professional requires a significant commitment to the body of knowledge and for professionals to rise to the challenge of solving wicked problems, coalescing or contrasting inconsistent laws and delivering expert client advice in the professional framework of compliance and tax morality.

In claiming that I have agency in *emerging* the tax profession (the intransitive to transitive), I do not suggest that this is something I have undertaken in a solitary manner but it has been a lonely endeavour. There was no one with whom to share my motivations or to entrust my sense of prescience afforded by my deep expertise in the regulatory landscape in Australia (both financial services and education) nor to test out my acumen and vigilance in interpreting and predicting the effect of regulatory changes. In this I am self-critical: my situatedness with interlocutors could have evolved. Had the shift from reflexivist to analyticist occurred earlier in my public works, had I shared my convictions and influenced my environment and interlocutors earlier, there would have been more permanence to these achievements – less dependence on me as a key person.

Nevertheless, I have positioned my employer, The Tax Institute, favourably and influenced key stakeholders to achieve what I believe is a worthy goal: creating a tax profession in Australia.

It was edifying to hear the following words from a senior professional and Past President as we walked away from the launch of the Chartered Tax Adviser (CTA) designation in Australia in 2012:

At last I have something to put on my business card – I'm a qualified accountant (Chartered Accountant) and I have a law degree – but I don't practise either – I'm a tax professional.

This goal is not one that has been imposed by others, nor have I taken up the challenge ignorant to the complexity of the endeavour. From my social equity perspective, working in The Tax Institute has not been without its challenges. I have witnessed traces of 'professional closure' (Carrillo and Zazzaro 2001) first hand in regards to financial planners on the part of some members of The Tax Institute (See Appendix 23). As an educator in professional associations, believing in the equalising force that is education as I do, I perceive the negative elements of Institutional theory were at play, and was one of the levers that the Institute's governors used to lock out those who 'are not like us' – financial planners.

Again, it would be disingenuous to suggest that my public works achievements are the sole catalyst to emerge the tax profession – and indeed that is not my claim. Nor is it my claim that the work is finished. Social change and the fused legislative infrastructure that is part of the Australian professions' landscape and elucidated in Chapter 2 have more permanence and resist the work of a mere 11 years.

I do claim, however, that with the peculiar skill set, an idiosyncratic attraction to patterns and systems, my awareness of situation and my preference for working in membership bodies with an education activity, I created a rare opportunity as an employee to lead this endeavour and that the tax profession was ripe for emergence.

I also claim a particular skill in working with key stakeholders and in marshalling them as the selfless volunteers they are – to achieve a greater good - professionals who were accepting of my guidance on all things related to education. (I have named the most active of these people in my acknowledgements.) Their acceptance coupled with my emboldened leadership at a key moment in my career evolution created new value.

I also believe that my work benefited because it came at a key moment in the history of the tax profession in Australia (ie the TASA 2009 and the introduction of CTA) and the happenstance, that afforded me the opportunity to strive towards this goal in the moment that the tax profession in Australia was on the move – from the TASA 2009 legislation, proclaimed as the birth of the profession, through to the current massive changes wrought by digital disruption added to the changes slated for self-assessment. (Australia is moving to a negotiated tax credit or liability pre-populated documents which interface with cloud technologies affecting the deductions and the whole-of-government services in <my.gov.au>.)

The achievements were not always as sure-footed as they should have been. Timing was optimal in some cases and not in others; one setback that was extremely unfortunate was that of falling foul of the new

regulator TEQSA in 2011. The naming of the qualification (pre-accreditation) in 2011 of Diploma of Australian Tax Law was a marketing tactic I employed to win business for the Institute. Knowing the rules of the previous regulators, VETAB and each state jurisdiction, I understood that the word 'Diploma' could be used if no claim was laid that it was nationally recognised (by VETAB). To my dismay, one month after launching this qualification, Diplomas then also fell under the new TEQSA regulator. Despite having written approval over six years from VETAB and then ASQA, TEQSA insisted it fell under their remit and was a protected title and we should either desist from using that qualification name or register and accredit. This was the impetus to look at the accreditation project with new eyes. On this occasion, and under my guidance, The Tax Institute flew too close to the sun – we were fortunate not to have had any repercussions.

As documented in public work 5, I identified an anomaly in the TASR 2009 for voting members that arose in the TASR 2009 voting membership of RTAA requirements. Despite all the individual subjects of the GDATL being accredited by the Tax Practitioners Board, our graduates (graduates of the most fit-for-purpose qualification for tax professionals) could not become members of The Tax Institute without also having an accounting Diploma or Degree. We managed to resolve this anomaly by explaining it to the TPB and they applied their discretion to waive the requirement.

Because of my unique educational, on-the-job training and experience along with my personal traits of enjoying a challenge, I was the ideal agent of change, coalescing as I have the various elements of the Australian, education, regulatory and professional practice.

By discovering the theorists on institutional isomorphism and professionalisation in 2005 and through an understanding of the contemporaneous work towards professional schemes in Australia (PSC) and their theoretical view of professionalism, I believe I have skilfully operated the necessary levers to effect the desired outcome.

I reiterate that on behalf of the Entity I am not motivated by rent-seeking or a power grab for tax professionals. However, as a body serving members, it behoves the Entity to actively advantage our tax profession members. The collection of revenues through tax is such an important activity for any country's social good and the body of knowledge so vast that only those who have entered the profession through a process of formal education and examination, and who have the appropriate experience and propensity for the relevant professional ethical and fiduciary behaviour, should lay claim to being a tax professional and designated as a Chartered Tax Adviser.

The strategic intent and public work resulting in an 'emerged tax profession' will not be a permanent feature if the work remains the effort of one key person. In conclusion, to maintain the emergence achieved to date and to take the profession further forward, the role of Chief Professional Officer (or Chief Professionalisation Officer) should become a role that carries out the Entity's remit – that of shepherding and championing the profession. The Tax Institute's governance and leadership must manage the key person risk by regularly

undertaking a health check on the profession. Its vital signs will be the momentum maintained on the 5 Es.

In turn to explore the possibilities my findings have for other sectors and as a blueprint for emerging a profession, I would go no further than the 'theoretical clarity of DiMaggio and Powell's reasoning' (Leiter 2005, p. 6) and the evolving body of work that is found in the Professional Standards Councils.

For a profession to be established, there needs to be a body of knowledge that takes the school leaver from secondary through to tertiary/postgraduate studies. The traverse of university and professional association-led education should present a clear and articulated pathway. Funding models for this should be a mix of public/private/employer sponsored. (In this regard, The Tax Institute had an advantage in that the immense body of knowledge for the tax profession had been amassed under its auspice such that the profession could have been described as present but inert.)

The Institute's purpose as Entity was unquestioned despite its large and powerful competitors (professional associations (renamed) ICAANZ and CPA Australia). Again, as with Ethics, this component of the blueprint for professionalisation would have been too difficult to create from scratch. I relied on The Tax Institute's history, standing and tradition. If the governors of the Institute remain faithful to their roles as custodians, the profession will continue to emerge and to gain for their growing member base and uptake of the esteemed Chartered Tax Adviser designation.

To explore the applicability of what I have discovered in my public works to benefit other sectors I look back to the findings outlined in Chapter 1: 2. Public Works.

The beginning of wisdom is to call things their proper names. (Chinese proverb)

As I have already reflected on the serendipitous timing of my work with the simultaneous regulatory reform, I carry this over to other sectors - a profession would only be ripe for emergence should there be a changing guard of certification, licensure or accreditation (as it was with the tax profession). There must be an audit of the artefacts of Education, Experience, Ethics and Examination. But most importantly there must be an Entity that is fully engaged, sophisticated and understanding of the highly nuanced and ephemeral concept of professionalisation. The Entity must have a leadership (a collective of individuals) who has the 'clarity of why'. Without this higher order motivation efforts will remain transactional.

The nature of the education, experience and examination of a profession demands ethical practice which goes beyond mere compliance and must embrace fiduciary duty and a 'moral endeavour'. These are hallmarks of a profession and must be infused in the type of person that a profession attracts. This is a reputational and brand issue for the tax profession as it is for all professions and is somewhat intangible and 'unprovable' attribute at the beginning of one's career, however new entrants can only be encouraged to behave in this way if there is a negotiated standard through the efforts of the professional community

(Professional Standards Councils).

This professional community must have a values-based leadership, the profession must also be able to attract mature and evolved persons. Barrett (2013) lists these positive characteristics at their highest evolution as wisdom and vision, leading to this evolved state is mentoring and partnering.

This is realised in the behaviours described as:

- *Service to humanity: Long-term perspective, future generations, ethics, ecological safety, compassion.*
- *Collaboration with customers and community: Strategic alliances, employee fulfillment, empathy, environmental stewardship.*

The work of the Professional Standards Councils in 'the academic view', describing a profession - if taken out of a retrospective and descriptive frame and then exploiting each element as a lever can be of utilitarian value and can offer the same benefit as it has for the emergence of the tax profession to other sectors.

I have demonstrated that if the 5 Es are present and employed effectively these can be relied on to orchestrate the emergence of a profession. This model of practice is consistent with the institutional isomorphism frame and explains the connection to and the catalyst from within the profession. What the model does not achieve however is establishing agency - the collective will to start on this journey. This is the 'difference' I made to effect professionalisation of the tax profession and what will be required for other emergent professions.

With the benefit of reflection and analysis I would advise that this agency sits within Entity and would be the first order of works to which to attend and the most enduring. It is within the Entity element embodies the agency and enables the organisation to engineer the process of professionalisation.

The governors and directors of the Entity (the leadership agents) must realise that their role is to work **on the profession** - not in it. In Chapter 1 and in analysing the carry over in professionalisation of tax, I referred to a title *Chief Professional Officer* at the FPA. This title was first introduced and used by my contemporary Dr Deen Sanders. This would be a role that I would commend for any Entity. The focus of this role would be to command an organisational audit against the 5 Es and determine the readiness of the profession in order to generate the momentum towards professionalism.

For such a critical and profession-affirming role to be performed well, the climate created by the leadership must be on that which is strategic and future-proofing. They must speak the word 'professionalisation', it must be voiced – it must become the 'proper name' and the necessary vocabulary for their role as custodians.

The theoretical explanation for the phenomenon of professionalisation is clearly articulated in Institutional theories. Professional Standards Councils (PSC) have produced several views including an academic view and have identified the 5 Es that signify that a profession exists. In the execution of my public work of emerging the tax profession informed by theory and utilising the PSC frame I have claimed agency and created the momentum towards an Australian tax profession – a profession in its own right.

Based on my praxis, and understanding that the *whole is other and more than the parts*, I deduce that another necessary element to transform an emergent profession to full professional status is that of the (collective) leadership as it relates to Entity. The leadership agency needs political agility to deal effectively both with forces 'within' (the Entity) ie office bearers, members, contributors as with those 'without' (regulators, competitors and academics) as well as a leadership agency that is able to reconcile ambiguities and counter the modern scepticism of consumers of a profession's skills. This leadership capability must create and/or justify the need (for the profession) – the *clarity of why*, effectively translating and unleashing the momentum towards professionalism.

Writing this account and conclusion has provided me immense value and as proposed here has the value has the possibility to be extended to others and other sectors. A theme (if not a pattern) has commenced. The account has allowed me to organise my learning space, interrogate my thinking models and to 'meet myself on paper' (Moon 1999), giving me the opportunity to explore new learning. I have looked in the mirror and found my own leadership. I have reflected on my service ethic and ultimately, while seeking selflessly to emerge a profession in which, based on my situatedness, I can only ever be a kingmaker I have emerged my own claim of professional status.

**Word count 37,719 –
(2,705 to be excluded references and Public Works and Appendices)**

References

ASIC (Australian Securities and Investments Commission) 2002, IR 02/02 *Training of financial product advisers: pre-1995 training course*, ASIC, viewed 26 May 2016, <<http://asic.gov.au/about-asic/media-centre/find-a-media-release/2002-releases/ir-0202-training-of-financial-product-advisers-pre-1995-training-courses/>>.

ASIC 2011, Consultation Paper 153: *Licensing: Assessment and professional development framework for financial advisers*, ASIC, viewed 25 May 2016, <<http://asic.gov.au/regulatory-resources/find-a-document/consultation-papers/cp-153-licensing-assessment-and-professional-development-framework-for-financial-advisers/>>.

ASIC 2012, *Licensing: Training of financial product advisers*, viewed 25 May 2016, <<http://www.asic.gov.au/regulatory-resources/find-a-document/regulatory-guides/>>.

Australian Education Council, Mayer Committee and Mayer, Eric 1992, *Key competencies: report of the Committee to advise the Australian Education Council and Ministers of Vocational Education, Employment and Training on employment-related key competencies for postcompulsory education and training [Mayer report]*, National Centre for Vocational Education Research (NCVER), viewed 26 May 2016, <<http://www.voced.edu.au/content/ngv%3A28045>>.

Australian Qualifications Framework Council 2013, *Australian Qualifications Framework*, 2nd ed, Australian Qualifications Framework Council, South Australia, viewed 25 May 2016, <<http://www.aqf.edu.au/wp-content/uploads/2013/05/AQF-2nd-Edition-January-2013.pdf>>

Australian government (Australian Tax Office) receipt to taxpayer 2015.

Bajkowski, J. 2016, 'Tackling tertiary corruption', *Government News*, 21 January, viewed 26 May 2016, <<http://www.governmentnews.com.au/2016/01/tackling-tertiary-corruption/>>.

Barrett, R. 2013, 'Fundamentals of values-based leadership', Barrett Values Centre, UK, viewed 26 May 2016, <<https://www.valuescentre.com/mapping-values/leadership/values-based-leadership>>.

Biggs, J. 1999 *Teaching for Quality Learning at University – What the Student Does* (1st Edition) SRHE / Open University Press, Buckingham.

Binney, G. and Williams, C. (1997) 'Learning While Doing' *Leaning into the Future: Changing the way people change organisations*. Nicholas Brealey Publishing.

Bstar 2015, *2015 Accountants research report*, Brisbane, viewed 26 May 2016, <<http://www.bstar.com.au/Home/Research/Accountants>>.

Budak, T. and James, S., *The applicability of the OTS Complexity Index to comparative analysis between countries: Australia, New Zealand, Turkey, and the UK*, paper presented at the 12th International Conference on Tax Administration 31 March–1 April 2016, Sydney, Australia.

Cadesky, M., Hayes, I. and Russell, D., 2013, first edition *Towards greater fairness in taxation: A Model Taxpayer Charter Preliminary Report*, IBFD on behalf of AOTCA, CFE and STEP.

Carillo, M.R. and Zazzaro, A. 2001, 'Innovation, rent seeking and social prestige: Towards a dynamic theory of professions', paper presented at Old and New Growth Theories: An Assessment Conference, Pisa, Italy, October 2001.

Clegg, S. 2010, Vimeo Acceptance speech for 2010 Academy of Management Practice Theme Committee IMPACT awards, viewed 26 May 2016, <<http://www.uts.edu.au/staff/stewart.clegg>>.

Costley, C., Elliot, G. and Gibbs, P. 2010, *Doing work based research: Approaches to enquiry for insider-researchers*, SAGE, Los Angeles.

Department of Industry 2016, *NSW Industry Training Advisory Bodies (ITABs)*, NSW Government, viewed 25 May 2016, <https://www.training.nsw.gov.au/programs_services/funded_other/itab/>.

Department of Industry, Training Services NSW, NSW Government, viewed 26 May 2016, http://www.training.nsw.gov.au/forms_documents/industry_programs/industry_initiatives/itab_fact_sheet.pdf,

DiMaggio, P. and Powell, W. 1983, 'The iron cage revisited: Institutional isomorphism and collective rationality in organisational fields', *American Sociological Review*, vol. 48(2), April, pp. 147–60.

Dodd, T. 2015, 'Education exports hit \$18.1bn high', *Australian Financial Review*, 6 August.

Duffy, T.M. and Cunningham, D.J. 1996, in Wright R., Hedberg J. and Harper, B. 1998, *Learner construction of knowledge: Using stagestruck to develop a performance*, *Proceedings of the ASCILITE '98 Conference Proceedings*, p. 674, viewed 26 May 2016, <<http://www.ascilite.org.au/conferences/wollongong98/asc98-pdf/wrightthedbergharper0165.pdf>>.

Ferguson, A. 2016, 'The high price of being a whistleblower', *Sydney Morning Herald*, 7–8 May, p. 28.

Ferguson, A .and Butler, B. 2014, 'Penske File exposed: Macquarie Group's cheat sheet made public', *Sydney Morning Herald*, 20 September, viewed 26 May 2016, <<http://www.smh.com.au/business/banking-and-finance/penske-file-exposed-macquarie-groups-cheat-sheet-made-public-20140919-10j8yu.html#ixzz418YDruYN>>.

Ferraro, R. 2012, 'Tax agent education and RG146', *Taxation in Australia*, vol. 46(1), p.707.

Frecknall-Hughes, J. and McKerchar, M. 2012, 'The history and development of the taxation profession in the UK and Australia', in J Tiley (ed), *Studies in the history of tax law VI*, Hart Publishing, Oxford and Portland, Oregon, pp. 421–48, viewed 26 May 2016, <https://www.researchgate.net/publication/265083529_The_History_and_Development_of_the_Taxation_Profession_in_the_UK_and_Australia>.

Gleeson-White, J. 2012, *Double entry: How the merchants of Venice shaped the modern world – and how their invention could make or break the planet*, Allen and Unwin, Sydney.

Halsey, F. and Halsey, M. 2013, 'Replacement of the “accountants’ exemption” – the limited licence regime’ presentation for the WA Division of The Tax Institute.

Hare, J. 2011, 'Business takes dim view of academe', *The Australian*, 30 March, p. 29., viewed 25 May 2016, <<http://www.theaustralian.com.au/higher-education/business-takes-dim-view-of-academe/story-e6frgcjx-1226030289897>>.

Commonwealth of Australia, *Tertiary Education Quality and Standards Agency Act 2011 Higher Education Standards Framework (Threshold Standards) 2015*

Hodgkinson, C. 1991, *Educational leadership: The moral art*, State University of New York Press, Albany NY, pp. 89–110.

Hoyle, S. 2014, 'Changes to licensing regime a ‘perfect storm’ for accountants', *Professional Planner*, 20 February, viewed 26 May 2016, <<http://www.professionalplanner.com.au/superannuation/2014/02/20/changes-to-licensing-regime-a-perfect-storm-for-accountants-26194/>>.

IFAC 2004, *IEP 3 Accountants Assessment Methods* International Education Paper for Professional Accountants

Jonassen, D. 2004 *Learning to Solve Problems An Instructional Design Guide* Instructional Technology and Training Series Published by Pfeiffer A Wiley Imprint San Francisco, CA

King, P.M. and Kitchener K.S. 1994, *Developing reflective judgement: Understanding and promoting intellectual growth and critical thinking in adolescents and adults*, Jossey-Bass, San Francisco.

Leiter, J. 2005, *Structural isomorphism in Australian non-profit organizations* (sic), Queensland University of Technology, Centre of Philanthropy and Nonprofit studies, Brisbane, Australia.

Morley, R. 2003, 'Professional closure by proxy: The impact of changing educational requirements on class mobility for a cohort of Big 8 partners', paper presented to the Third Accounting History International Conference, Siena, Italy, September 2003.

McComb A. 2016, *Media Highlights Newsletter*, Council of Private Higher Education (COPHE), March 22–29.

McNair, C.J. and Watts, T. 2006, *Conceptualising the praxis of benchmarking through institutional theory*, School of Accounting and Finance, University of Wollongong, Working Paper 16, viewed 26 May 2016, <<http://ro.uow.edu.au/accfwp/32/>>.

Moon J. 1999, *Learning from learning journals: A handbook for academics, students and professional development*, Kogan Page, London, UK.

National Board of Employment, Education and Training and Higher Education Council 1996, *Professional Education and Credentialism*, Australian Government Publishing Service, Canberra.

Neumann, C. and Neumann I. 2015, *Uses of the Self: Two Ways of Thinking about Scholarly Situatedness and Method*, *Millennium: Journal of International Studies* 2015, Vol 43 (3) 798-819

Parliament of Australia 2014, *Inquiry into proposals to lift the professional, ethical and education standards in the financial services industry*, Commonwealth of Australia, 19 December, viewed 26 May 2016, <http://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Corporations_and_Financial_Services/Financial_Adviser_Qualifications/Report>.

Power, P. 2016, 'SMSFs surge towards 570,000 controlling \$600B in assets', *SuperGuide*, 1 March, viewed 26 May 2016, <http://www.superguide.com.au/smsfs/smsfs-lead-the-super-pack-again>.

Professional Standards Councils (PSC) n.d., *What is a profession?*, viewed 26 May 2016, <<http://www.psc.gov.au/what-is-a-profession/academic-view>>.

PSC 2015, *21 years of regulatory innovation through professional standards*, viewed 26 May 2016, <<http://www.psc.gov.au/21-years-of-regulatory-innovation-through-professional-standards>>.

Regulation Taskforce 2006, *Rethinking Regulation: Report of the Taskforce on Reducing Regulatory Burdens on Business*, Report to the Prime Minister and the Treasurer, Canberra, January, viewed 26 May 2016, <http://www.pc.gov.au>

Rizvi, F. 1995, 'Ethics in educational administration' in C Evers and J Chapman (eds), *Educational administration: An Australian perspective*, Allen and Unwin, Sydney.

Sanders, D. 2010, 'Professional enlightenment of financial planning in Australia', Professional Doctorate thesis (Transdisciplinary Studies), CQUniversity Australia, Rockhampton, Queensland, viewed 26 May 2016, <<http://acquire.cqu.edu.au:8080/vital/access/manager/Repository/cqu:8329>>.

Sanders, D. 2013, *Presentation to inaugural meeting of Professional Standards Committee*, The Tax Institute, 19 August 2013

Sinek, S. 2013, *Start With Why* TED talk <https://www.youtube.com/watch?v=sioZd3AxmE> viewed 17 April 2017.

Tax Agent Services Act 2009

Tax Agent Services Regulations 2009

The Law Society of New South Wales 2015, *A new framework for practising law in NSW*, Sydney, viewed 25 May 2016, <<http://www.lawsociety.com.au/ForSolicitors/professionalstandards/Ruleslegislation/nationalreform/>>.

The Treasury n.d., *Future of Financial Advice*, Australian Government, viewed 26 May 2016, <<http://futureofadvice.treasury.gov.au/Content/Content.aspx?doc=home.htm>>.

Walsh K. 2011, 'Turf war over tax engulfs law firms', *The Australian Financial Review*, 9 December, p. 47.

Young, R. n d 2016, 'Financial Services Reform Act 2001 – The insurance industry impact', *FindLaw Australia*, viewed 26 May 2016, <<http://www.findlaw.com.au/articles/812/financial-services-reform-act-2001--the-insurance-.aspx>>.

Appendices

APPENDIX #	PUBLIC WORK NUMBER AND DESCRIPTION	TAXONOMY
APPENDIX 1	PUBLIC WORK 1: CREATION OF THE GRADUATE DIPLOMA OF APPLIED TAX LAW	①
APPENDIX 2	PUBLIC WORK 2: SCHOLARSHIP	①
APPENDIX 3	PUBLIC WORK 3: COURSE DESIGN	①
APPENDIX 4	PUBLIC WORK 4: PROPOSAL TO ACCREDIT A COURSE	①
APPENDIX 5	PUBLIC WORK 5: SERIES OF EMAILS TO MEETING PROPOSAL FOR TPB DISCRETION	①
APPENDIX 6	PUBLIC WORK 6: DEPARTMENT OF HUMAN SERVICES REGISTRATION	②
APPENDIX 7	PUBLIC WORK 7: VIDEO OF LAUNCH OF GRADUATE DIPLOMA OF APPLIED TAX LAW	④
APPENDIX 8	PUBLIC WORK 8: SUBMISSION TO UNSW FOR EXEMPTION (COLLATED EVIDENCE)	②
APPENDIX 9	PUBLIC WORK 9: FINANCIAL SUCCESS	①
APPENDIX 10	PUBLIC WORK 10: ESTABLISHING A PROFESSIONAL STANDARDS COMMITTEE AND CODE OF PROFESSIONAL CONDUCT - PAPER TO NATIONAL MEMBERSHIP SERVICES COMMITTEE	①
APPENDIX 11	PUBLIC WORK 11: FUNDING GRANT FROM PROFESSIONAL STANDARDS COUNCILS	②
APPENDIX 12	PUBLIC WORK 12: COMMITTEE STRUCTURE TO MANAGE ALL ELEMENTS: EDUCATION, ETHICS EXAMINATION, EXPERIENCE, ENTITY AND MEMBERSHIP PROFILE OF	①

	COMMITTEES	
APPENDIX 13	PUBLIC WORK 13: COURSE POLICIES	①
APPENDIX 14	PUBLIC WORK 14: CHARTERED TAX ADVISER EXAM	①
APPENDIX 15	PUBLIC WORK 15: ASSESSMENT FRAMEWORK FOR GRADUATE DIPLOMA (SEE PUBLIC WORK 3 COURSE DESIGN)	①
APPENDIX 16	PUBLIC WORK 16: COMPARATIVE FRAMEWORK FOR LICENSING THE CHARTERED TAX ADVISER DESIGNATION	④
APPENDIX 17	PUBLIC WORK 17: REGISTRATION DOCUMENT TO TEQSA	①
APPENDIX 18	PUBLIC WORK 18: RECOGNISED TAX AGENT ASSOCIATION APPLICATION TO TAX PRACTITIONERS BOARD	③
APPENDIX 19	PUBLIC WORK 19: TPB COURSE PROVIDER STATUS	①
APPENDIX 20	PUBLIC WORK 20: TAX AGENT SERVICES ACT 2009 ROADSHOWS	③
APPENDIX 21	PUBLIC WORK 21: BY-LAWS	④
APPENDIX 22	TAX PREPARER ARTICLE (AI OVERTAKING TAX AGENT WORK)	
APPENDIX 23	EVIDENCE OF DEBATE – MEMBER FEEDBACK RELATED TO FINANCIAL PLANNERS	
APPENDIX 24	RACE TO THE BOTTOM ARTICLE	
APPENDIX 25	ACCOUNTANT DISSATISFACTION ARTICLE	

Appendix 22

<http://www.theverge.com/2017/2/1/14475054/ibm-watson-hr-block-tax-preparation>

Appendix 23 – Evidence of debate

Member feedback to weekly newsletter

Financial planners have criticised a parliamentary joint committee report that supports plans to force them to obtain tax qualifications arguing that the changes would force many out of the industry.

Under the proposals the committee recommended financial advisers be required to take courses in commercial and tax law (requiring up to 260 hours of study), would be required to have at least 18 months of experience, and be a member of a professional organisation.

Mark Rantall from the Financial Planning Association has expressed his dismay at the developments by saying, “it is further proof that industry was right not to trust the TASA process, as the original proposal discussed was for one extra tax unit at university level to be completed during transition. Now it is two.”

Treasury recommended the areas of study would include courses on torts, contracts, competition and consumer law, insurance, intellectual property and bankruptcy and insolvency.

Mr Rantall has said, “financial advisers did not need such a qualification and the concept that a 30-year veteran financial planner who has been giving comprehensive and competent advice to his or her clients for all this time and now may have to go back to university to prove that competency is absurd.” He has reported that, “as many as 18,000 financial planners will be directly affected and up to 50,000 advisers may be captured” indicating that “reforms will have a significant impact which has not been adequately quantified. Many quality financial planners may well be forced out of business,” he has said.

While advisers have not responded to the decision encouragingly accountants have backed the Treasury proposals with Robert Jeremenko the Tax Institute’s senior tax counsel commenting that, “this is about ensuring integrity in the tax system and confidence in the people advising on it, as well as acknowledging the breadth and extent of the skill required to navigate it. For someone wanting to register as a tax agent, they too are required to meet relevant education and experience requirements.”

<http://www.mentor.edu.au/blog/2013/07/05/planners-express-dismay-at-qualifications-proposals/>

6 August 2014: A Federal Government move to allow financial planners to provide tax advice fails to set appropriate tax and commercial law education requirements and threatens critical consumer protections, according to The Tax Institute.

Michael Flynn, President of The Tax Institute, said, “We are concerned that recent Government Regulations will allow relatively inexperienced financial advisers to gain registration under the Tax Agent Services regime by simply joining a recognised financial adviser professional association.

“The Government’s actions result in there being no requirement for financial advisers to have completed a course in tax or commercial law, and yet the effect of this will be to allow them to provide wide-ranging tax advice.

“This means that consumers will be at risk of receiving tax advice and services provided by inadequately qualified advisers or those with out-of-date skills,” he said.

According to Michael Flynn, the Government’s move is surprising given the recent Senate Economics References Committee’s investigation of a number of rogue financial advisers.

The report found the activities of some advisers were ‘unethical, dishonest, well below professional standards and a grievous breach of their duties’.

Mr Flynn said, “Given that the report recommended imposing minimum education, experience and continuing professional development requirements on the financial advising industry at large, it is illogical that the Government is withdrawing some of these conditions for the provision of tax advice.

“The law must ensure robust consumer protection. Recent financial planning scandals such as Storm Financial and Opes Prime, have highlighted the risk posed to people’s life savings, their investments and indeed their livelihoods, as a result of poor consumer protection.

“In effect, the Government’s Regulations fail to meet the minimum educational standards consumers are entitled to expect,” said Mr Flynn. Critical consumer protections at risk due to poorly planned Government move

Publication date: 06 Aug 14 | Source: THE TAX INSTITUTE

19 Sep 2014 On the (lack of) tax training of financial advisers

MEMBER 137 writes:

"When is something going to be done about the lack of training for financial advisers who give incidental tax advice?"

The current system is an absolute joke as my story will demonstrate. I have a client who has several rental properties one of which he has rented to his mother-in-law at a commercial rent for several years. The mother-in-law had too much by way of assets to qualify for an age pension so the financial planner advised her (and my client) to give my client a sum of money for which he would then grant her the right to live in the property she was renting for the rest of her life. This sum of money was calculated by Centrelink under the Granny Flat provisions and came to just under \$220,000. Evidently, this amount is then deducted from her assets and she qualifies for a larger pension. My client asked the financial adviser if there were any tax consequences for him upon receipt of this money and the financial adviser said that there were no tax consequences, that the ATO would just treat it as a gift from a loving mother-in-law. My client then went ahead with all the arrangements and only months later told me about it when I was preparing his tax return.

I am sure that many of you reading this will immediately ask the same question I did – how is the receipt of \$220,000 treated in the income tax return of the client? After checking with the ATO and doing some research I established that what I had been concerned about was correct – my client would have to pay capital gains tax on this amount. It is not a gift – he has sold a right to his mother-in-law. My client was obviously very upset and told the financial planner what I had said. The financial planner rang me full of bluster and bad manners and told me several times that I was totally wrong and that his company had set up this arrangement several times over the years and had never had a problem in the past. He even said that he had done exactly the same thing for his parents. However, when I asked him if he had declared the payment they made to him in his tax return his answer was 'Hell, no – why would I do that?'

I am sick to death of being the bearer of bad news and having to tell my clients that the advice they have received from a financial planner was incorrect and there were tax consequences as a result of what they had done when following that advice. Like the other client who set up a trust to own several negatively geared rental properties because the financial planner told her that she could then distribute the losses out of the trust to the beneficiaries best suited to receive such a loss!"

TAX COUNSEL THILINI WICKRAMASURIYA COMMENTS: As you may be aware from previous editions of TAXVINE, The Tax Institute has been very vocal against the lack of training required for financial advisers to give tax advice. Most recently, Senior Tax Counsel Robert Jeremenko CTA was interviewed on the SkyNews program, Richo+Jones (with Graham Richardson and Alan Jones) on 16 September 2014 regarding financial advisers giving tax

MEMBER 138 writes:

"As I read the latest article on financial planners giving tax advice, I reflect on the pain of putting a dozen of my team members through part or all of the RG146 process...despite their being SPAA accredited, holding Masters degrees in tax and super... But there is little/no recognition of such qualities. So off to the RG146 time and money waste we go.

Meanwhile the planners pull their tax registrations out of a corn flakes box...if at all. Easy to see who has the greater lobbying power on Capital Hill!"

APPENDIX 24

Race to the Bottom article www.news.com.au/finance/work

APPENDIX 25 – ACCOUNTANT DISSATISFACTION October2015.pdf accessed 9 February 2017