

22 January 2026

Mr Steve Georganas MP
Chair
Parliamentary Joint Standing Committee on Migration

Email: migration@aph.gov.au

Dear Mr Georganas,

The Financial Advice Association of Australia¹ (FAAA) welcomes the opportunity to provide input into the Parliamentary Joint Standing Committee on Migration's inquiry into Australia's skilled migration program.

Currently there is a severe shortage of financial advisers in Australia. This is a critical issue for Australians as the population will continue to age over the next 40 years and the number of Australians aged 65 and over will more than double. An estimated 750,000 people are expected to retire in the next five years alone.² Australians need financial advice to help them navigate the complexity of the retirement income and tax systems to achieve a self-funded retirement and reduce the strain on social service benefits and the aged care system. Recent research by Investment Trends suggests the following:

- 11.8m Australians have unmet financial advice needs.
- 80% of unadvised Australians believe financial advice could have benefits for them.
- 1.3m people with unmet advice needs intend to seek advice within the next 2 years³

The financial adviser shortage has been recognised by inclusion in the government's Skills Priority List over consecutive years⁴. This shortage has been driven by:

- new regulatory and licensing requirements creating a 'long training gap' of approximately four years,
- an ageing existing financial adviser workforce,
- changes in the advice market, and
- the ageing of the population driving a prolonged increase in consumer demand for financial advice.

¹ The Financial Advice Association of Australia (FAAA) is the largest association representing the financial advice profession in Australia, with over 10,000 members. It was formed in 2023 following the merger of the two leading financial planning/advice bodies in Australia – the Financial Planning Association (FPA) and the Association of Financial Advisers (AFA). With this merger, a united professional association that advocates for the interests of financial advisers and their clients across the country was created.

² Intergenerational Report, 2023

³ Source: Investment Trends 2023 Financial Advice Report, March 2024

⁴ Key occupations include the ANZSCO occupations of Financial Investment Manager and Financial Investment Adviser, and the OSCA classifications of Financial Adviser and paraplanner.

Financial advisers must meet legislated education and training standards to be registered on the ASIC Financial Adviser Register (FAR) and legally be permitted to provide financial advice to retail clients in Australia. The number of financial advisers registered on the FAR has declined by 47.6% in the last 7 years, from its peak of 28,914 registered at the end of 2018 to 15,150 today⁵.

New entrants into the profession have slowed dramatically from 4,934 in 2018 to an average of 318 per year since the introduction of the education standards in 2019⁶. The resulting long training gap⁷ has impacted the new entrant pipeline needed to address the skills shortage.

Since the education and training requirements, including the professional year, were introduced on 1 January 2019, approximately 86% of the new entrants who have completed these requirements continue to work as a financial adviser today.⁸ This retention rate demonstrates a high level of commitment from new entrants that they will continue working in the profession in Australia. This supports our belief that migration is a valid pathway to help address this skills shortage to bring in skilled workers to improve the availability of financial advice, assisting Australians to retire with confidence and ensure the super system meets its objectives.

However, the complexity of the migration system creates barriers for skilled migrants and overseas new entrants from joining the profession to help meet Australia's demand for professional financial advice. There is a need to simplify the migration pathway to permit the following:

1. Migration points test – it is a legislated requirement that skilled migrants and new entrants must complete the professional year under the supervision of an Australian Financial Service Licence (AFSL) holder regulated by ASIC. The FAAA recommends the completion of the *Work and Training Professional Year Standard* for financial advisers/planners be allocated 5 points in the points test.
2. Sponsored visa and Graduate visa – the criteria for these visas should be amended to reflect the globalisation of the education system and accept study completed in an Australian degree **AT** an Australian university (either on or offshore). Currently the visa stipulates study must be undertaken **IN** Australia at an Australian university, greatly restricting access to this visa by skilled migrants who have completed the approved qualifications required by law to provide financial advice, but done so at an offshore campus of an Australian regulated university.

These recommendations will also support potential growth in Australia's tertiary education sector by encouraging offshore enrolments. This approach facilitates skilled worker migration, rather than increasing Australian-based student numbers, with those students potentially leaving the country once their study is completed and training visa expired.

The FAAA supports a migration system that will help provide for the needs of Australia's ageing population. A migration process that supports offshore training in approved Australian degrees, and offshore practical training (professional year), is critical to enable skilled migrants to arrive and

⁵ [Financial Adviser Movement for Australia — Wealth Data](#), 20 January 2026

⁶ [Financial Adviser Movement for Australia — Wealth Data](#)

⁷ This has created a skills shortage that corresponds with the Jobs and Skills Australia classification of a 'Long training gap'.

⁸ [wealthdata.com.au](#), 21 May 2024

commence work in their area of skill immediately. This would greatly assist in addressing the financial adviser shortage and ensure high retention rates.

We would welcome the opportunity to discuss the feedback provided in our submission in more detail. If you have any questions, please contact me on (02) 9220 4500 or sarah.abood@faaa.au.

Kind regards



Sarah Abood

Chief Executive Officer
Financial Advice Association of Australia