

18 March 2026

Jobs and Skills Australia

OccupationShortageList@jobsandskills.gov.au

Dear Jobs and Skills Australia,

March 2026 Jobs and Skills Australia's Occupation Shortage List - Stakeholder Survey

The Financial Advice Association Australia (FAAA)¹, as the peak professional body for financial advisers, welcomes the opportunity to contribute to Jobs and Skills Australia's (JSA) consultation on the 2026 Occupation Shortage List Stakeholder Survey.

The FAAA is the primary professional association for financial advisers in Australia. Our members are bound by high education, professional and ethical standards, and serve hundreds of thousands of Australians across metropolitan, regional, and remote communities.

This submission supports responses to the JSA stakeholder survey relating to 'financial advisers' (OSCA 212131) and 'paraplanners' (OSCA 531932) and provides substantial evidence of the skills shortage in financial advice, which has plagued our profession since 2019. Critically, the number of financial advisers and paraplanners continues to fall well short of demand, with increasing numbers of Australians seeking financial advice to improve household financial wellbeing, retirement outcomes, and broader economic stability.

We welcome our ongoing engagement with JSA and other government agencies on workforce planning issues. However, we are concerned that the Stakeholder Survey methodology is heavily reliant upon advertised job vacancies and, in our view, does not allow for data on other factors to be adequately captured and considered in context. With that in mind, we provide the following critical information on the shortage of financial advisers and paraplanners, which has not improved since our previous submissions.

This submission provides updated evidence to assist Jobs and Skills Australia to understand the shortage pressures and legal context specific to the financial advice profession:

- The decline in adviser numbers, which has not been offset by new entrants.
- The 'long training gap' and legislated education and 'Professional Year' requirements, which create a four-year structural lag in workforce supply.
- The rising demand for advice, with millions of Australians seeking, but unable to access professional financial advice.
- The important role of paraplanners in the financial advice ecosystem.
- The consumer and economic consequences of unmet financial advice needs.

¹ The Financial Advice Association of Australia (FAAA) is the largest association representing the financial advice profession in Australia, with over 10,000 members. FAAA advocates for the interests of financial advisers and their clients across the country.

FAAA urges Jobs and Skills Australia to include ‘financial advisers’ (OSCA 212131) and ‘paraplanners’ (OSCA 531932) on the 2026 Occupation Shortage List due to the long training gap for new entrants and the high consumer demand for financial advice.

Financial adviser numbers

The number of financial advisers has declined dramatically since the start of 2019, following significant regulatory and education reforms. The following statistics refer to financial advisers who are qualified, authorised/licensed and registered on the ASIC Financial Adviser Register (FAR) to provide personal financial advice to retail clients:

- In late 2018, there were ~28,900 qualified professional financial advisers on ASIC’s Financial Adviser Register.
- By mid-2024, this had fallen to ~15,600 and in September 2025, there were fewer than 15,300 practising financial advisers.
- As of 12 March 2026, this number had declined further to ~15,135, representing a 48% reduction in less than eight years².

This decline is structural, not cyclical. Retirement of older financial advisers, regulatory change driven exits, and the lengthy qualification process for new entrants all contribute.

Despite this, consumer need for financial advice is rising. The consequence is a widening gap between supply and demand.

New entrants

To become a financial adviser, an individual must:

- Complete an approved degree or equivalent;
- Undertake a Professional Year (1,500 hours, including 100 structured training hours);
- Pass the Financial Adviser Exam; and
- Meet ongoing CPD obligations.

This process typically takes at least 4-5 years from commencement of study to full registration.

Many universities are delisting onshore financial planning courses due to low enrolments – six courses were discontinued during 2025. A graduate must also find and complete a Professional Year placement before they are then qualified to become a Financial Adviser. The profession has fragmented into small and micro businesses which find it difficult to run Professional Year programs due to the ongoing financial investment and time commitment that is involved over a sustained period of 18 months (on average).

The pipeline of new financial advisers remains small:

- In 2023, only 381 new provisional advisers were registered³.
- In 2024, this rose to around 511 new entrants, but far below replacement levels.⁴

² <https://wealthdata.com.au/> cited 12 March 2026

³ <https://www.ifa.com.au/news/33769-adviser-landscape-finds-stability-in-2023-as-new-entrants-inject-fresh-energy>

⁴ <https://www.ifa.com.au/news/35260-downward-trend-for-adviser-numbers-slows-in-2024>

- The number of new entrants rose to 569 in 2025.

With an estimated 700–1,000 advisers retiring annually, new entrant supply is not even keeping pace with the need to replenish the profession to meet consumer needs. However, retiring adviser numbers will not be reflected in job vacancies as some may be sole traders/SMEs who shut their doors or sell their business to another financial adviser or firm - rather than their exit a job creating an open position for someone else to fill.

The combined loss of experienced professionals, low numbers of new graduates, and scarce Professional Year placement positions means that there are not enough applicants with the qualifications to be registered and employed as financial advisers. This is caused by a long training gap, not a suitability gap.

This means workforce shortages are set to continue for the foreseeable future. This context should be reflected in the JSA data analysis for skills shortage.

Paraplanners

Paraplanning also plays an important role in the pathway to becoming a financial adviser, with many acting in this role while they study. It is important that this role and shortages related to this role are included in the JSA's considerations. Indeed, most qualified overseas new entrants work in paraplanning roles until they complete Australian bridging units or degrees.

Tertiary qualifications are not required for paraplanning roles however there are not enough graduates with financial planning qualifications graduating from Australian universities and finding paraplanning or client service officer roles within financial advice. As the sector has fractionalised into small and microbusinesses, many businesses are turning to offshore support for these roles to address this skills gap. There is a funding and training gap creating a bottleneck in this crucial career pathway to becoming a financial adviser.

Demand for financial advice

Research consistently demonstrates substantial and growing unmet demand for financial advice across Australia. According to the Investment Trends 2025 Financial Advice Report, 15.9 million Australian adults have unmet advice needs with 1.3 million people planning to see an adviser in the next two years⁵.

Research has also indicated that demand is particularly acute among Australians approaching retirement, who require advice on superannuation, retirement income strategies, estate planning, and later with respect to aged care. At the same time, younger Australians increasingly seek advice on investments, debt management, and first-home purchases, while families and small business owners look for support on cashflow, insurance, and succession planning.

The FAAA Value of Advice Index 2025 indicated that Australians who receive professional financial advice are more likely to adequately save for retirement. In practical terms, this means that many individuals risk entering retirement with insufficient funds, potentially increasing their reliance on government support programs.

⁵ <https://www.adviservoice.com.au/2025/11/investment-trends-2025-financial-advice-report/>

Regional and rural communities are particularly affected. Many areas have few or no practising financial advisers, creating long waiting lists and forcing consumers to rely on remote or online services, which may not adequately address local circumstances or complex needs.

Even within metropolitan areas, certain populations such as low-income households, recent migrants, and individuals with non-standard employment, remain under-served. Financial services industry data consistently shows that firms are operating at full capacity, with advisers regularly turning away clients due to limited bandwidth.

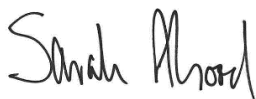
These diverse client needs underscore that financial advisers provide a vital, consumer-facing service that is not yet easily substituted by technology or non-advised solutions. Australians trying to access financial advice are constrained by the shortage of qualified professionals.

According to the Future Skills Organisation Workforce Plan 2025 Occupations Dashboard, there is currently demand for 64,287 'financial investment advisers and managers' (ANZSCO occupations) in 2025 and this rises to 69,135 by 2030. This figure is similar to JSA's own 'Employment Projections' suggesting that demand for 'financial investment advisers and managers' will grow from 68,400 in 2029 to 72,300 by 2034. These growth projections are based on the ANZSCO definitions of these occupations, which we note captures a broader group of advice providers.

According to research from AdviserRatings⁶, the number of licensed 'financial advisers' would need to increase to more than 50,000 by 2055 to meet the increased demand for financial advice. This is based upon the projection that pre-retirement and retired people over the age of 55 will double in the same time period.

We would welcome the opportunity to discuss the feedback provided in our submission in more detail. If you have any questions, please contact either myself on (02) 9220 4500 or sarah.abood@faaa.au, or FAAA General Manager, Policy, Advocacy & Standards, Phil Anderson on phil.anderson@faaa.au.

Kind regards



Sarah Abood
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⁶ <https://www.adviserratings.com.au/news/the-great-adviser-race-can-australia-build-its-financial-army-before-demographics-strike/>