FINANCIAL ADVICE ASSOCIATION AUSTRALIA

14 September 2026

OSCA 2027 Update Consultation
Australian Bureau of Statistics
occupation@abs.gov.au

Dear Sir/Madam

Occupation Standard Classification for Australia (OSCA) 2027 update – FAAA response ID is ANON-4C3A-3Q3Q-K

The Financial Advice Association Australia (FAAA).[1] welcomes the opportunity to provide input into the Australian Bureau of Statistics (ABS) OSCA 2027 Update Final Consultation.

We welcome the change from the ANZSCO to the OSCA in 2024, which included an update to the occupation of 'financial adviser' (2121) to more closely reflect the current legal requirements to practice in the profession. We encourage all government departments to adopt the OSCA as soon as possible to ensure consistency in the data sets that inform policy decisions.

As highlighted in our submission to the April 2026 consultation, we have strong concerns about the current OSCA occupations of 'financial adviser' (2121) and 'financial adviser' (212131), which taints the resulting data and does not correctly capture the critical decline of appropriately qualified advisers in our profession, because the descriptions for these occupations do not:

- separately identify different types of financial advisers that can be licenced under the Corporations Act – as retail client financial adviser and wholesale client financial adviser, or
- accurately describe the skill level for financial advisers to be legally licensed.

<u>FAAA Recommendation</u>

The FAAA recommends the following amendments to the OSCA to separately recognise the two main types of financial advisers under the Corporations Act who are legally entitled to use the title 'financial adviser' under s923A, and that the skill level information be updated to reflect the relevant legal education standard to practice, as detailed in the following table

Unit group	New occupation	Skill level	Minimum education	Experience/training
'Financial Adviser' – 2121 • summary that encompasses both types of 'financial adviser'. This should be kept at skill level 1	**'Retail Client Financial Adviser (personal advice)' – 212131**	**Skill level 1**	s921B Corporations Act[2] • AQF 7 / Bachelor Degree or higher qualification (or equivalent) approve by Minister • 40hrs/yr continuing professional development • Pass Financial Adviser Exam set by ASIC Plus s921BB Corporations Act	Completion of Professional Year training (minimum 1 year) based on legislated standard

[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.
[2] Corporations Amendment (Professional Standards of Financial Advisers) Act 2017

Unit group	New occupation	Skill level	Minimum education	Experience/training
			• AQF5 / Diploma or higher - commercial and taxation law at AQF5 level or higher if providing tax (financial) advice services	
	'Wholesale Client and Other Financial Adviser' – 212132 **(This would include general advice only providers)**	**Skill level 2**	ASIC Regulatory Guide 146: • AQF level 5 / Diploma or higher Plus Tax Agent Services Regulations - Schedule 2 • minimum Tax Practitioners Board (TPB) registration requirements[3] if providing tax (financial) advice services	• If providing tax (financial) advice services must comply with the TPB Code of Professional Conduct.

Different types of 'financial advisers'

There are significantly different qualification standards and licensing obligations set under the Corporations Act for "Retail Client Financial Advisers" and "Wholesale Client Financial Advisers" to be permitted to practice.

"Retail Client Financial Advisers" (212131)

'Retail Client Financial Advisers' must meet the minimum bachelor degree (AQF 7), higher or equivalent standard, and other training and professional obligations under s921B of the Corporations Act; and must be registered on the ASIC Financial Adviser Register (FAR) to legally be permitted to provide financial advice to retail clients.

'Retail Client Financial Advisers' must provide disclosure documents (Financial Services Guide, Statement of Advice, Product Disclosure Statement), comply with the Best Interests Duty, comply with a Code of Ethics, avoid the receipt of conflicted remuneration and be a member of the Australian Financial Complaints Authority (AFCA).

"Wholesale Client Financial Adviser"

Lower training requirements, equivalent to AQF level 5 set in ASIC's *Regulatory Guide 146 - Licensing: Training of financial product advisers*, apply to 'Wholesale Client Financial Advisers'. Registration on the ASIC FAR is not required for 'Wholesale Client Financial Advisers'; nor are they required to comply with the Best Interest Duty, Code of Ethics, conflicted remuneration, consumer complaints and compensation, or disclosure obligations.

Implications of the current OSCA occupations

The ASIC FAR provides a clear, publicly available data set based on the legal requirements that apply to Retail Client Financial Advisers. Wholesale Client Financial Advisers (only) are not included on the

[3] Qualifications and experience to provide tax (financial) advice services | Tax Practitioners Board

ASIC FAR. The current financial adviser occupations under 2121 and 212131 appear to capture both types of financial adviser, resulting in an inaccurate picture of the market.

If government agencies and other organisations, including job advertising sites, rely on the current financial adviser occupations under 2121 and 212131, their methodology will not distinguish between Retail Client Financial Advisers and Wholesale Client Financial Advisers. This creates a risk that conflicting or inaccurate data will be used to inform critical government policy decisions.

For example, as at 30 June 2026, 14,893 Retail Client Financial Advisers were registered on the ASIC FAR, down from approximately 28,900 at the start of 2019. This legally mandated ASIC registration data shows a 48% reduction in Retail Client Financial Advisers in Australia in less than eight years, despite strong consumer demand for financial advice, an ageing population and the Government's agenda to improve access to affordable financial advice for Australian consumers.

Financial advice may only be provided by a Wholesale Client Financial Adviser to clients who meet the wholesale or sophisticated client thresholds. These include investing at least $500,000 in a single product, having net assets of at least $2.5 million, earning annual gross income of at least $250,000, or having sufficient previous investment experience to assess complex financial products. Most Australians do not meet these thresholds.

Methodologies that inadvertently include Wholesale Client Financial Advisers through the OSCA, risk distorting data on the number of Retail Client Financial Advisers available to support everyday consumers, and may contradict the clear evidence from the ASIC register.

This issue is reflected in the government's recent COSL, which erroneously indicates that the financial investment adviser occupation which currently (and incorrectly) includes financial advisers under ANZSCO, is <u>not</u> in shortage.

We would welcome the opportunity to work with the ABS to determine the appropriate wording for the two occupations of 'financial adviser', and to discuss the feedback provided in our submission in more detail. If you have any questions, please contact me on sarah.abood@faaa.au or 02 9220 4500.

Yours sincerely,

Sarah Abood
Chief Executive Officer
Financial Advice Association Australia (FAAA)