



Making financial advice a sustainable profession

The Government will reform the education standards for professional financial advisers to expand the supply of high quality, helpful and safe advice.

These reforms build on the Government's Delivering Better Financial Outcomes package to help address the current supply shortage of financial advisers and strengthen the industry's ability to meet the future demand for financial advice.

These reforms will complement the education requirements for the new class of financial advisers (NCAs) to create a cohesive transition into professional advice.

The Government will work with industry and higher education providers (HEPs) to ensure an appropriate transition to the new education standard.

A new qualification standard

The Government will streamline the qualification requirements to expand the pipeline of new entrants to the profession. The current standard is unsustainable. It is unattractive to school leavers due to the restrictive career path and it requires a significant investment in study for career changers.

The Government will remove the requirement for individuals to complete an approved qualification offered by only a limited number of higher education providers.

The new education standard will centre around the requirement to hold a bachelor's degree or higher in any discipline. This recognises the important role of tertiary education and acknowledges that across all disciplines, students develop a broad range of skills, such as critical thinking and problem solving, which are relevant to financial advice.

Prospective advisers will need to meet minimum study requirements in areas such as finance, economics or accounting. Completion of these subjects will ensure an understanding of relevant financial concepts.

Further, they will be required to complete prescribed accredited financial advice subjects covering ethics, legal and regulatory obligations, consumer behaviour and the financial advice process. This provides the core knowledge and foundation concepts to navigate complex financial scenarios and deliver value to consumers.

The new standard is more sustainable than the current prescriptive pathways. For most students studying a Commerce, Economics or Finance degree, the cost and time to meet the requirements under the new standard will be halved.

The new standard will upskill the next generation of financial advisers quicker as employers can tailor the combination of structured learning and on-the-job training for each individual. This will attract new talented professionals with diverse backgrounds to explore financial advice as a career.

The remaining professional standards including the professional year, the exam and continuing professional education remain an important part of the professional standards framework and continue to support the overall development of professional advisers.

The Government previously announced it will introduce the new class of financial adviser (NCA) to deliver simple advice that is quality, helpful and safe for consumers. The NCA will be required to complete an AQF5 level qualification from a higher education provider accredited by the Tertiary Education Quality and Standards Agency (TEQSA). The Government is seeking views on the appropriate subject matter for this qualification.

The Government is committed to ensuring that the qualifications for the NCA deliver a cohesive pathway for NCAs to become professional advisers. The pathway will be designed in a way that respects the professionalisation of the industry and ensures that consumers are provided quality advice.

This will be an important step in increasing the future pipeline of financial advisers while meeting the current demand for simple financial advice.

Transitional impacts

Existing advisers are still required to meet the 1 January 2026 deadline of having an approved bachelor's degree or above or equivalent. Those who took appropriate steps to meet the qualification standards well in advance of the transition deadline will not be disadvantaged.

The Government will continue to work closely with industry and education providers to ensure the new pathway works efficiently and effectively.