

Media Release 27 November 2025

Preparing for the \$5.4 trillion wealth transfer: urgent need to lift Australia's financial capability

- New research reveals 59% of Australians have low levels of financial capability, with only 17% achieving advanced levels.
- Younger Australians are set to inherit \$5.4 trillion by 2050, yet many lack the skills to manage this wealth - leaving them vulnerable to poor financial decisions and scams.
- Nearly half of Australians (48%) find financial concepts too complex, creating a significant opportunity for advisers and super funds to lead the way in improving financial capability.
- Australians with high financial capability are twice as likely to seek advice and undertake retirement and estate planning - signalling strong growth and engagement potential for advisers and super funds.
- Advisers and super funds are encouraged to embrace alternative forms of advice, such as guidance, offer simplified products, and invest in financial education and digital advice to meet evolving needs.

Deloitte Access Economics ("Deloitte"), in collaboration with **iress**, has today released a report finding the majority of Australians - 59% - have low levels of financial capability. The report, titled "[The Big Lift](#)", highlights the opportunity for collective action across the financial services industry to address the nation's alarmingly low levels of financial capability to improve Australians' wellbeing and long-term financial resilience.

Financial capability captures both the understanding of financial concepts and the application of those concepts through financial behaviours. Modelling from Deloitte also found that if all Australians were to uplift their financial capability to an 'advanced' level it would equate to a \$122,950 increase in average household wealth, or \$1.2 trillion nationally.

Deloitte Access Economics Partner, John O'Mahony, said: "Financial capability is critical for building wealth, enhancing wellbeing, and supporting Australia's economic prosperity, yet 59% of Australians have low financial capability. While some foundational skills are built in schools, financial capability is strengthened through everyday financial engagement, representing an opportunity for the financial services industry.

"The Big Lift research found that 57% of Australians report more confident decision-making after receiving financial education or advice. There is an opportunity for advisers and superannuation funds to help Australians turn knowledge and understanding into confident action. By integrating financial education into everyday services, providing accessible advice, and offering innovative guidance models, the financial services industry can help Australians make informed decisions about saving, investing, and planning for the future.

"With rising living costs, sophisticated financial scams, and \$5.4 trillion in assets set to be inherited by younger Australians by 2050, the need to act is urgent. If all Australians reached advanced financial capability, household wealth could increase by \$1.2 trillion - or \$122,950 per average Australian household - strengthening resilience, reducing financial stress, and delivering lasting prosperity."

iress' CEO - Wealth APAC, Kelli Willmer, said: "Last year, our '[Advice 2030: The Big Shift](#)' research with Deloitte uncovered a \$2.1bn growth opportunity for Australian advisers through specialisation, scaling smartly, and embracing technology. The Big Lift builds on that momentum, showing how advisers and super funds can not only capture growth, but also lift the nation's financial capability by making advice simpler, more digital, and more accessible.

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“Technology and regulation has given advisers an opportunity to re-think how advice is delivered, what services are offered, and who can access them. With 63% of Australians under 40 being open to digital advice solutions, embracing hybrid models, AI, and chat-based tools can help scale advice efficiently and meet clients where they are. At the same time, offering financial education, simplified products, and coaching programs can build client confidence and unlock new revenue streams.

“As the backbone of Australia’s advice infrastructure for over a decade, Iress is committed to helping the industry evolve to deliver guidance and advice to the 12 million Australians who need it. Collaborating with industry partners and using insights from the Big Lift, we’re shaping a coordinated strategy to do this, with financial capability at its core. This includes exploring enhancements to our core Xplan platform with new digital tools and a financial health check to help boost financial capability and wellbeing at scale.”

The Big Lift draws on economic modeling, survey data from 2,000 Australians, and consultations with industry and not-for-profit groups. It examines how financial capability is linked with wealth, demonstrating how education and financial advice can empower consumers and enhance national economic resilience and wellbeing. For more information on the full report and relevant resources, visit:

<https://info.iress.com/thebiglift>.

Key statistics from the report:

- 59% of Australians have low financial capability.
- 10.4 million Australians report financial difficulties have impacted their ability to participate in society.
- Uplifting financial capability could lead to a \$1.2 trillion increase in aggregate household wealth, or \$122,950 for the average Australian household.
- 57% of Australians report more confident decision-making after receiving financial education or advice.
- Australians with high financial capability are:
 - Twice as likely to seek out financial advice.
 - Twice as likely to undertake retirement and estate planning.
 - 21 percentage points more likely to make salary sacrifice contributions.
 - 12 percentage points more likely to check their super balance.
 - Associated with having five times greater net wealth by retirement, compared to individuals who reach advanced financial capability later in life.

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About Iress

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