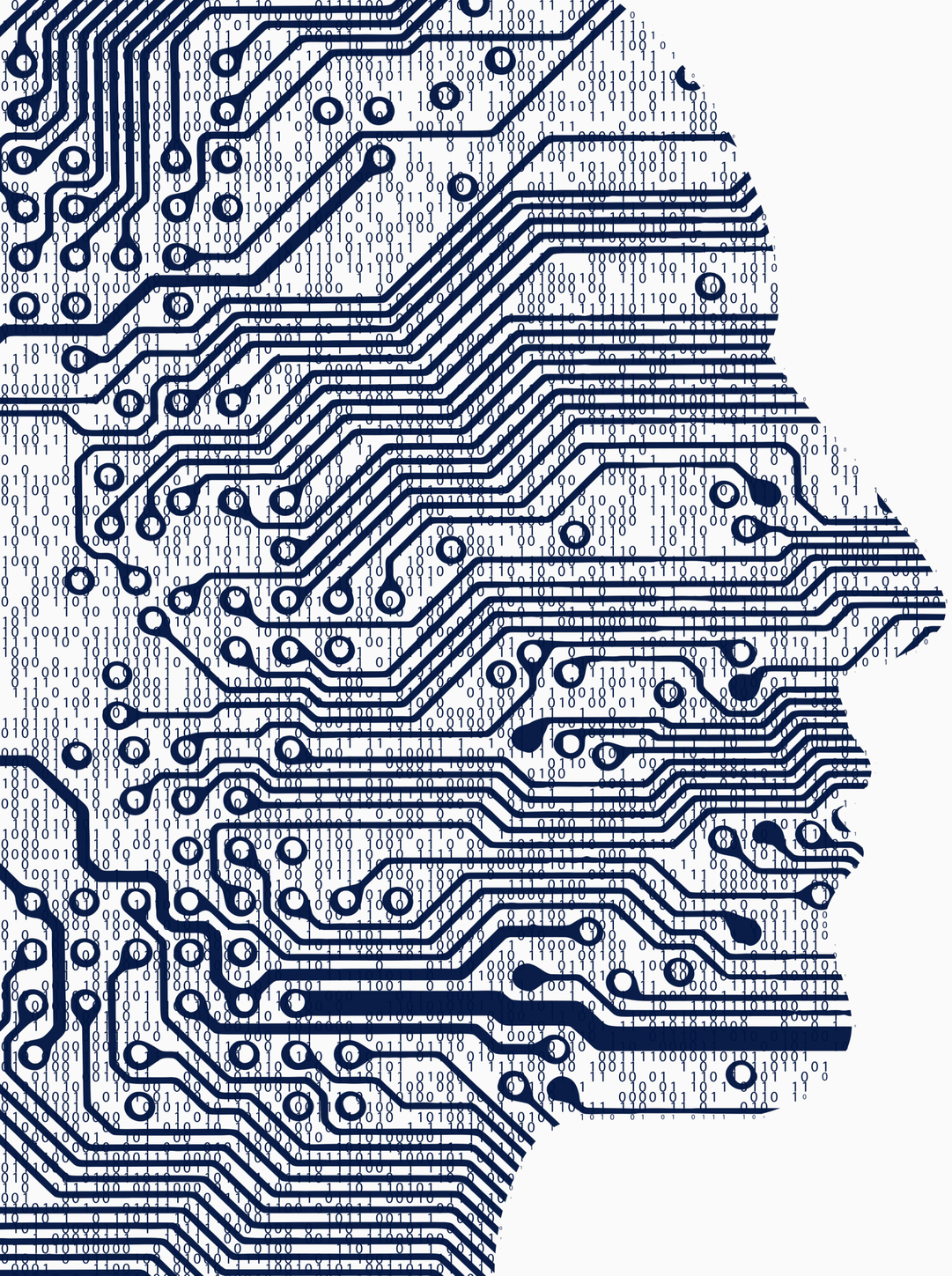

FUTURE SKILLS ORGANISATION
Finance Technology Business

FSO WORKFORCE PLAN 2026

Mixed Signals, Future Oppotunities

Finance, technology and business trends and skills in the AI era

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Acknowledgement of Country

We acknowledge the traditional custodians of the land on which we work and pay our respects to elders past and present.

FOREWORD

A message from the CEO

Dear colleagues,

I'm pleased to introduce Workforce Plan 2026: Mixed Signals, Future Opportunities.

This year's Plan comes at a pivotal moment for the more than 3.5 million Australians working in finance, technology and business (FTB). While FTB employment has continued to grow, the signals beneath these numbers are more mixed. Recruitment has softened, graduate hiring has contracted, and some mid-tier roles have become redundant. Growth and disruption are happening at the same time, but each sector is experiencing this transition differently.

Finance is growing but facing major AI-related and regulatory changes. Technology continues to add workers, though long-standing skills shortages are easing. Business is moving in two directions: demand is rising for higher-skilled roles while demand for clerical and administrative jobs is declining.

AI sits behind many of these shifts. While there is little evidence yet of widespread labour market disruption, significant change is already underway as tasks, skills and workforce structures evolve. Our challenge is to help workers, employers and the skills system adapt.

Two related themes from this year's Plan stand out: the critical role of leadership in turning AI into productivity gains, and the need for a more agile skills system that can keep pace with rapid technological change.

This year's Plan also marks the launch of the FSO Workforce Intelligence Platform, enabling users to read, ask and explore workforce data through natural-language queries and interactive dashboards.

Most importantly, this Plan has been shaped by the insights, expertise and challenge of our stakeholders.

Thank you for your contributions.

Sincerely,



Patrick Kidd OBE OAM

Chief Executive Officer

Future Skills Organisation

Executive Summary

Mixed Signals, Future Opportunities is the fourth Workforce Plan produced by FSO. The series began with an Initial Workforce Plan, followed by the 2024 Workforce Plan: Agenda for Action, and Workforce Plan 2025: Pathways to Impact. This Plan builds on those previous iterations rather than restating them.

This Plan sits alongside a range of active FSO projects across training product development (TPD), workforce research, implementation, promotion and monitoring activities, and employer engagement. Where a finding connects directly to one of those projects, that connection is called out. The report does not, however, pre-empt project outcomes or make recommendations on behalf of processes that are underway.

Over three and a half million people are employed in finance, technology and business (FTB) occupations, and all three sectors continued to grow into 2025.[1,D2] However, beneath this headline growth, there are mixed signals: recruitment is softening, entry-level work is contracting, and Artificial Intelligence (AI), particularly generative AI (GenAI), is reshaping the day-to-day tasks of FTB workers. The finance industry is the most generative AI-exposed in Australia.[2,D4]

What that AI exposure means is still unclear. The FTB data indicates areas of workforce growth and contraction, with AI displacing and augmenting roles. Simultaneous growth and disruption make transition the defining feature of the FTB workforce in 2026.

AI's productivity promise is largely one of augmentation, enabling workers to do more with the technology rather than being replaced by it. But that promise is not automatic. It depends on building capability at scale, and at present, demand for AI skills is outpacing the training available to develop them.

This report identifies five cross-sector themes shaping the FTB workforce, explored across the Finance, Technology and Business chapters that follow. Running beneath all five is a deeper structural question: whether the benefits of growth and technological change are reaching the full diversity of the FTB workforce or concentrating among those already well-positioned. Diversity and participation are examined as an underlying theme throughout.



Figure 1: FTB occupation workforce snapshot.

Source: FSO 2026, Occupation data based on Australian Bureau of Statistics Labour Force Survey and Census data.[D2]

EXECUTIVE SUMMARY

Five trends are reshaping the FTB workforce

A workforce in transition



Mixed labour market signals



AI impacting FTB roles



Technology shifts beyond gen AI



Leadership skills not keeping up



Training system falling behind

Underlying every theme:

Equity and Participation

The FTB labour market is showing mixed signals

It is not yet possible to cleanly isolate the drivers of labour market disruption. AI-driven structural change, post-pandemic correction, and broader cyclical economic conditions are all plausibly at work, and likely all at once.

Employment grew across all three sectors into 2025 and early 2026,[1] even as hiring conditions softened. Entry-level and graduate hiring is contracting,[3] and the share of small and medium businesses reporting vacancies across all industries has fallen sharply, from 22% in FY2024 to 15% in FY2025, and 12% in FY2026 to date, [4] with stakeholder feedback indicating similar FTB trends.

Redundancies and restructuring are now affecting experienced professionals, with mid-tier roles across FTB under pressure.[5,6,7,8]

AI is impacting FTB roles

AI is already reshaping roles across FTB work, but how this transition is being managed across the workforce remains unclear.

Clerical and administrative roles are amongst those changing fastest, with routine task automation compressing entry points into professional careers.[9,D4] Workers with the largest exposure to generative AI are typically lower-paid,[10] disproportionately women[11] and are least likely to receive employer-funded training.[9,12,D4]

At the same time, AI augmentation is raising expectations of what capable performance looks like: workers across FTB are increasingly expected to disproportionately women[11] and are least likely to receive employer-funded training.[9,12,D4]

At the same time, AI augmentation is raising expectations of what capable performance looks like: workers across FTB are increasingly expected to exercise judgment, interrogate AI outputs, and communicate complex decisions to clients and stakeholders, capabilities that formal qualifications have rarely been designed to deliver.[13,14]

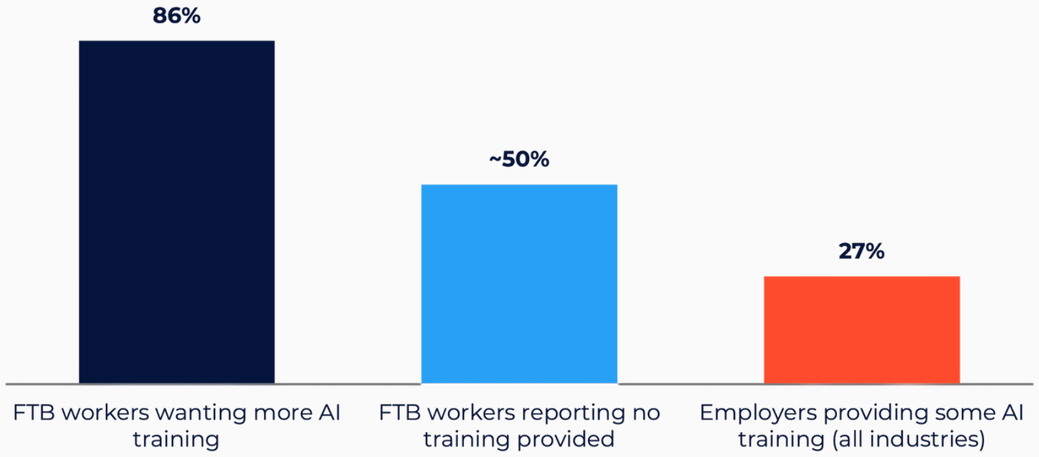

Figure 2: The AI training demand and supply gap.

Source: Mandala Partners & Future Skills Organisation 2025;[15] and NCVER 2025.[12]

Beyond generative AI, technology shifts are reshaping FTB

Generative AI leads the narrative, but it is only one part of a broader, rapidly evolving technology landscape.

Investment in data centres and evolving data sovereignty requirements will determine how affordably and at what scale Australian organisations can access AI infrastructure.[16] Quantum computing is approaching practical application in finance and risk modelling.[17]

For organisations already past initial AI adoption, orchestration (coordinating multiple AI agents and systems toward complex outcomes) is emerging as the next significant capability requirement.[18,19] FSO's market scan found no accredited training and only limited non-accredited training addressing this, with non-accredited training focused on technical builds rather than integration into non-technical roles.

Leadership capability is critical and not keeping up

Management and leadership capability has emerged as the most consistently identified workforce challenge.

Management quality is one of the strongest determinants of firm-level productivity, and the return on AI investment depends less on the tools an organisation deploys than on whether its leaders can redesign work around them.[20,21,22] The management load is increasing as AI responsibilities accumulate, yet capability is lagging with 41% of businesses identifying that leaders lacking the skills and capability to apply AI.[23] This capability gap underpins almost every other workforce challenge in this plan.

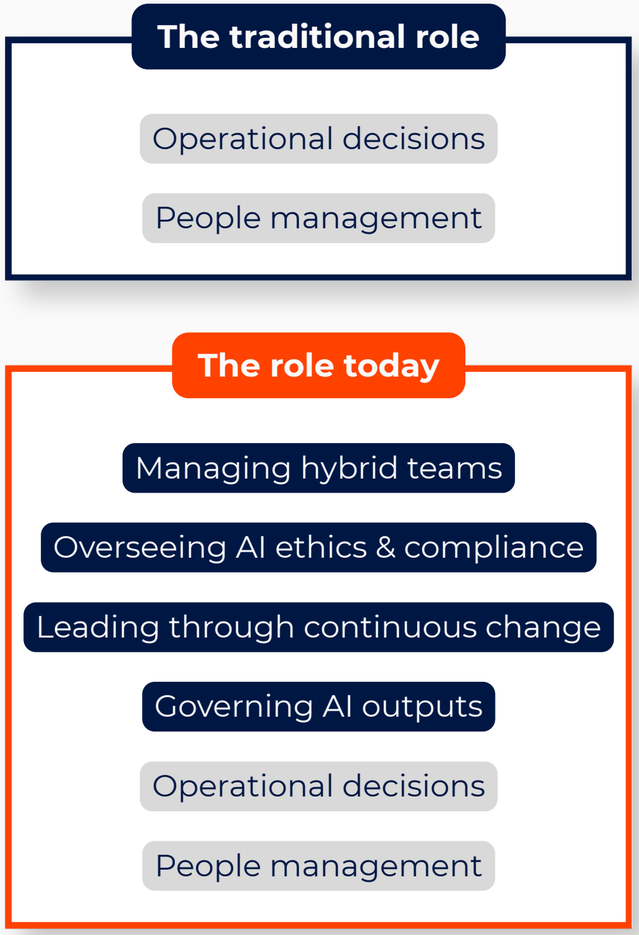

Figure 3: New tasks are being added to management roles.

Source: FSO analysis of Australian Institute of Management n.d.;[24] OECD 2023;[13] and Challapally, A, Pease, C, Raskar, R & Chari, P 2025.[25]

The education and training system is falling behind

The formal education and training system is being asked to deliver capabilities at a pace it is not structurally designed to meet.

Curricula in FTB-relevant fields of education have fallen behind industry needs. The skills employers now demand such as judgment, AI literacy and the ability to work with and oversee automated systems, are not yet consistently reflected in accredited training, and graduate outcomes for both VET[D7] and higher education[D8] suggest the gap is widening rather than closing.

The challenge is compounded by the pace of change. Training products that can take 18 months[26] to update cannot keep pace with a technology environment that shifts in weeks. Yet the system's primary focus remains on full qualifications, designed for a stable skills environment very different than the one FTB employers and workers now operate in. Reflecting this mismatch, stakeholders across the FSO Workforce Roadshows expressed strong support for more flexible alternatives.

Underlying every trend: equity and participation

This workforce transition is not neutral: without action, it will deepen existing workforce inequalities.

Women carry a disproportionate share of the transition exposure at both ends of the career span. Their concentration in clerical and administrative roles most exposed to automation, combined with their underrepresentation in the leadership roles shaping AI adoption, reflects the same progression barriers and risks compounding existing disadvantage if left unaddressed.

The evidence base on Aboriginal and Torres Strait Islander participation in FTB occupations remains thin, limiting FSO's ability to identify where targeted action is most needed. Building that evidence base is itself a priority.

Around 65% of Australian private sector workers are employed by small and medium businesses[27] and those workers are less likely to receive structured training,[12] and the least well served by current training products.

Regional workers face a further disadvantage. They sit furthest from the infrastructure, investment and training that AI adoption depends on, so the barriers to access are compounded by distance.[28]

EXECUTIVE SUMMARY

Three sectors at a glance

Finance

While the finance workforce has grown strongly over the decade, it is also the most exposed to generative AI.[2,D4]

AI augmentation and a wave of regulation, including mandatory climate disclosure and expanded anti-money laundering obligations, are reshaping what finance workers need to know and how they work. Modern financial services roles also include significant digital skills and are highly exposed to generative AI augmentation and automation. FSO projections indicate that supply may fall short by around 104,000 workers by 2035, although the largest occupation shortages are projected in roles highly exposed to AI.[D4]

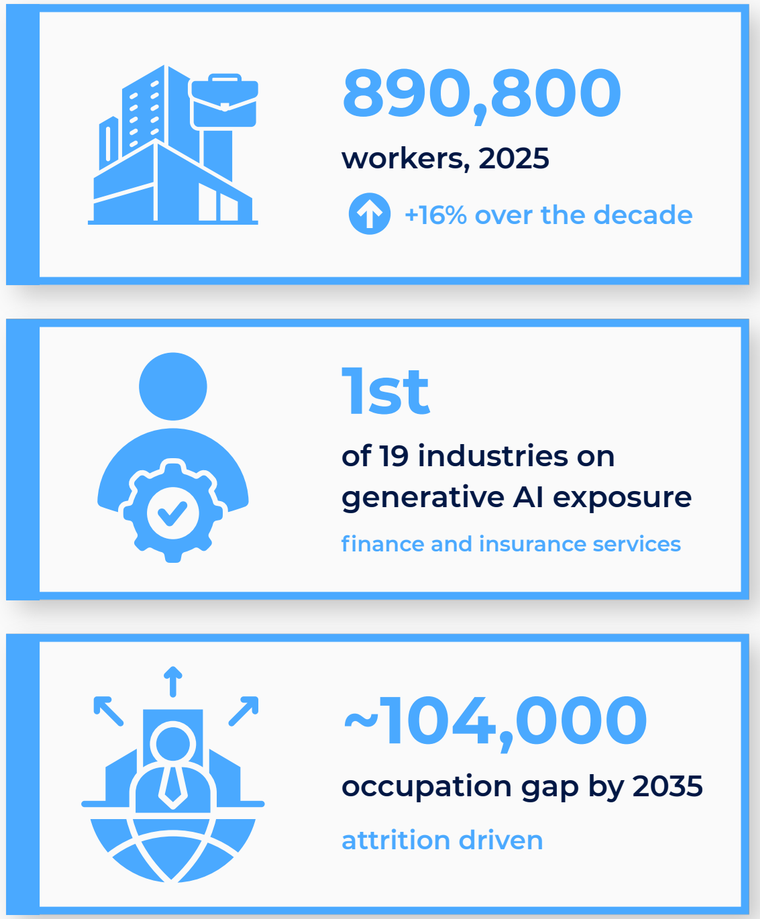

Figure 4: Finance sector at-a-glance

Source: FSO 2026, Occupation data based on Australian Bureau of Statistics Labour Force Survey and Census data;[D2] JSA 2025, generative AI exposure scores;[D4] Future Skills Organisation and Oxford Economics Australia 2026, projections data.[D3]

EXECUTIVE SUMMARY

Three sectors at a glance

Technology

The technology workforce is expanding, but growth is concentrated in a narrow band of occupations.[D2]

Generative AI has moved into daily usage, and every technology occupation has high generative AI augmentation exposure.[2,D4] The signals that once defined the sector, including labour shortages[29,30] and strong graduate outcomes are now weakening.[D6, D7] Occupation projections indicate a near-balance in supply and demand through to 2035.[D3]

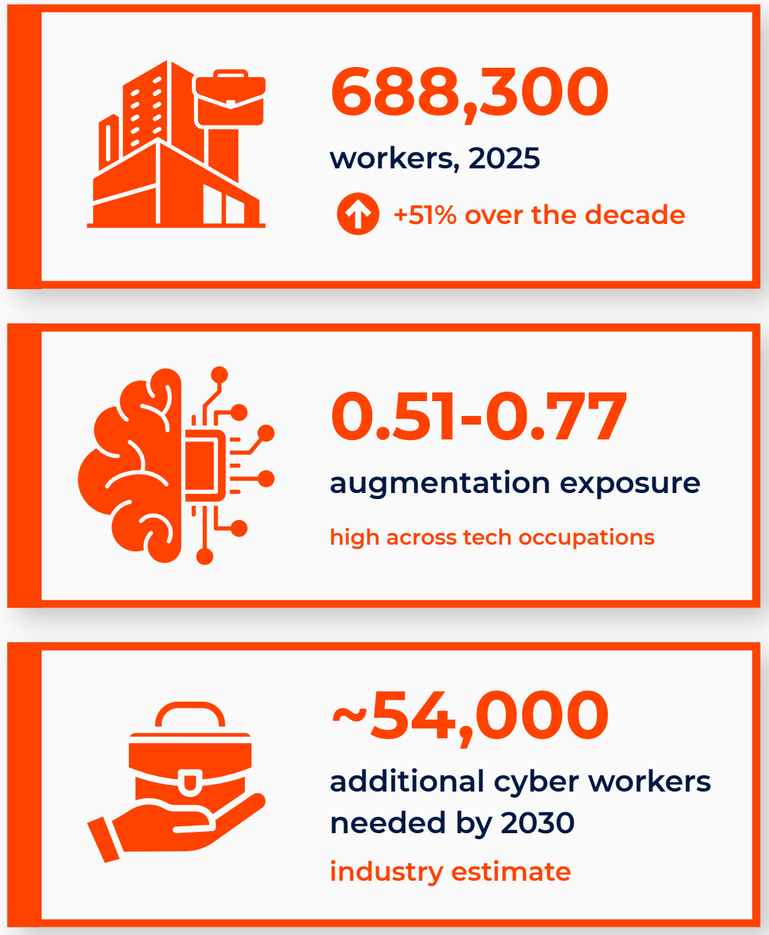

Figure 5: Technology sector at-a-glance

Source: FSO 2026, Occupation data based on Australian Bureau of Statistics Labour Force Survey and Census data;[D2] JSA 2025, generative AI exposure scores;[D4] Australian Computer Society, Australia's Digital Pulse 2025.[31]

EXECUTIVE SUMMARY

Three sectors at a glance

Business

The business workforce is becoming more polarised, with growth in higher-skilled roles[D2] and the risk of significant AI automation in administrative functions.[2,D4]

A decade of digitisation has already reshaped the sector, shifting employment from administrative roles toward professional services, and generative AI now performs tasks that earlier software could not. The projected occupation shortfall reaches around 218,000 by 2035, although predicted shortages are concentrated in clerical and administrative roles highly exposed to generative AI.[D3,D4]

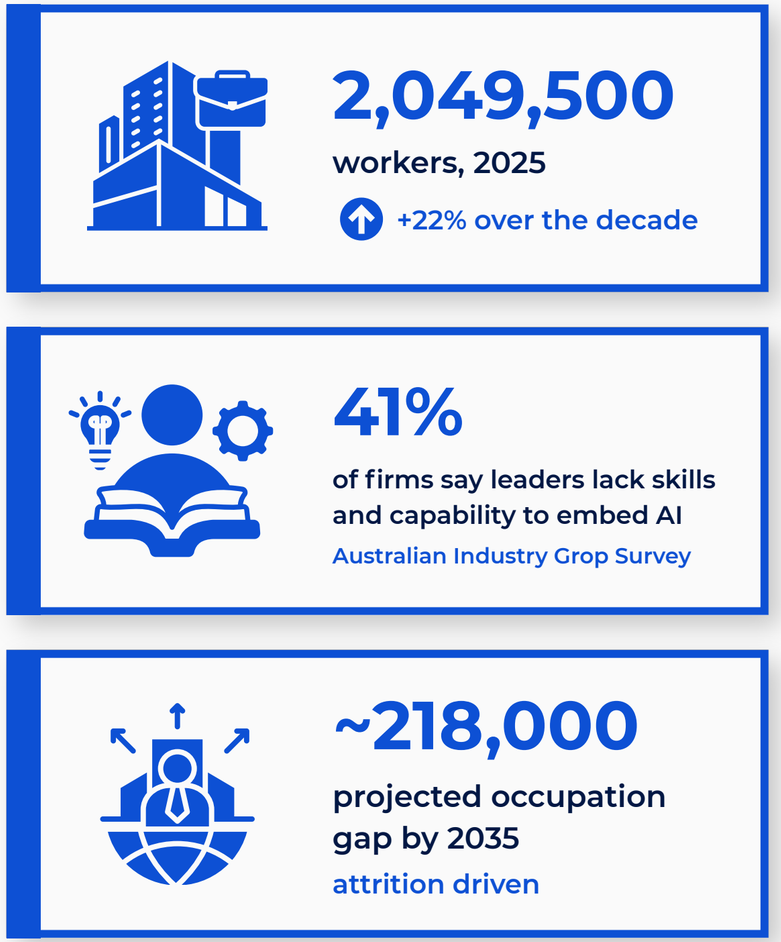

Figure 5: Business sector at-a-glance

Source: FSO 2026, Occupation data based on Australian Bureau of Statistics Labour Force Survey and Census data;[D2] Future Skills Organisation and Oxford Economics Australia 2026, projections data;[D3] Australian Industry Group 2024.[23]

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Data sources

The data assets and collections drawn on in this report are labelled D1 to D11 where they are cited in the text. Visit the FSO Workforce Intelligence Platform for more information about the data.

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- Highest education level: ABS Census — Tablebuilder Census 2011, 2016, 2021. Gap years in Census data (2011, 2016, and 2021) are filled using linear interpolation. 2022–2025 data is filled using extrapolation.

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