Growing Bigger and Better

Beyond the Boom

Shaun Griffin
General Manager, Ipsos Perth
Study Outline

- How they define success
- What they look for in their work
- Perceptions of their industry

- Mobility and commuting
- Household finances
- Disruption since the GFC

2000 Online Interviews
118 Measures
15 min survey

Interviews conducted

© 2017 Ipsos.
Getting a representative set of views

Sample Stratification
Age, Gender and Geography

Quota controls
Working, non-working, retired

Weighting
To align with Census
The discussion today

- How is life different beyond the boom?
- How is the workforce changing?
- The productivity solution
- Accounting for changing behaviours
- Where does this leave us?
How is life different beyond the boom?
How life has changed beyond the boom

- 37% Experienced career disruption
- 38% Better off than 5 years ago
- 45% Expect no improvement in quality of life
- 72% Have no expectation of real wages growth
The issues facing WA

1. Unemployment
2. Crime
3. The Economy
4. Cost of Living
5. Healthcare

Source: Ipsos Issues Monitor
Who was disrupted?

Household Income

<$40,000

26%

>$150,000

48%

© 2017 Ipsos.
Most higher income households bounced back

- Better off than 5 years ago: 62%
- Expect improvement in quality of life: 70%
- Job is secure: 69%
But a significant share are still stuck

26%

Feel their current income is now insufficient for their needs
Lower income households haven’t fared as well

ONLY 19% Better off than 5 years ago

ONLY 38% Expect improvement in quality of life

ONLY 45% Job is secure

GAME CHANGERS
Overall, household finances are fragile

59%

Of all households reported they would struggle if costs went up by just 5%
There is a big gap in expectations

<table>
<thead>
<tr>
<th>Sector</th>
<th>Redundancy</th>
<th>Total Disruption</th>
<th>Real Wage Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mining, Construction</td>
<td>15–20%</td>
<td>30%</td>
<td>moderate</td>
</tr>
<tr>
<td>Admin, IT, Utilities</td>
<td>8–15%</td>
<td>30%</td>
<td>lowest</td>
</tr>
<tr>
<td>Education, Healthcare, Public</td>
<td>2–9%</td>
<td>20%</td>
<td>highest</td>
</tr>
<tr>
<td>Admin, Prof Services</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

© 2017 Ipsos.
The grass is always greener

44% believe career opportunities are better interstate

33% believe their lifestyle would be better interstate
What drives moving

- Better Income: 66%
- Lower Cost of Living: 35%
- Higher Job Security: 35%
- Better Career Prospects: 33%
What drives staying

<table>
<thead>
<tr>
<th>STAY NEAR FAMILY</th>
<th>44%</th>
</tr>
</thead>
<tbody>
<tr>
<td>STAY IN SAME AREA</td>
<td>37%</td>
</tr>
<tr>
<td>STAY NEAR FRIENDS</td>
<td>25%</td>
</tr>
</tbody>
</table>
How is the workforce changing?
There are a small number of workers

50% Of the population work

31% Work full-time
The ratio of retirees to workers is changing

RATIO OF WORKING POPULATION TO PEOPLE AGED 65+

1970: 1 : 7.5
2010: 1 : 5.0
2050: 1 : 2.7

Source: Australian Bureau of Statistics
<table>
<thead>
<tr>
<th>The confronting options of higher costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ask people to work harder</td>
</tr>
<tr>
<td>Tax non-workers more</td>
</tr>
<tr>
<td>Tax assets instead of individuals</td>
</tr>
<tr>
<td>Increase immigration</td>
</tr>
<tr>
<td>Change our service levels</td>
</tr>
<tr>
<td>Ask people to work more years</td>
</tr>
<tr>
<td>Tax companies more</td>
</tr>
<tr>
<td>Seek productivity gains</td>
</tr>
</tbody>
</table>

**GAME CHANGERS**
The Productivity Solution
Option 1: Keeping retirees working

18% of those 16+ are retired

- 34% Felt forced to retire
- 24% Not ready to retire yet
Option 1: Keeping retirees working

35%

Would still be working if...

- Could find an appropriate opportunity (26%)
- Could reduce hours and work part-time (23%)
- Had more flexibility in working hours (18%)
Option 2: Bringing non-workers back in

- 13% (16 to 64)
- 85% have children at home
- 62%
- 40% would be working if the right opportunity was available

© 2017 Ipsos.
Option 2: Bringing non-workers back in

- Employers don’t want to hire people my age (17%)
- Lack of skills and experience (13%)
- Skills no longer valued after time-out from work (10%)
- Lack of alignment with flexibility requirements (15%)
- Pay doesn’t cover the costs of childcare (10%)
Option 3: Automation

27% think their job could be done by a machine.

- 38% of those aged 16-34 years
- 13% of those aged 55+ years
Option 4: Training & facilitating change

- **45%** think they’ll end up doing more part-time work
- **45%** think they’ll end up working more hours to make ends meet
- **35%** expect to end up working multiple jobs
Option 4:
Training & facilitating change

40% already believe they will need to retrain to maintain their employment

Only 62% feel they are doing enough training and development
Option 5: 
Decreasing congestion

Transport is an issue

Short-term pressure is off

Source: Ipsos Issues Monitor
Option 5: Decreasing congestion

- 27 minute average commute time
- 16 minute headroom
- 43 minute commute tolerance
Accounting for Changing Behaviours
Are people really changing?
All ages want essentially the same things

- Being in good health: 88%
- Financial security: 88%
- Being able to spend time with friends and family: 86%
- Having sufficient time for themselves: 84%
It’s the circumstances that are changing

- Longer working lives
- Longer retirements
- Changing income to asset ratios
- Changing govt. Revenue & costs
Where does this leave us?
It’s time to shift focus beyond the boom

1. Recalibrate expectations
2. Build some resilience for the fragile households
3. Refocus on the structural shifts
4. Look for productivity gains
5. Tackle the trade-offs
This will require some challenging trade-offs

- What gets taxed to address the gaps – businesses, workers or assets?
- How we make the distribution fair – between workers and non-workers?
- How do we maintain the incentive to work – as we tinker with participation and automation?
Growing Bigger and Better

Beyond the Boom

Shaun Griffin
General Manager, Ipsos Perth

shaun.griffin@ipsos.com