

Adapting to the shifting jobs landscape

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12:00AM AUGUST 29, 2019 •  43 COMMENTS

It is a question that every parent, and every worker, asks at some stage. What job is likely to yield the best and most secure lifestyle for me, or for my kids, over a lifetime? Every day it seems there's another revelation as to how a particular occupation is being re-engineered by new technology, making workers redundant.

The popular, even fashionable, response is to say workers need to be agile so they can reinvent themselves. Lose your job as a truck driver? No worries — become a barista! But is this realistic? Let's look at the facts.

The Australian Bureau of Statistics has tracked the rise and fall of skill sets (occupations) as well as of industries on a quarterly basis for more than 30 years. Some occupations have disappeared, others have appeared. At its core this dataset tells the story of the demand for office, industrial and retail property.

There are 20 occupations in Australia that support almost four million jobs, or one-third of the Australian workforce. These 20 jobs have been in demand for 30 years or more, although some are now very much under threat.

Take, for example, the most common job in Australia — sales assistant, which accounts for 434,921 jobs, or 3 per cent of the workforce (see visual 1).

Technically, this job is up 133,100, or 44 per cent, on the 1987 figures but it is down 126,174 jobs on 2016 figures (see visual 2). The most common job in Australia peaked three years ago and is now subsiding, which could well be a metaphor for the strategic planning of retail property portfolios.

There is growth in the retail workforce but not in the everyday salesforce. The fastest-growing job in Australia over the last three years (since 2016) has been checkout operator and cashiers — up 91,000 positions, or 69 per cent, to 223,901 positions. Yes, self-service check-outs are becoming more common in supermarkets, but a far more common trend is for shops to offer fewer on-floor sales assistants and to reassign (fewer overall) staff to the checkout process. The logical extension of this trend is for the checkout process to eventually be fully automated.

In the last three years there has been a diminution in demand for chief executives and managing directors, down 31,648 positions, or 52 per cent, and for retail , down 14,868 positions, or 31 per cent. General managers are also on the back foot, down 11,327 positions, or 20 per cent.

Sure, there's been a diminution of workers such as handypersons (down 22 per cent), bank workers (down 15 per cent) and secretaries (down 13 per cent), but the biggest structural losses in recent years have been in management. (This is possibly because the big structural shifts in worker jobs took place before 2016.)

Even the pharmacist workforce is down 11 per cent since 2016, possibly as a consequence of pharmacy products and services now spilling into a smaller number of bigger formats.

The workforce's rising elements are spread across a grab-bag of industries and skill sets. Yes, shops are morphing into big help-yourself warehouses behind a bank of soon-to-be-automated checkouts. But elsewhere there is rising demand for office space for tenants employing accountants (up 28,493 jobs, or 16 per cent, since 2016), software and applications programmers (up 32,941 jobs, or 32 per cent, since 2016) and advertising, public relations and sales managers (up 41,731 jobs, or 32 per cent, since 2016).

I would call these knowledge-worker jobs, which seem to be clustering around job centres such as CBDs and the bigger suburban hubs like Parramatta, Chatswood and perhaps Box Hill.

As a rule, public relations and advertising workers tend not to cluster in suburban shopping strips but rather in inner-city suburbs filled with like-minded people all quietly confident their skill sets will always be in demand.

Primary school teachers are rising (up 17 per cent), as are registered nurses (up 8 per cent), both as a consequence of increased population growth and ageing, and automobile drivers (up 44 per cent) including, no doubt, ubiquitous Uber drivers.

I am especially impressed with Australia's 54th-fastest-growing job since 2016 in absolute terms, namely beauty therapist, up 32 per cent or 10,250 jobs. I cannot work out whether this is because we Australians are an exceptionally ugly people in desperate need of beautifying or whether we are a beautiful people as a consequence of the hard work and skill sets of this particular workforce. Then again, this trend might just reflect the prosperity of a component of the community and our rising interest in looking good.

The list of recent winners and losers in the job stakes reveals an eclecticism to the forces that are now shaping the way we work.

There is evidence of the rise of knowledge work, of the streamlining of the retail industry perhaps in preparation for full automation, of a collective shift towards caring and empathetic activities, and of our relentless pursuit of lifestyle, wellness and perhaps even an element of narcissism.

We might have outsourced manufacturing jobs to Guangzhou in China, but we are still in need of more truck drivers (up 7 per cent) and forklift drivers (up 37 per cent).

I'm reading this as more trucks drive demand for toll roads, and more logistics, warehousing and distribution centres with implications for industrial property.

The one unifying theme that connects the rise and fall of forces shaping the workforce, and therefore the demand for property, is that we are in a state of flux.

The retail industry appears to be preparing for fuller automation — the loss of sales assistants and their managers and the rise of checkout operators — where self-service checkout theft is calculated to be far less than the cost of sales assistants.

I don't think there's any doubt that Australia will continue to require the skills and services of the property industry for decades to come, but perhaps not in the formats that we are familiar with.

Retail space in the future might accommodate more childcare, aged care and health care, for example, as complementary uses.

Cafes, food courts and restaurants — and food delivery drivers — will undoubtedly expand to fulfil our insatiable demand for lifestyle. Wellness centres including massage, pilates, physiotherapy, podiatry and beauty therapists (including manicure) will become more popular as we age, as we become more prosperous and even more self-indulgent.

Accountants will morph into governance and financial management experts liberally sprinkled across every business. Public relations, human resources, occupational health and safety professionals will morph to incorporate aligned skill sets in diversity and inclusion, which will sprout in near-CBD locations.

It's not the jobs of a future Australia that concern me or that should concern the property industry — it is the bigger question of social cohesion in a workforce and community that requires either deft adaptation or a political and taxation system that supports growth and development on a grand scale.

That is going to be tricky and I suspect it will be “the big issue” in Australia by 2030.

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