

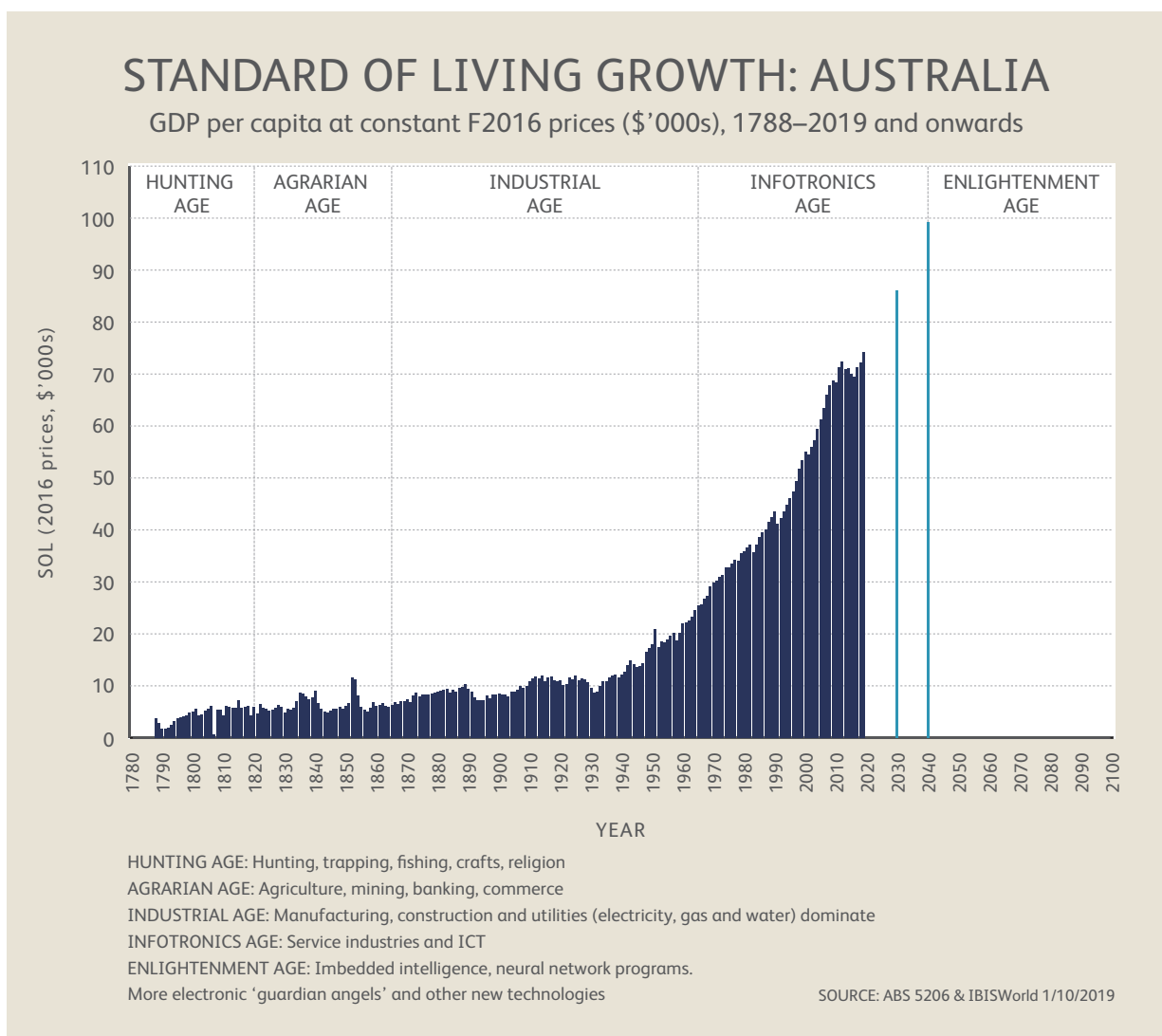
Casualisation of the workforce

By Phil Ruthven AM, Founder IBISWorld

The term “casualisation” has carried ominous undertones for some time. It primarily suggests bad news for workers whose lives and incomes are or will be a lottery ticket, and that big business is once again an uncaring villain.

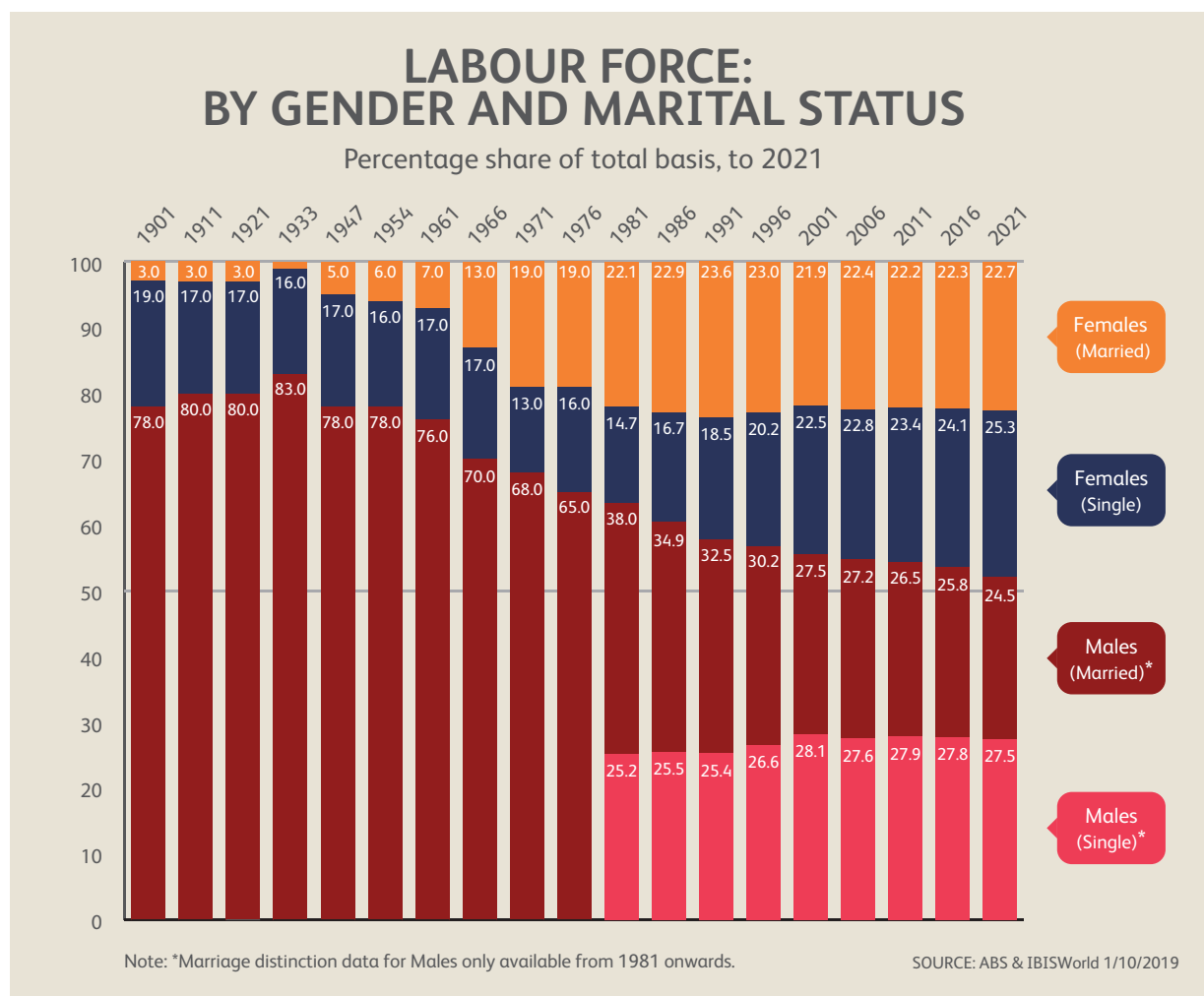
However, this is luddism reincarnated: fear of change, fear of technology, fear that incomes will be lost or reduced.

The reality is that our workforce has been in a constant state of change for centuries. Our lives, incomes and leisure time have been the better for it, as the first exhibit reminds us.

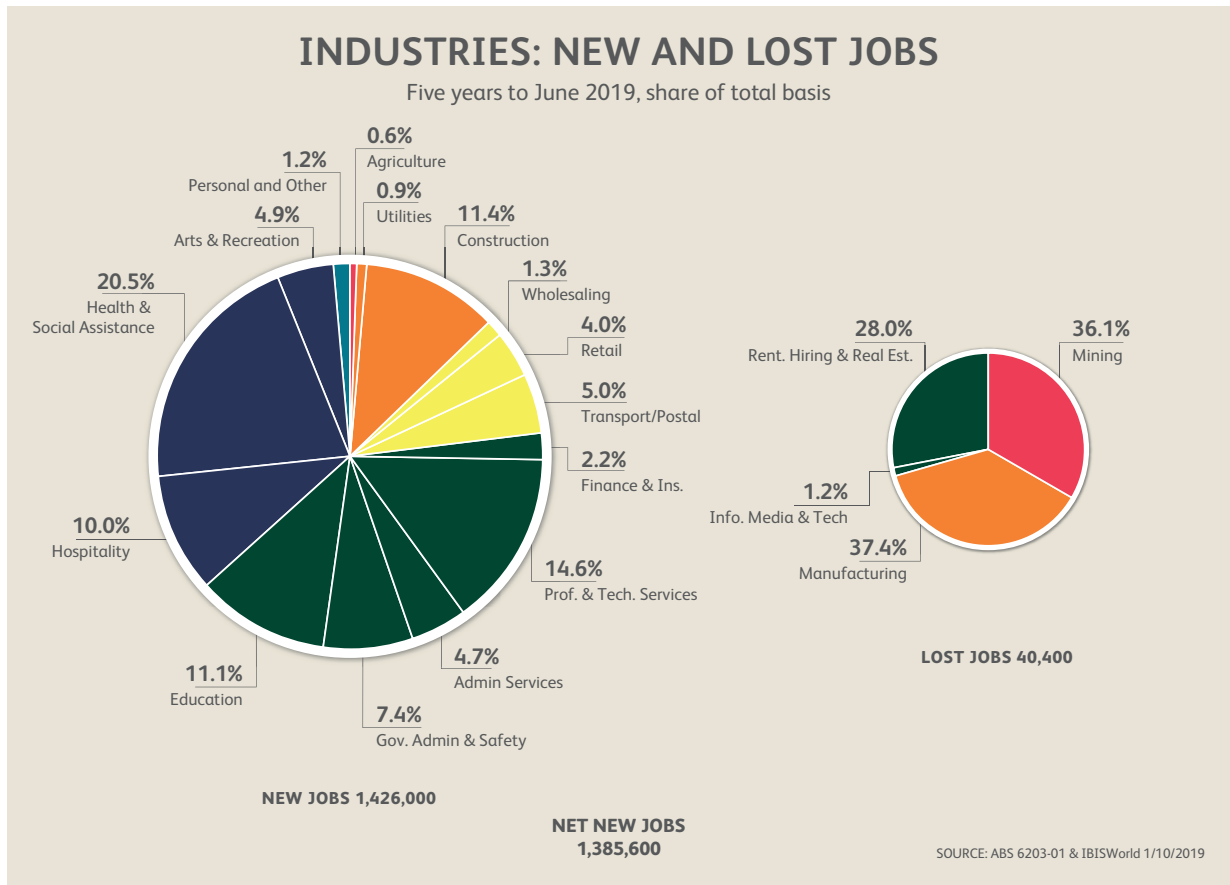


In the process of getting to where we are today, Australia has radically changed its mix of industries. Additionally, part-time and casual work has increased to a third of the total workforce (to give jobs to those who can't work full-time), real wages have risen by over 15% per decade and fourfold (400%) per century, and two months off work are provided each year (annual leave, public holidays and sick leave). Furthermore, Australia has made work safer and introduced universal superannuation to help provide a comfortable retirement.

We have seen married women “allowed” back in the workforce at the end of the Industrial Age in the mid-1960s, as seen below, which was way overdue.



We are creating over 10 times more jobs than we are losing every five years in this second decade of the new century, as we see below:



And yet, some suggest that the future is looking bleak: not enough jobs, not enough workers (ageing of the population), short careers (when workers are changing jobs more than being retrenched), poorly paid jobs, the profits go to big business owners instead of the workers (even though the owners are the workers for the most part via their super!). And now casualisation, as if it were a scourge.

The reality is that we are entering yet another leap forward into greater freedom and opportunity. The major changes are:

WORKER FREEDOM IN THE 21ST CENTURY

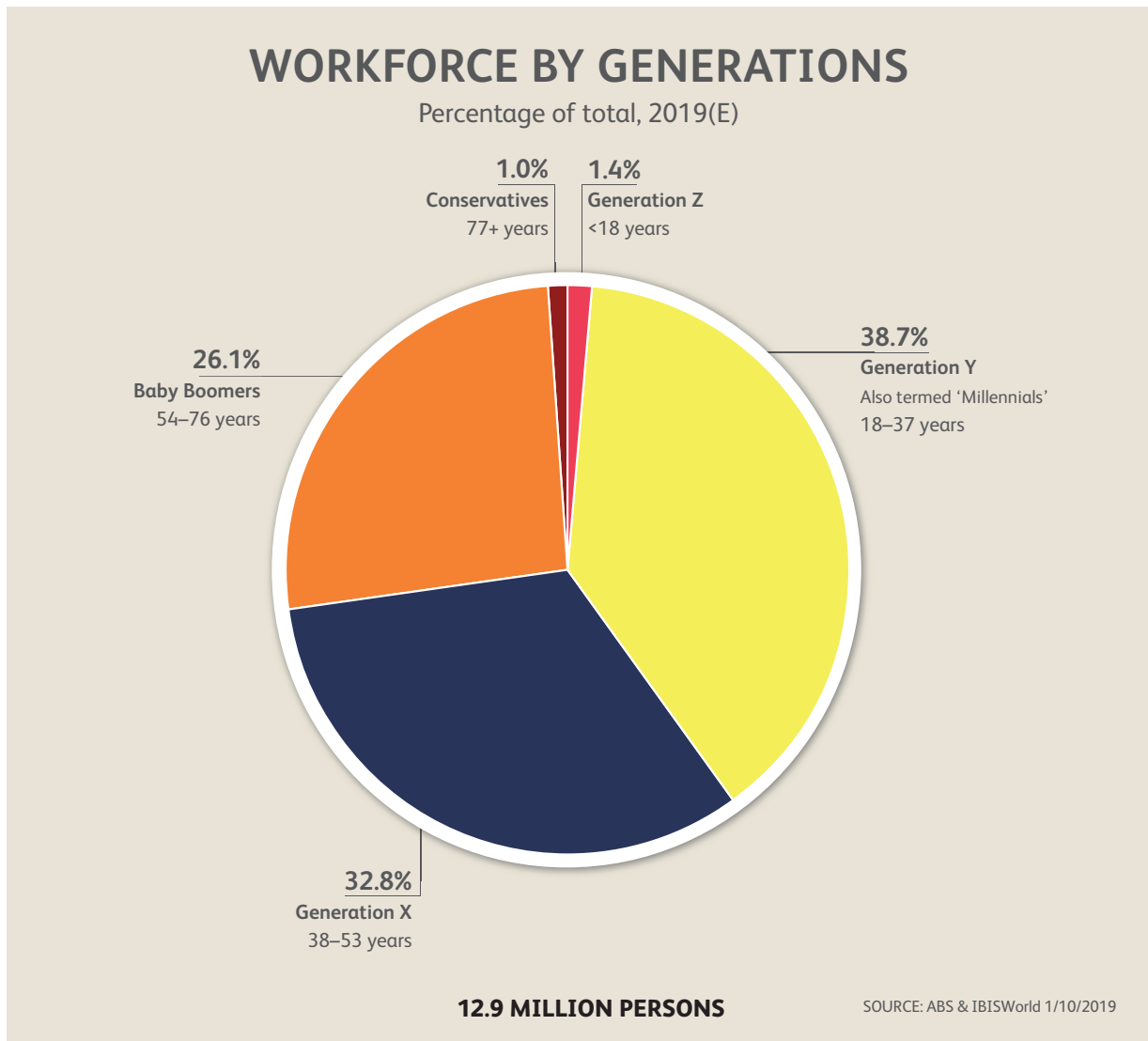
- No “bondage” by businesses, bosses or unions. . .
- . . . Replaced by opportunity and empowerment
- The gradual demise of the concept of an ‘employee’
- Rise of contractual relationships (a worker being a business)
- Rise of business ownership (workers owning a business)
- Payment for outputs, not inputs (hours of work)
- Emergence of advisers and mentors for worker contracts
- No discrimination on any basis (gender, race, age, religion, etc.)
- More part-time and casual work
- Partial or total working from home, where practicable
- More working seasons in a life
- New industries and occupations
- Working in a borderless world
- Knowledge worker concept
- Lifetime education and training
- Rising wages and salaries

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For those workers who have little forward-planning skills for jobs, or have no negotiating skills, we will see advisers and mentors come to the aid, in much the same way as mortgage brokers and financial advisers assisted in house-buying and financial asset planning and management. Unions should have taken up this recently emerged opportunity but haven't, and are fading as a relevant element of the labour market.

Set-backs and mistakes along the way are always inevitable. Casualisation is not a step backwards, it is a step forward.

Most resistance will come from older generations that believe the “old ways” are still the best. But it is the Gen Xers, the Millennials and Generation Z following them that will confidently adapt to the new world of work. These generations already dominate Australia’s workforce of 13 million, as we see in the final exhibit. The future is prospective, not retrospective.



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