

Australia in 2020: A Snapshot of the Future

Social researcher Mark McCrindle presents an analysis of 2020.

Australia in 2020

In 2020 Australia's population will be approaching 24 million (up from 21.2 million today).

In 2020 Australia's median age will be almost 40. Today it is 37 and in 1980 it was just 29.

In 2020 there will be more 65 year olds than 1 year olds. There will be as many people aged 60-70 as there will be aged 10-20. By 2020 the "population pyramid" will be inverted.

In 2020 there will be fewer births than today. In 2007 there were 265,900 births. In 2020 there will be just 261,847 births, even though the population base will be over 12% larger than today.

In 2020 there will be more people aged 50 (338,081) than any other age, reflecting the baby boom and migration boom of those born in 1970-71.

In 2020 life expectancy at birth will exceed 84 years, and more than 1 in 5 people will be aged over 60. In 2020 the never-grow old Baby Boomers will be in their 60's and 70's, and the Gen Xers will be in their 40's and 50's.

"The Baby Boomers currently comprise 25% of the population yet they own 55% of the nation's private wealth" reports Mark McCrindle. "And in 2020, when the oldest Boomers hit their mid 70's, we will witness the biggest intergenerational wealth transfer in history."

The workforce of 2020

By 2020 most Baby Boomers will have retired while Generation Y will dominate employment, comprising 42% of the workforce.

By 2020 average job tenure will be around 3 years (4 years today) with voluntary annual turnover approaching 20%. More than 1 in 3 workers will be employed on a casual basis.

By 2020 energy consumption will have increased by one-third and based on current technologies greenhouse gas emissions will be 20% higher than today.

By 2020 the number of online 'reputation attacks' on corporations, initiated by online pranksters, activists or disaffected customers will have increased fourfold.

"Succession planning is already a key issue - yet by 2020 40% of today's managers in family and small business will have reached retirement age" writes social analyst Mark McCrindle. "We are headed towards the biggest leadership succession ever."

The class of 2020

The Class of 2020 (finishing Year 12 in 2020) commenced their schooling this year.

The Class of 2020 were born in 2002, the year that the total fertility rate (babies per woman) hit an all-time low of 1.7 (compared to 3.0 in the early 1970's and 1.8 in the 1990's,).

The Class of 2020 were born the year that the last remaining Liberal state government was voted out of office (South Australia). It was the year that terrorism came closer to home with the Bali Bombings.

The Class of 2020 will emerge into the workforce after the point of peak labour: by 2020 more people will be exiting full-time roles than entering it. More than 1 in 3 of the women in the class of 2020 will never have children.

"While their grandparents, the Baby Boomers, were born in an era when births never fell below replacement rates, the Year 12 Class of 2020 are the Baby Bonuses" says researcher Mark McCrindle. "They were born in 2002, the year that the Baby Bonus was introduced. They are Generation Incentivisation" who receive money just for showing up!"

The generation of 2020

The generation of 2020 are part of Generation Z, the so-called digital natives, the dot-com kids- the most technologically literate generation of children ever.

Generation Z will live longer than any previous generation (by 2020 life expectancy will be 81 for a male and 86 for a female). They will work longer than previous generations with the retirement age and pension age pushed back. They will have an average of 6 careers in their lifetime.

Generation Z are the children of Generation X (and Y). These parents are older than those of any previous generation. Their mothers had a median age of 30 at the birth of their first child, compared to just 25 in 1980.

They were born into smaller families - and they have the fewest siblings of any previous era.

They will be leaving school when the rising costs of an ageing population on health care, pensions and aged services will have pushed the Federal Budget into deficit.

"The youth of 2020 are part of the most formally educated generation in history - starting education younger than ever and projected to stay in education for longer than ever." states Mark McCrindle. "As the children of older, wealthier parents with fewer siblings and more entertainment and technological options, it is likely that they will be the most entertained and materially endowed generation of children ever."

For comment or further analysis contact Mark McCrindle.

m: 0411 5000 90

e: mark@mccrindle.com.au