



National Franchise Convention

The Power of One Sector... One Vision... One Event.

16 – 18 OCTOBER 2008 – SYDNEY CONVENTION & EXHIBITION CENTRE

Session Title

Australia – looking to the future based on real data

Speaker Details

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Australia: looking to the future based on real data

Everyone has an opinion on where they think the growth is occurring across Australia, normally based on a view or opinion like – “someone tells me there are huge numbers of new houses in Clarkson, Casey, or Kellyville” etc etc.

The real way of sorting fact from fiction is using data, not opinion.

The Australian Bureau of Statistics spends around \$100M each 5 years to give us accurate counts in many different areas, and we believe that this definitely helps in sorting out **fact from fiction**.

Australia’s growth.

Currently we are a nation of around 21 million people, representing 0.31% of the world’s 6.7 Billion people. Over time we have grown, and currently are growing at around 1.2% pa.

Year	Population (est)
1788 (First fleet)	300,000 aboriginals plus 1,500 white men / women
1918	5.0 million
1995	18.0 million
2008	21.0 million
2025	25.1 million
2051	28.0 million
2101	30.6 million



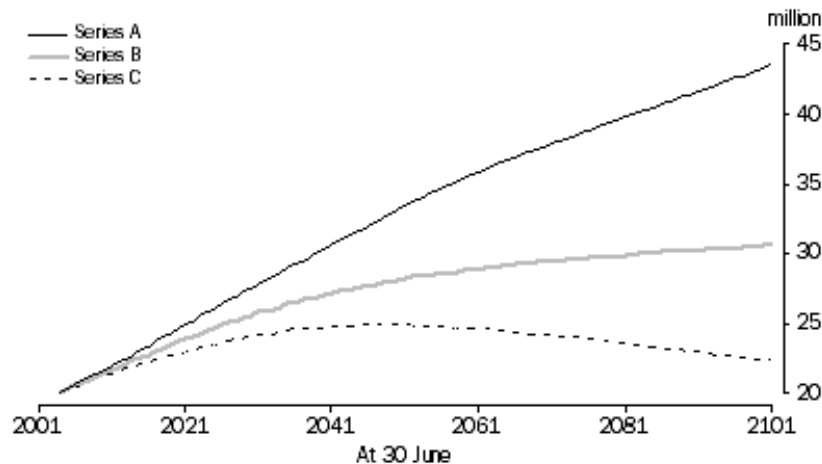
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Whilst it is very hard to forecast Australia's future population, the ABS believe the best estimates are 30.6 million people by 2101.

To do this they have a series of assumptions on birthrate, average lifespan, migration etc, and a positive view (if more numbers is positive), a mid view and a low view on the population. I feel the mid view is probably closest to where the changes will occur.



Source - ABS website

The best way we see to look at growth is probably looking at comparative sizes of our main cities over the last 2 census periods, 96 - 06 and 01 - 06. This tells us the population and a good view on the changes:

City (& Surrounds)	2001 Pop	2006 Pop	% (01-06)	% (96-06)
Sydney	4,569,757	4,732,433	3.6%	10.3%
Melbourne	3,518,395	3,751,990	6.6%	14.2%
Brisbane	2,314,201	2,600,866	12.4%	25.4%
Perth	1,385,021	1,498,272	8.2%	16.8%
Adelaide	1,072,585	1,102,839	2.8%	5.5%
Canberra	311,512	327,592	5.2%	9.6%
Hobart	191,162	198,949	4.1%	4.7%
Darwin	109,396	117,332	7.3%	17.7%
TOTAL	13,472,029	14,330,273	6.4%	14.0%



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These cities represent around 65 – 70% of the population. As we can see Sydney is slowing down, whilst Brisbane and Perth are the 2 leading growth centres in Australia.

Once we go past the “capital cities” we see the large Queensland towns of Townsville and Cairns are the next largest in Australia, larger in fact than Darwin.

Whilst the growth is not consistent, it is very obvious that the beach living is playing a major part whilst most inland towns are not seeing the growth. Hervey Bay is the fastest growing country city or town, combining proximity to Brisbane with beach living, good weather and a strong retirement community.

City	State	2001 Population	2006 Population	% (01 - 06)	% (96 - 06)
Townsville-Thuringowa	QLD	131,862	145,312	10.2%	21.1%
Cairns	QLD	109,605	124,370	13.5%	17.8%
Toowoomba	QLD	86,642	90,469	4.4%	8.2%
Launceston	TAS	83,337	86,271	3.5%	3.3%
Ballarat	VIC	79,022	83,710	5.9%	10.9%
Bendigo	VIC	75,840	81,157	7.0%	13.6%
Albury-Wodonga	NSW / VIC	75,431	79,551	5.5%	10.7%
Mackay	QLD	63,145	72,686	15.1%	19.7%
Moe / Morwell / Traralgon	VIC	64,459	65,502	1.6%	1.0%
Maitland	NSW	53,803	61,221	13.8%	22.6%
Rockhampton	QLD	58,382	59,944	2.7%	0.4%
Wagga Wagga	NSW	50,634	53,088	4.8%	4.9%
Hervey Bay	QLD	41,890	51,754	23.5%	36.4%
Coffs Harbour	NSW	46,338	49,228	6.2%	14.1%
Bunbury	WA	44,258	48,021	8.5%	25.2%
Mildura	VIC	44,194	46,615	5.5%	14.7%
Bundaberg	QLD	43,549	46,574	6.9%	8.7%
Shepparton-Mooroopna	VIC	42,749	43,998	2.9%	10.8%
Tamworth	NSW	40,878	42,791	4.7%	9.5%
Port Macquarie	NSW	38,288	40,616	6.1%	19.5%



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The Generations

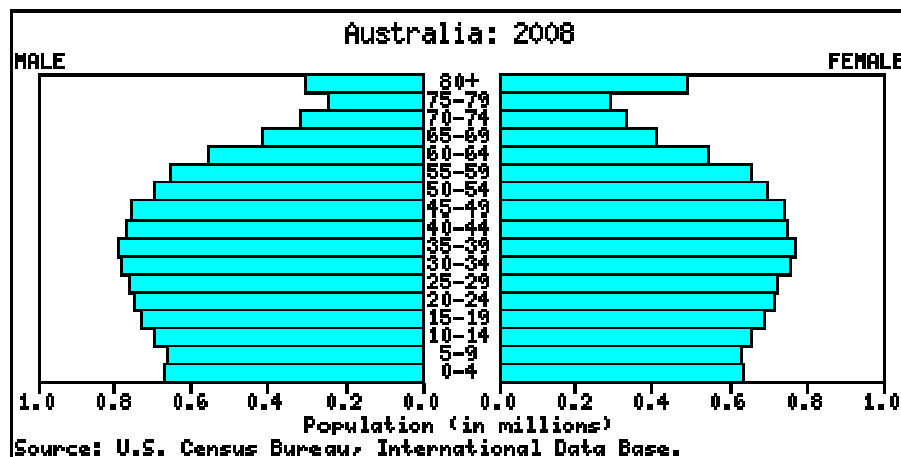
We love to classify people into their various generations, and the current sets of classifications read as follows:

Title	Birth range	Age
Builders	Born pre 1945	62+
Baby Boomers	1945 - 1965	42 - 62
Gen X	1965 - 1980	27 - 42
Gen Y	1980 - 1994	13 - 26
Gen Z	1995 - now	0 - 12

People act differently based on their age and the environment in which they grew up. It would be fair to say that people growing up during the Great Depression or the 2nd World War probably had it tougher than people who are now 20 or 30 years old?

After the 2nd World War there was a population explosion in Australia, and that bubble called the Baby Boomers, are now approaching retirement, and have far more wealth and prosperity than any other generation.

Currently if we look at the age profile of Australia, you can see the "bulge" of the Baby Boomers:





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As the years pass, the people around 50 years old will continue to live longer and in greater numbers than the following generations until they start to die off in larger numbers.

The effect will be a higher % of retirees, with less people to earn the money to support them. This is a worldwide problem in many first world countries, even worse in some European countries where the birthrates have dropped considerably, and the total country population is actually declining.

Business opportunities and change in ways we operate.

Think older – 60 is the previous 50's. These aging people do not want to retire, lie down and die. The view is you can go on longer and healthier than ever before.

Think what a healthy person in their 60's and 70's will be looking for and work towards it. Simple things will include far more tourism for grey nomads – the caravan set. Have an option for larger print in your menu, for all those who forget their glasses, and a heap of other simple things. The Baby Boomers wish to retire well and loom for quality and value

Summary

The Baby Boomers will be looking for long and healthy retirements, with a heap of money to spend. Some great euphemisms are already coming up and I intend joining them:

The good one to do: become a **SKIN**

Spending Kids Inheritance **NOW**

The one we all want to avoid: **KIPPERS**

Kids In Parents Pockets **Eroding Retirement Savings!** (courtesy of Bernard Salt).

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