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The Changing Workplace

Q4 2023 Update

Labour mobility has slowed as concerns around job security rise. 1 in 4 workers switched jobs in the past year, from 3 in 10 the previous quarter. Fewer workers thinking about leaving their job. Those still looking to move have raised their income expectations. 1 in 3 workers still spending one-third of the week working at home.



Key findings

- **With concerns around job security growing, job mobility has slowed...** When Australians over 18 in full or part time employment were asked when they last changed jobs, 1 in 4 (25%) said they switched in the past year, down from 3 in 10 (30%) in the previous quarter. More specifically, a lower 16% changed jobs within the past year (18% in Q3) and 9% in the past 3 months (12% in Q3).
- **Younger people still most likely to leave a workplace if it doesn't match their values or expectations of salary and development opportunities...** Around 4 in 10 (39%) workers in the 18-29 age group changed jobs in the past year (down from 44% in Q3), compared to just over 1 in 4 (27%) in the 30-49 age group and 12% in the 50-64 group. By industry, the number that changed jobs in the past year was highest in Agribusiness (52%) and more than 5 times higher than in Education (10%) where it was lowest.
- **7 in 10 who changed jobs moved to a new organisation...** A higher number of workers that changed jobs (70%) went to another organisation (67% in the previous quarter). With job hopping on the rise, the challenge for employers is to adapt retention strategies to keep employees engaged. Around 3 in 4 workers that changed jobs in the 50-64 and 18-29 age groups went to a different organisation, compared to around 2 in 3 in 30-49 age group. By industry, around 8 in 10 workers that changed jobs in Property Service, Wholesale, Hospitality and Construction moved to a different organisation, compared to just 1 in 2 in Government.
- **Fewer workers thought about leaving their current place of employment...** With unemployment drifting higher in recent months (and likely to continue rising), the number of workers that considered a job change fell to 22% (27% in Q3). It fell for both full (24% vs. 29%) and part time (17% vs. 21%) workers. By job type, it was highest for community & personal service workers (35%) and general unskilled workers (33%). By industry, it was highest in Hospitality (36%). We also noted big falls in the number of workers in Utilities (23% vs. 65%), Construction (14% vs. 32%), Telecoms (18% vs. 36%) and Education (20% vs. 31%) that considered a job change, but a somewhat higher number in Retail (25% vs. 18%) and Wholesale (17% vs. 10%) that did.
- **Australian workers reported higher levels of satisfaction with their jobs and employer for the second consecutive quarter...** Workers' satisfaction with current job increased to 6.9 pts (6.8 pts in Q3) and with their current employer to 6.8 pts (6.7 pts in Q3). Almost 1 in 2 workers also said they were "very satisfied" with their current job (45%) and employer (44%) in Q4 (i.e. scored 8+ pts), but around 1 in 10 also said they were "not very satisfied" with their current job (9%) or employer (10%) - i.e. they scored 3 pts or less.
- **Satisfaction with jobs and employers however varies widely...** Job satisfaction was highest in the 65+ age group (7.9 pts), trades, digital & data workers (7.4 pts) and managers (7.3 pts), and in the Utilities (7.8 pts) and Wholesale (7.6 pts) sectors. It was much lower in Property Services (5.8 pts), Government (6.1 pts), Transport & Storage (6.1 pts) and Hospitality (6.2 pts). Employer satisfaction was also somewhat higher among workers over 65 (7.7 pts), for digital & data workers (7.7 pts) and in the Wholesale (7.7 pts) and Agribusiness (7.5 pts) sectors. It was somewhat lower for general unskilled workers (5.2 pts), and in Transport & Storage (5.9 pts) and Property Services (6.0 pts).
- **1 in 10 workers overall are "not very satisfied" with their job or employer...** But this varied across key groups. Around 1 in 5 in the Agribusiness (19%), Property Services (19%), Transport & Storage (18%) sectors were not very satisfied with their jobs in the December quarter, and 15% in Government (5%). Workers that were not very satisfied with their employer, was somewhat higher in the 18-29 age group (13%), for trades and other workers (14%), and but noticeably higher in Transport & Storage (21%), Hospitality (19%) and Property Services (19%).
- **1 in 3 who changed jobs in the last 12 months are earning more than in their previous job...** Clearly, for many, the "Great Resignation" has been less about a desire to pursue a fuller and more satisfying life, and more about the opportunity to increase salary - but for some more than others. Around twice as many workers under 50 were earning more than those over 50. Nearly 1 in 2 (45%) full time workers moved for more money than part timers (+13%). By job type, the number earning more in their new job was highest for community & personal services workers (+59%), managers (+51%), labourers (+49%) and other IT & tech workers (+45%). More workers in Recreational & Personal Services (+76%) were earning more in their new jobs than in any other industry, followed by Utilities (+73%) and Finance & Insurance (+68%). At the other extreme, we recorded a very large number of workers in the Mining sector (-37%) who said they were earning less in their new job.

- **Around 1 in 3 workers still spend about one-third of the week working from home, but this is inching down...** With many businesses now imposing mandatory in-office days for staff, the amount of time workers spent working from home inched down for the second consecutive quarter in December to 32% - from 33% in Q3 and down from 38% when NAB began tracking this in the March quarter 2022. Both full (36% vs. 37%) and part time (23% vs. 24%) workers spent less time working from home. Women spent more time working from home in the December quarter (33% up from 31%) but men less time (31% vs. 34%). The 30-49 group continued to spend the most time at home (38% vs. 39% in Q3) and workers over 65s the least (23% vs. 22%).
- **Major differences are still apparent in the amount of time workers get to work from home...** Other IT/tech workers (58% vs. 51% in Q3) spent most amount time working from home, followed by managers (44% up from 38%), digital & data workers (42% down from 53%) and professionals (unchanged at 38%). By industry, workers in the Finance & Insurance (54% up from 52%), Agribusiness (50% vs. 27%), Telecoms (48% vs. 50%), Business Services (47% vs. 49%) and Property Services (47% vs. 44%) sectors spent most time working from home. Government workers were next highest with time spent working from home climbing quite sharply over the previous quarter (44% up from 33%).
- **Workers still spend less time working from home than they would like to...** But they also wanted to spend a little less time doing so in the December quarter (47% vs. 49% in Q3). The ideal amount of time they want to work from home fell a little over the quarter for both full (50% vs. 52%) and part time (40% vs. 42%) workers. Women want to spend a little more time working from home (50% up from 49%), but men somewhat less (44% down from 49%). Preferences remain highest (but were pared back) in the 30-49 age group (51% down from 54% in Q3). Workers in the 18-29 (45% vs. 48%) and over 65 (26% vs. 29%) age groups also ideally wanted to spend less time at home, but workers in the 50-64 age group want to spend more time (46% vs. 43% in Q3). Bridging the gap between what staff want and what businesses are seeking will continue present challenges in near future.
- **The type of work and industry heavily influences the ideal amount of time workers want to work from home...** By profession, other IT/tech (66% up from 64%) and digital & data (57% down from 70%) workers ideally still prefer to spend most of their week working from home, followed by managers (53% up from 49%), professionals (51% down from 56%) and clerical & admin workers (50% down from 52% vs. 53%). By industry, workers in Finance & Insurance (64% vs. 66% in Q2), Telecoms (unchanged at 63%), Business Services (unchanged at 62%), Agribusiness (61% vs. 50%) and Government (57% vs. 55%) sectors ideally wanted to spend the most time working from home.
- **Significantly more workers are spending less time working at home than their ideal, with few exceptions...** Workers over 65 were the only group that spent about as much time working from home (23%) that they considered ideal (26%), and to a lesser extent workers in the Property Services (47% current; 52% ideal) and Hospitality (32% current; 38% ideal). By state, it fell well short of ideal in SA (26% current; 50% ideal) and TAS (23% current; 43% ideal). The gap was bigger for part timers (23% current; 43% ideal) than full time workers (36% current 50% ideal), and for women (33% current; 50% ideal) than men (31% current; 44% ideal). All age groups under 65 reported large gaps between the amount of time spent working from home and their ideal. Industries where workers were furthest apart were in the Transport & Storage (17% current; 37% ideal), Health Services (23% current; 41% ideal), Mining (18% current; 37% ideal) and Retail (23% current; 41% ideal) sectors.

Changing jobs

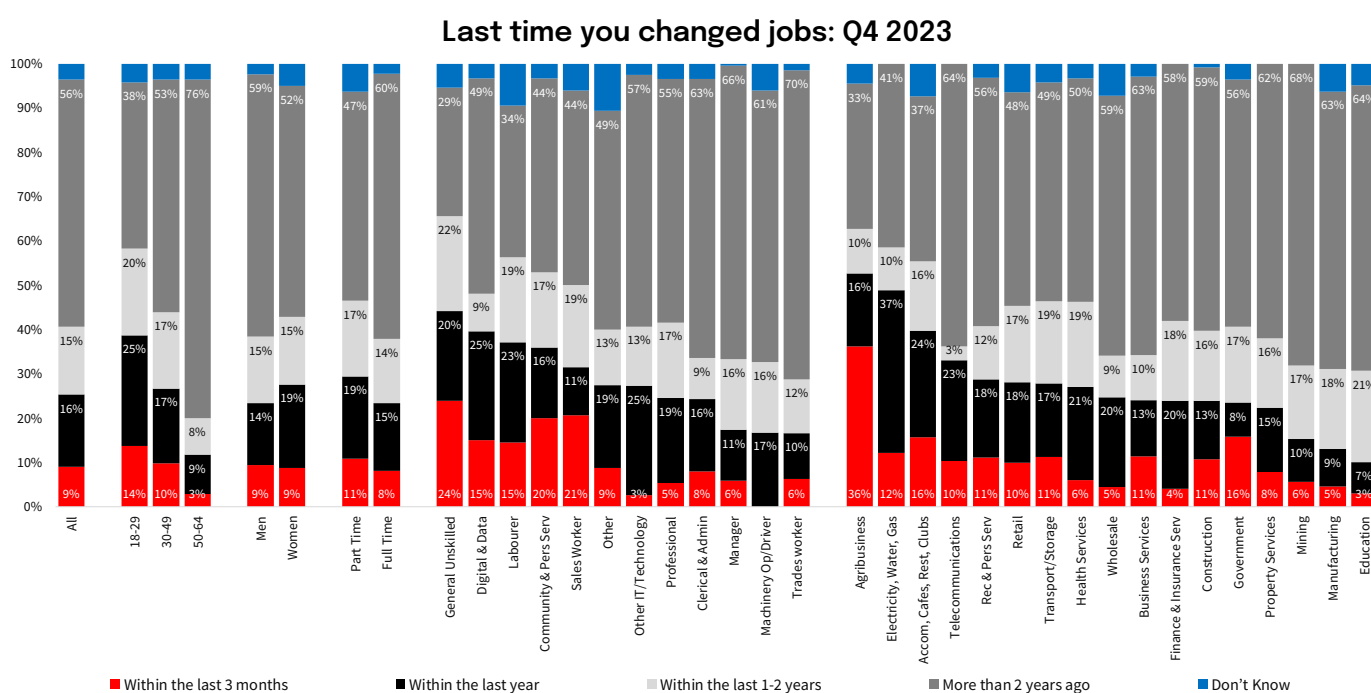
Around 1 in 4 (25%) Australians in full or part time employment changed jobs in the December quarter, down from 3 in 10 (30%) in the previous quarter. Specifically, a lower 16% changed jobs within the past year (18% in Q3) and 9% in the past 3 months (12% in Q3).

Around 15% changed jobs in the past 1-2 years (13% in Q3), and almost 6 in 10 (56%) more than 2 years ago (53% in Q3). Around 4 in 10 (39%) in the 18-29 age group changed in the past year, compared to just over 1 in 4 (27%) in the 30-49 group and 12% in the 50-64 group.

More women (28%) than men (23%) changed jobs in this period, and more part timers (30%) than full time workers (24%).

By profession, the number that switched jobs in the past year was highest for general unskilled workers (44%) and was lowest for trades workers (16%), machinery operators & drivers (17%) and managers (17%).

By industry, the number that changed jobs in the past year was highest in Agribusiness (52%) and more than 5 times higher than in Education (10%) where it was lowest.



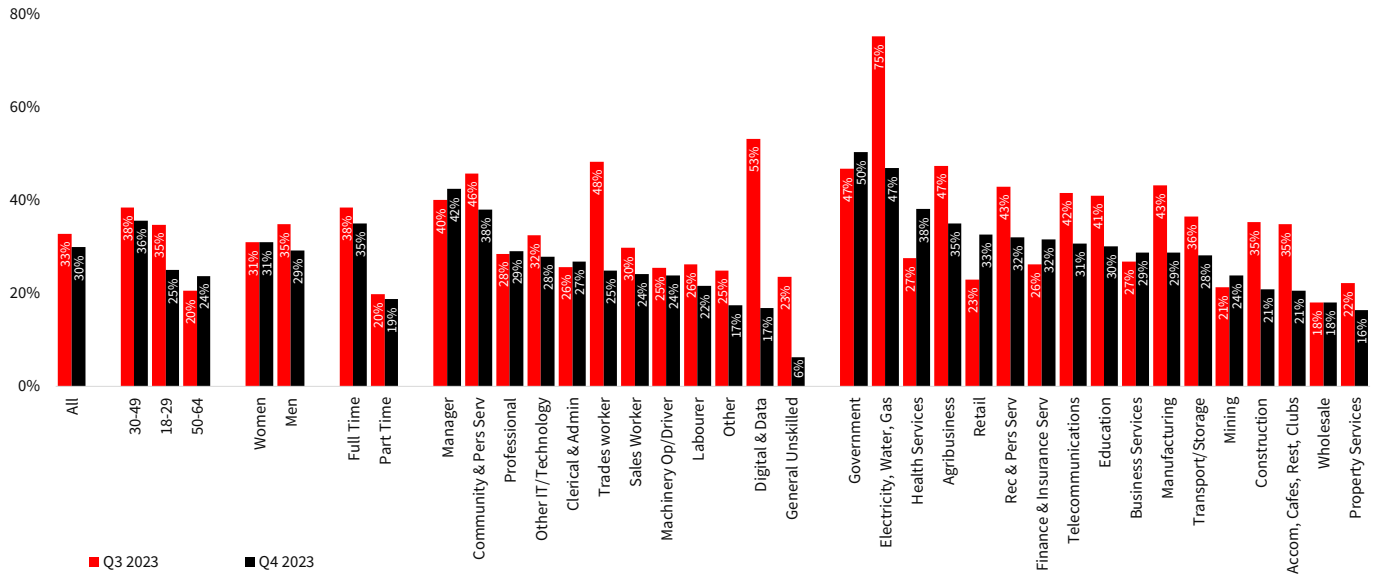
A lower number of workers that changed jobs said they changed jobs within the same organisation in the December quarter (30% vs. 33% in the September quarter), and a higher number went to another organisation (70% up from 67%).

By age, job change within the same organisation remained highest in the 30-49 age group though fell slightly to 36% (38% in Q3). It fell more steeply in the 18-29 group (25% down from 35%), but increased in the 50-64 group (24% up from 20%). Around 3 in 4 workers that changed jobs in the 50-64 and 18-29 age groups went to a different organisation, compared to around 2 in 3 in 30-49 age group.

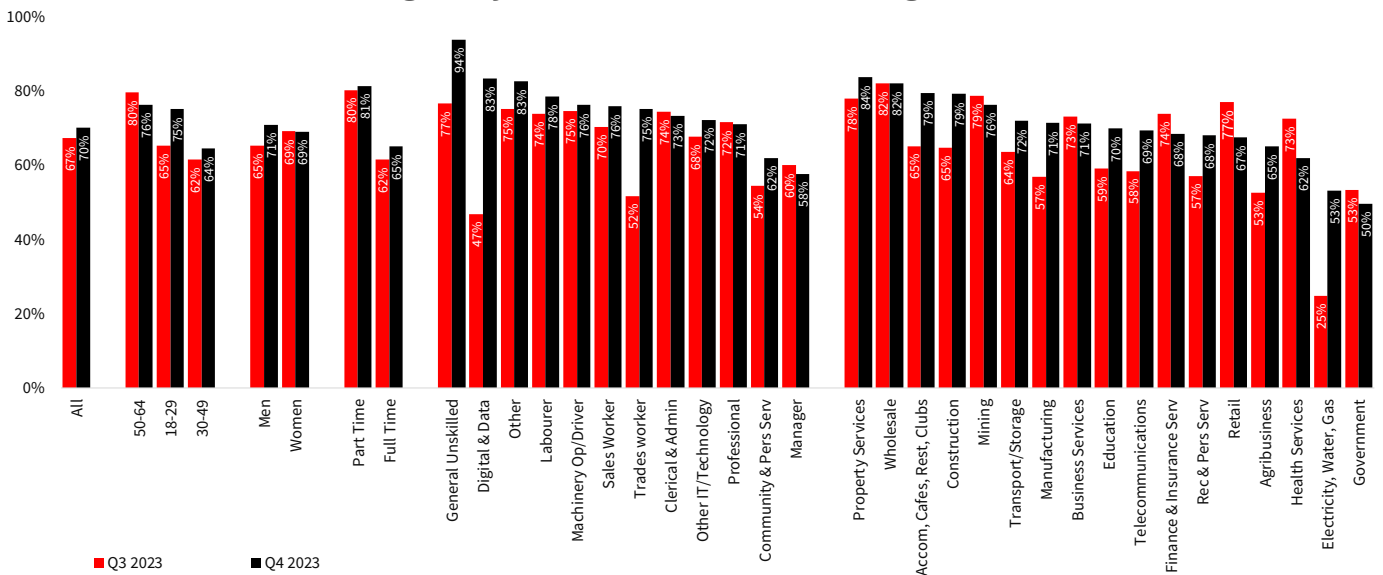
The trend among women did not change over the quarter (31% changed within same organisation and 69% another organisation). But fewer men changed jobs within the same organisation (29% down from 35% in Q3) and more went to another organisation (71% up from 65%). Responses also did not change materially for full (35% same organisation; 65% different organisation) and part time workers (19% same organisation; 81% different organisation).

By job type, job change within the same organisation was highest and climbed for managers (42% up from 40%). It fell steeply for trades workers (25% down from 49%), digital & data workers (17% from 53%) and general unskilled workers (6% from 23%) where nearly all workers (94%) reported they had changed jobs to another organisation. The survey also revealed a somewhat lower number of workers in most industries that changed jobs within their current organisation compared to the previous quarter, except in Government, Health Services, Retail and Mining - see charts below.

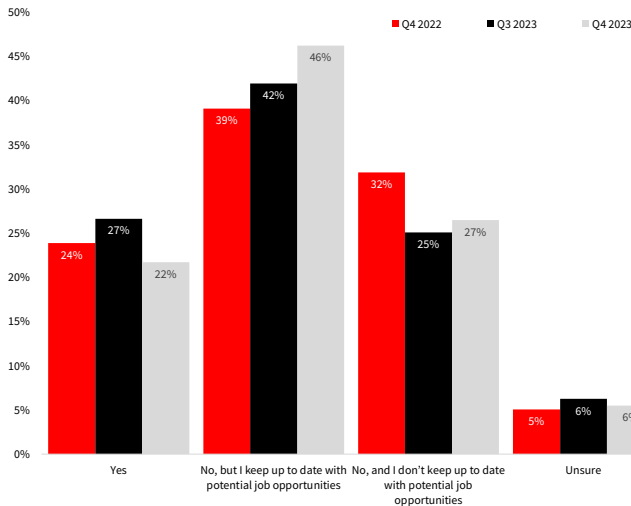
Change of job was within the same organisation



Change of job was to a different organisation



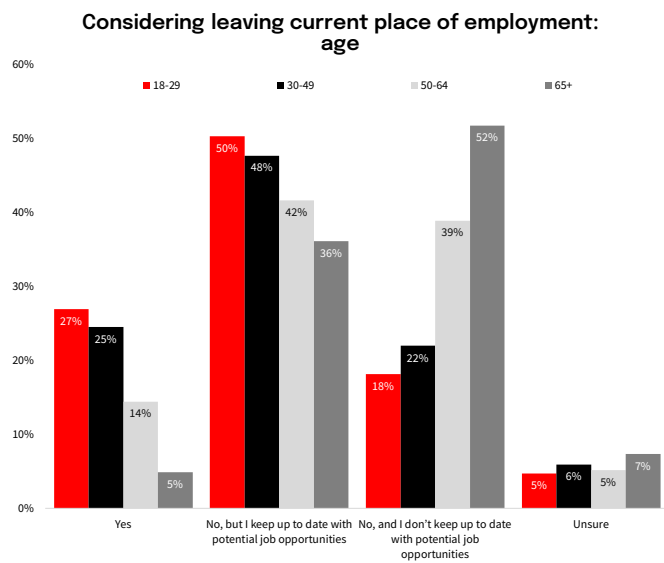
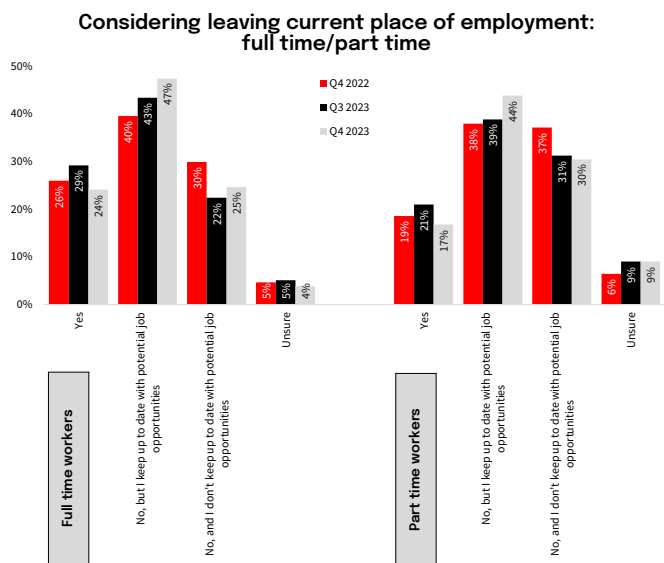
Considering leaving current place of employment: Overall



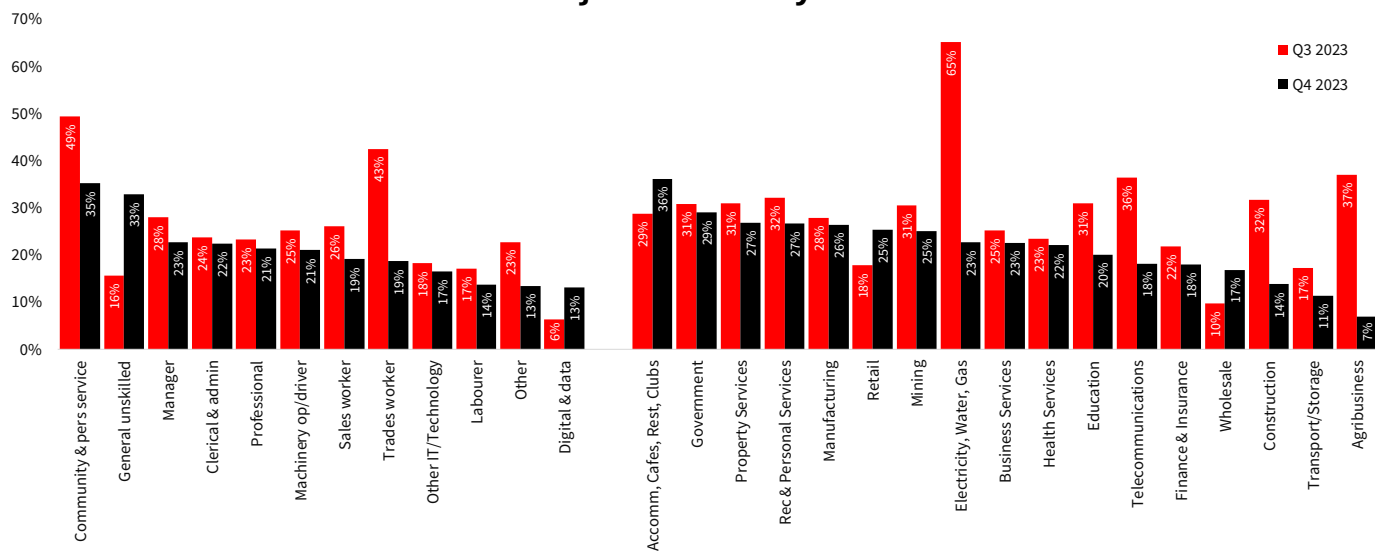
With stress levels relating to job security rising, the number of workers that considered leaving their current place of employment fell to 22% in Q4 (27% in Q3). More workers did not consider a change but kept up with potential opportunities (46% vs. 42%). Slightly more (27% vs. 25%) had no intention to change jobs or kept up with opportunities.

The number looking at job change fell for full (24% vs. 29%) and part time (17% vs. 21%) workers in Q4. Fewer full time workers were not looking or keeping up with opportunities (25% vs. 22%) to change, but was broadly unchanged among part timers (30% vs. 31%).

By age, workers who considered changing jobs or kept up with opportunities remained highest by some margin in age groups under 50. But significantly more workers over 50 did not consider a change or kept up with opportunities - see charts below.



Considering leaving current place of employment "yes" job & industry



The number that considered leaving their jobs varied widely by job type and industry. By job type, it was highest (but much lower) for community & personal service workers (35% vs. 49% in Q3), followed by general unskilled workers where it increased sharply to 33% (16% in Q3). It was lowest for digital & data workers though more than doubled (13% up from 6%), other workers (13% down from 23%) and labourers (14% down from 17%).

By industry, the highest number that considered leaving their job worked in Hospitality (36% up from 29% in Q3). It was lowest and fell sharply in Agribusiness (7% down from 37%). We also noted big falls the number of workers in Utilities (23% down from 65%), Construction (14% down from 32%), Telecoms (18% down from 36%) and Education (20% down from 31%) that considered changing jobs in Q4, but a somewhat higher number in Retail (25% up from 18%) and Wholesale (17% up from 10%) that considered a job change.

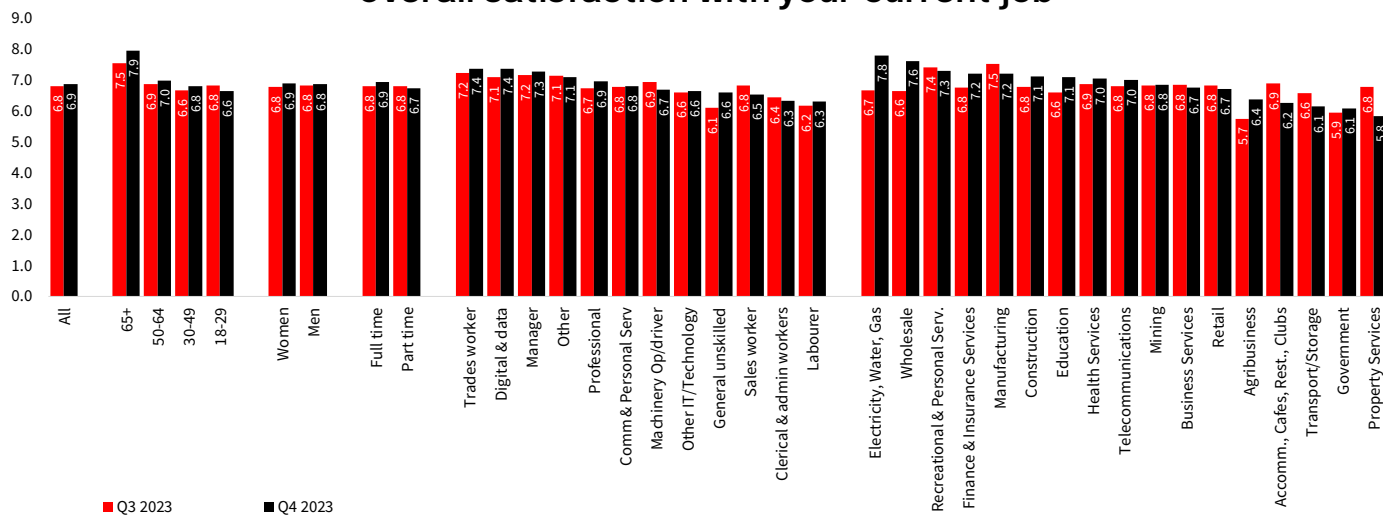
Job satisfaction

Australian workers continue to report “moderately” high levels of satisfaction with their current job (rising for the second straight quarter to 6.9 pts from 6.8 pts in Q3) and current employer (also up to 6.8 pts from 6.7 pts in Q3). Almost 1 in 2 said they were “very satisfied” with their current job (45%) and employer (44%) in Q4 (scored 8+ pts), but around 1 in 10 also indicated they were “not very satisfied” with their current job (9%) or employer (10%) - i.e. they scored 3 pts or less.

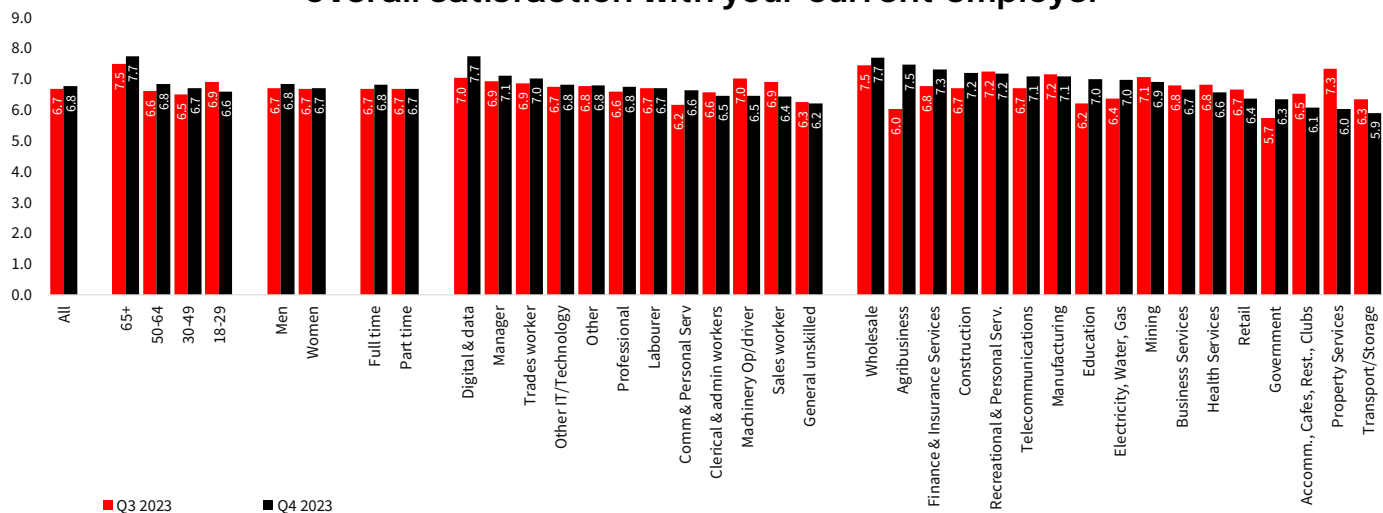
In terms of raw scores, job satisfaction was scored broadly similar in all key groups with some exceptions. It increased noticeably in the over 65 age group (7.9 pts vs. 7.5 pts), and for workers in the Utilities (7.8 pts vs. 6.7 pts) and Wholesale (7.6 vs. 6.6 pts) sectors. It fell noticeably for workers in the Property Services (5.8 pts vs. 6.8 pts), and was also somewhat lower average in Government (6.1 pts), Transport & Storage (6.1 pts) and Hospitality (6.2 pts).

Employer satisfaction was also somewhat higher in the over 65 age group (7.7 pts), for digital & data workers (where it improved significantly to 7.7 pts) and in the Wholesale (7.7 pts) and Agribusiness sectors (where it rose sharply from 6.0 pts to 7.5 pts). It was lowest for general unskilled workers (6.2 pts), and in the Transport & Storage (5.9 pts) and Property Services sector it also fell heavily (6.0 pts vs. 7.3 pts).

Overall satisfaction with your current job



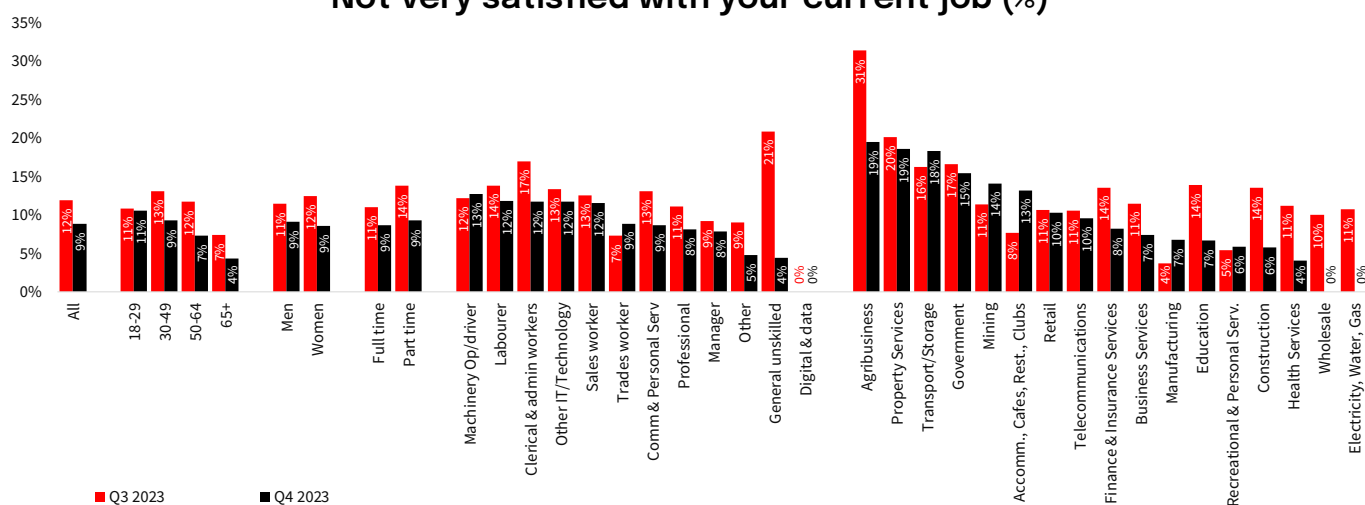
Overall satisfaction with your current employer



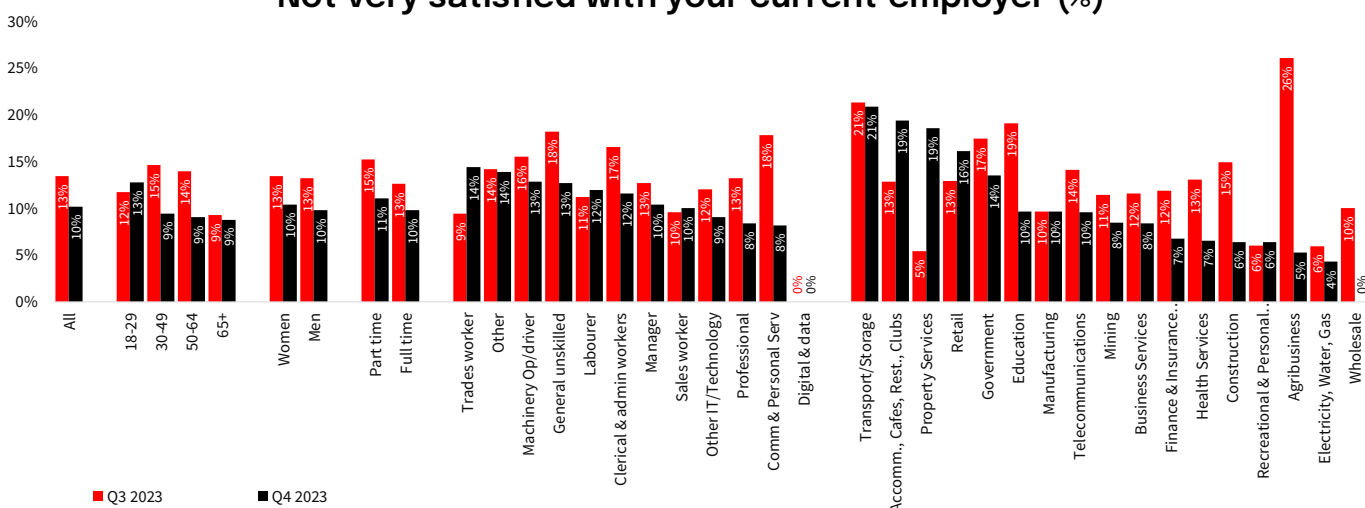
Averages scores can however mask a wide disparity in the number of employees who were “not very satisfied” with their jobs or employer. For jobs, it ranged from 11% in the 18-29 age group to just 4% in the over 65 group. It was the same for men and women (9%), and for full and part time workers (9%). We did not record any digital & data workers who were dissatisfied with their job in the Utilities or Wholesale sectors. In contrast almost 1 in 5 in Agribusiness, Property Services and Transport & Storage sectors were not very satisfied. Encouragingly, fewer workers across most groups said they were not very satisfied with their job. Noticeable exceptions included Hospitality workers (13% up from 8%), and workers in the Mining (14% up from 11%) and Manufacturing (7% up from 4%) sectors.

When it came to their employers, the number of very dissatisfied workers was somewhat higher in the 18-29 age group (13%) than in other age groups (9%). It fell noticeably for men and women and for full and part time workers. We recorded a large increase in not very satisfied trades workers (14% up from 9%) and a smaller rise among labourers (12% vs. 11%), but lower responses in all other job categories. By industry, the number of not very satisfied workers was highest in Transport & Storage (unchanged at 21%), and climbed steeply in Hospitality (19% up from 13%) and Property Services (19% up from 5%). It moderated or was unchanged in all other industries - see charts.

Not very satisfied with your current job (%)



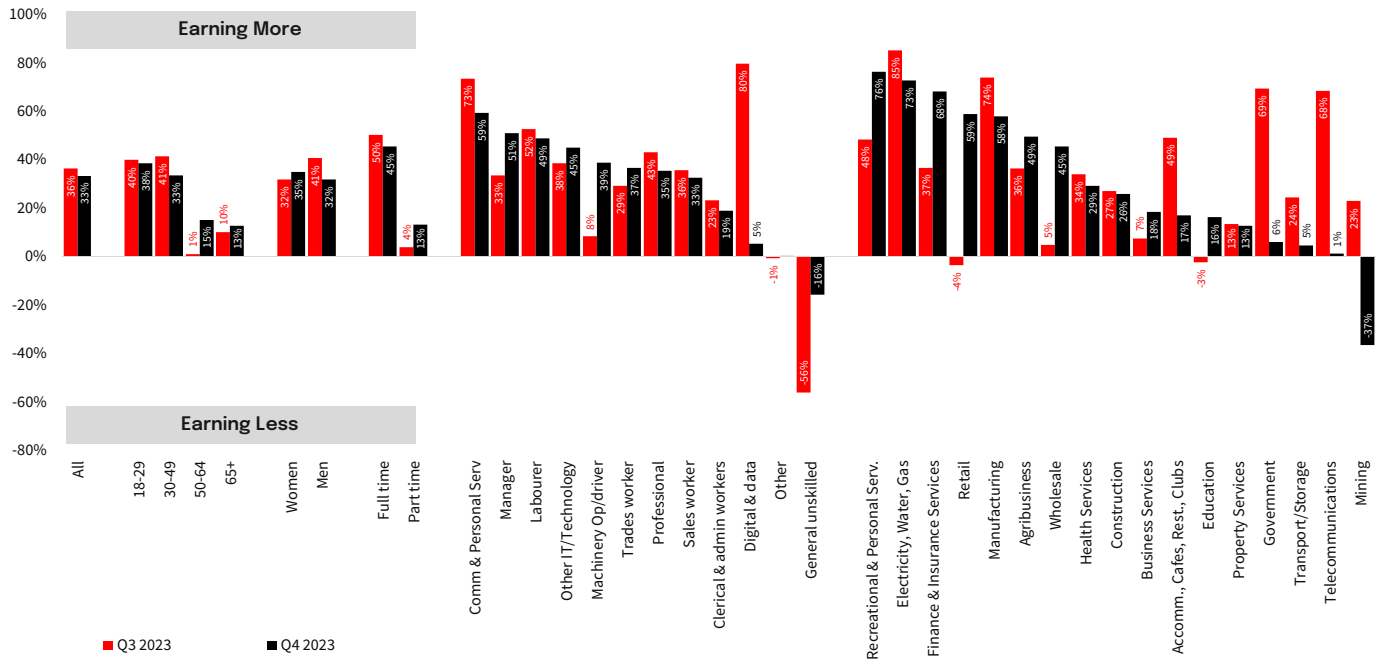
Not very satisfied with your current employer (%)



Earnings & pay rise expectations

Australians who changed jobs in the last 12 months were asked if they were earning more, less or the same as in their previous job. On balance, +33% earned more in Q4 (i.e. the number that earned more exceeded those that earned less). This was down from +36% in the previous quarter. However, the overall average masked some big differences by age, gender, work status, job type and across industries - see chart below.

Earning more or less than in previous job (net balance)



A much higher net number of workers under the age of 50 that changed jobs said they earned more in Q4 - although the number earning more was slightly lower in both the 18-29 (+38% down from +40% in Q3) and 30-49 (+33% vs. +41%) age groups. In age groups over 50, the net number that earned more increased over the quarter in both the 50-64 (+15% vs. +1%) and over 65 (+13% vs. +10%) age groups.

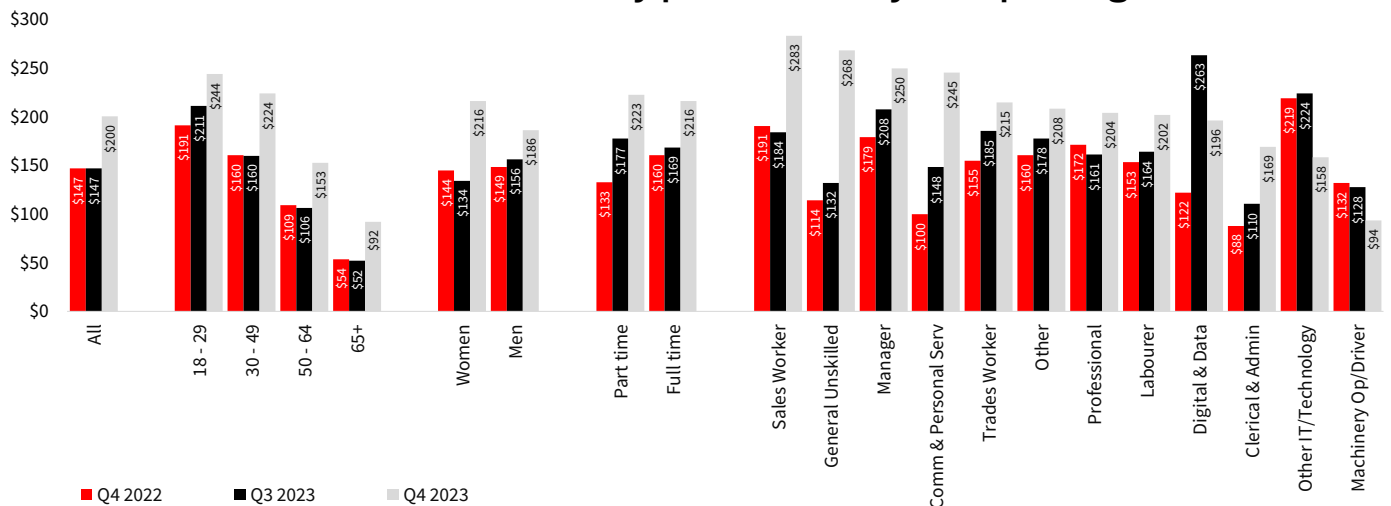
More women said they earned more than men in Q4. Moreover, the number of women earning more in their new jobs climbed to +35% (+32% in Q3). It fell for men (+32% vs. +41%).

Fewer full time workers earned more in Q4 (+45% vs. +50% in Q3), whereas the net number of part time workers that earned more increased to +13% (+4% in Q3).

By job type, the number earning more in their new job was highest for community & personal services workers (+59%), managers (+51%), labourers (+49%) and other IT & tech workers (+45%). In contrast, more general unskilled (-16%) and other workers (-1%) said they were earning less than in their previous jobs.

By industry, more in workers in the Recreational & Personal Services sector (+76%) were earning more in their new jobs than in any other industry, followed by Utilities (+73%) and Finance & Insurance (+68%). At the other extreme, we recorded a very large number of workers in the Mining sector (-37%) who said they were earning less in their new job.

How much extra money per week are you expecting?



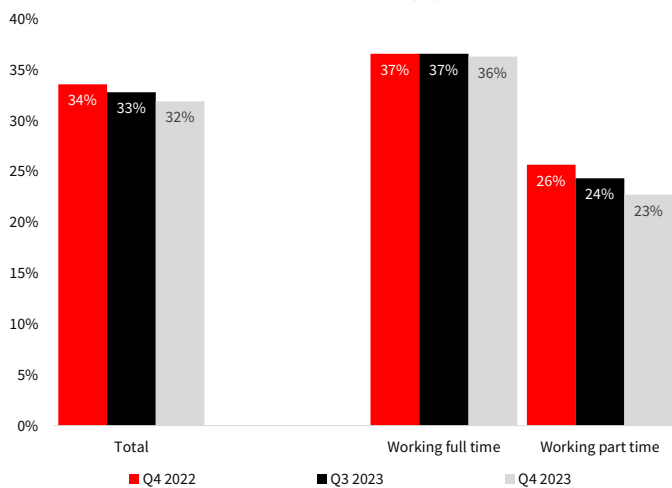
Recent data confirms the economy is growing at a well-below trend pace, while the latest NAB Consumer Stress Survey highlighted sharply rising concerns related to job security in the December quarter. Given our expectations that the unemployment rate will reach around 4.5% by end-2024 as the economy slows, consumer concern around jobs is likely to continue to rise in the coming year. Against this background, more Australians still expect their incomes to rise than fall in the next 12 months, though it fell slightly to +26% (+27% in the previous quarter). But when Australians who expected their incomes to increase in the next year were also asked to estimate by how much they expected their weekly income would rise, on average it rose quite sharply to \$200 from \$147 in Q3.

Income expectations increased in all age groups and fell with age. They were highest in the 18-29 group (\$244 vs. \$211) and stepped down in each successive age group to \$92 in the over 65 group (\$52 in Q3). Women (\$216 vs. \$134 in Q3) now expect to receive somewhat more than men (\$186 vs. \$156). Full (\$223) and part time workers (\$216) anticipate roughly similar rises.

By job type, expectations were highest (and climbed sharply) for sales workers (\$283 up from \$184) and general unskilled workers (\$268 up from \$132). Expectations were next highest for managers (\$250 vs. \$208) and community & personal services workers (\$245). They were lowest (and fell) for machinery operators & drivers (\$94 down from \$128) and other IT & tech workers (\$158 vs. \$224). Digital & data workers were the only other group with lower expectations (\$196 from \$263).

Working from home

Proportion of week currently working from home (%)

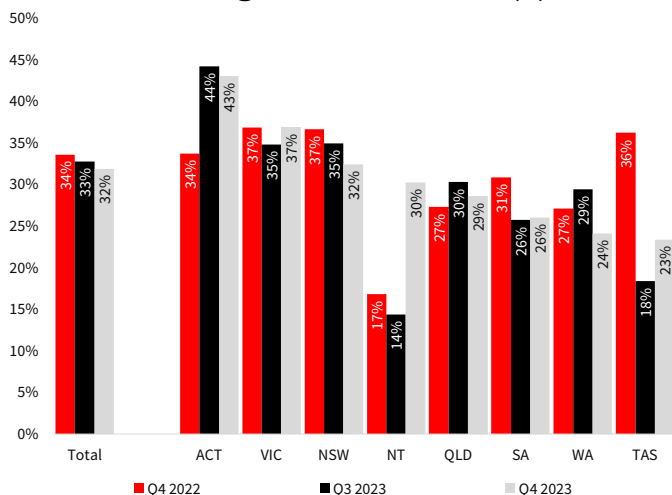


Time spent working from home continued to inch down in Q4, with workers spending on average spending 32% of the week working from home (33% in Q3). This has now fallen from 38% in Q1'22 when we started tracking this data. Both full (36% vs. 37%) and part time (23% vs. 24%) workers spent less time at home, and also much less than when we started tracking this data (42% full time; 26% part time).

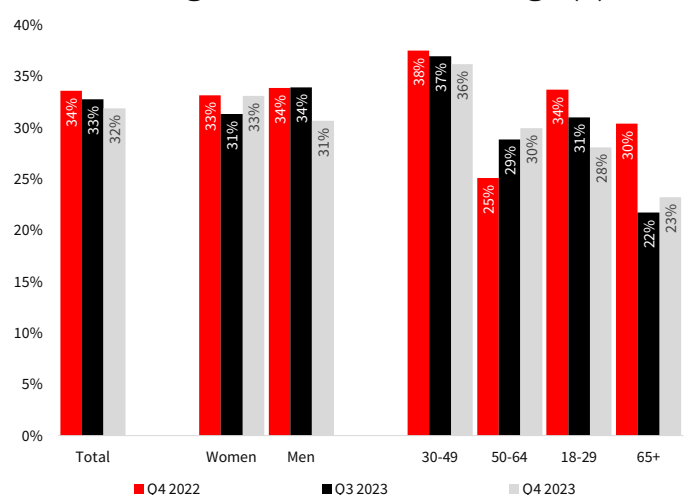
Trends differed by state, with workers spending more time at home in VIC (37% vs. 35%), the NT (30% vs. 14% but from a smaller sample) and TAS (23% vs. 18%). Workers in all other states (bar SA) spent less time at home, with the highest proportion working from home in the ACT (42%). Time spent working from home in SA was unchanged (24%).

Women spent more time working from home in Q4 (33% up from 31%) but men less time (31% vs. 34%). The 30-49 group continued to spend most time at home (38% vs. 39% in Q3) and workers over 65s the least (23% vs. 22%).

Proportion of work week currently working from home: State (%)



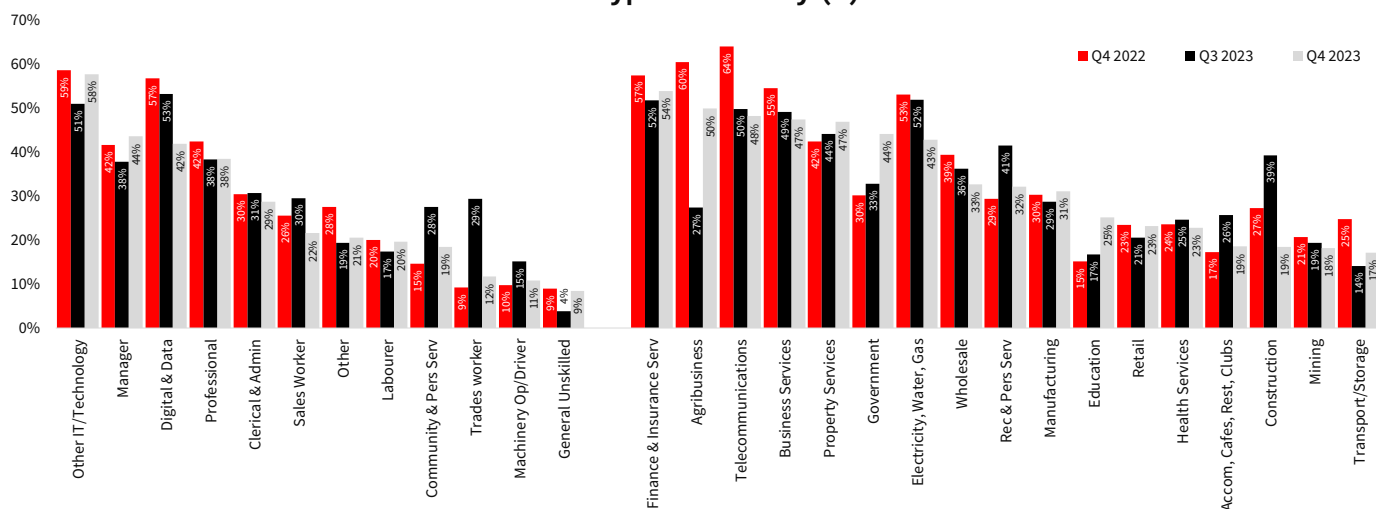
Proportion of work week currently working from home: Gender & age (%)



By profession, other IT/tech workers (58% vs. 51% in Q4) spent the most amount time working from home in Q4, followed by managers (44% vs. 38%), digital & data workers (42% vs. 53%) and professionals (unchanged at 38%). General unskilled workers (9% vs. 4%), machinery operators & drivers (11% vs. 15%) and trades workers (12% vs. 29%) spent least time working from home.

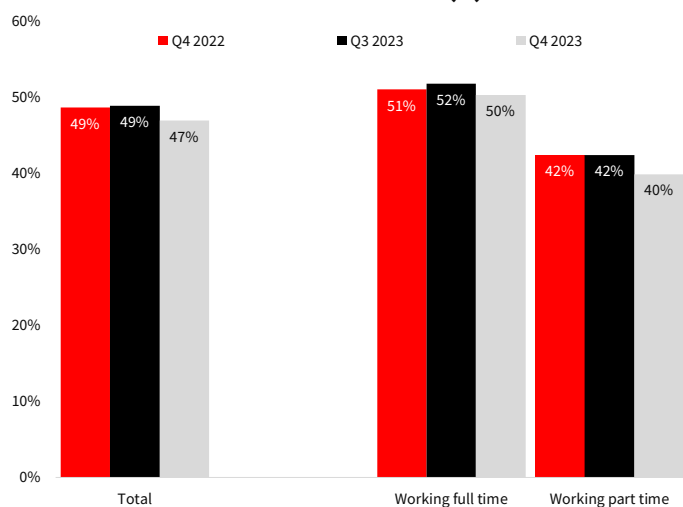
By industry, workers in the Finance & Insurance (54% vs. 52%), Agribusiness (50% vs. 27%), Telecoms (48% vs. 50%), Business Services (47% vs. 49%) and Property Services (47% vs. 44%) sectors spent most time working from home. Government workers were next highest with time spent working from home also climbing quite sharply over the previous quarter (44% up from 33%). Workers in the Transport & Storage (17% vs. 14%), Mining (18% vs. 19%), Construction (19% vs. 39%) and Hospitality (19% vs. 26%) sectors spent least time working from home in Q4.

Proportion of work week currently spent working from home: Job type & industry (%)



But how much time do workers actually want to spend working from home? Ideally, much more than they do now - though a little less in the December quarter (47% down from 49% in the previous quarter).

Proportion of work week ideally like to work from home (%)



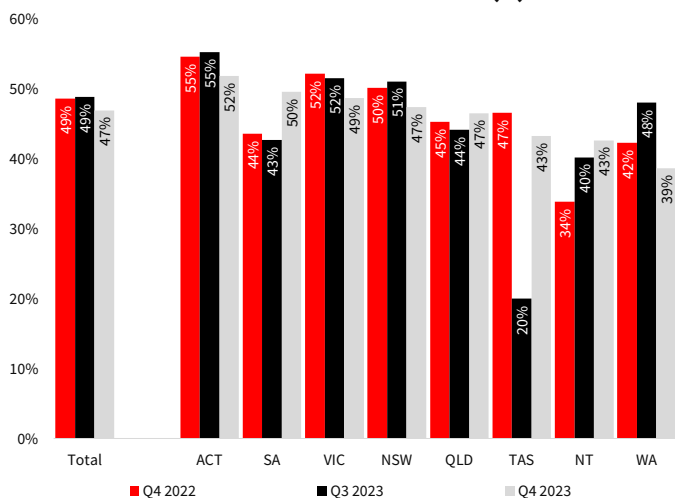
The ideal amount fell a little over the quarter for both full (50% vs. 52%) and part time (40% vs. 42%) workers.

Workers in the ACT (52% down from 55%) still want to spend most time at home, followed by SA where it jumped quite noticeably to 50% (43% in Q3). Workers in VIC (49% vs. 52%), NSW (47% vs. 51%) and WA (39% vs. from 48% and now lowest overall) ideally want to spend less time at home. However, more workers in QLD (47% up from 44%), TAS (43% up from 20%) and the NT (43% up from 34%) want to spend more time working from home.

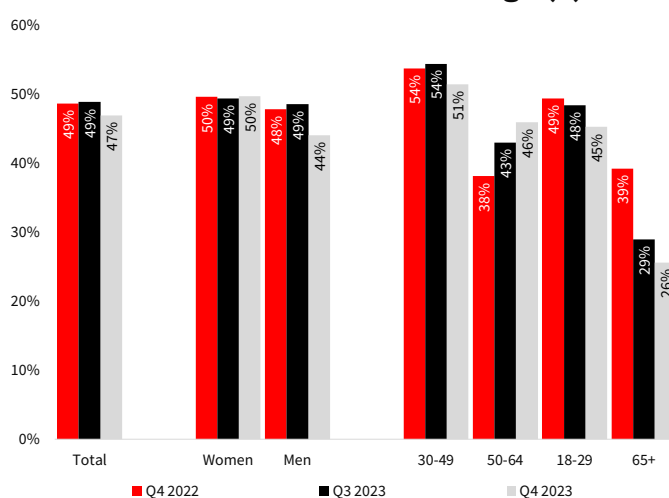
Women ideally want to spend a little more time working from home (50% up from 49%), but men somewhat less (44% vs. 49%).

Preferences remain highest (but were pared back) in the 30-49 age group (51% down from 54% in Q3). Workers in the 18-29 (45% vs. 48%) and over 65 (26% vs. 29%) groups also ideally wanted to spend less time at home, but those in the 50-64 age group wanted to spend more time at home (46% vs. 43% in Q3 and 38% in Q4'22).

Proportion of work week ideally like to work from home: State (%)



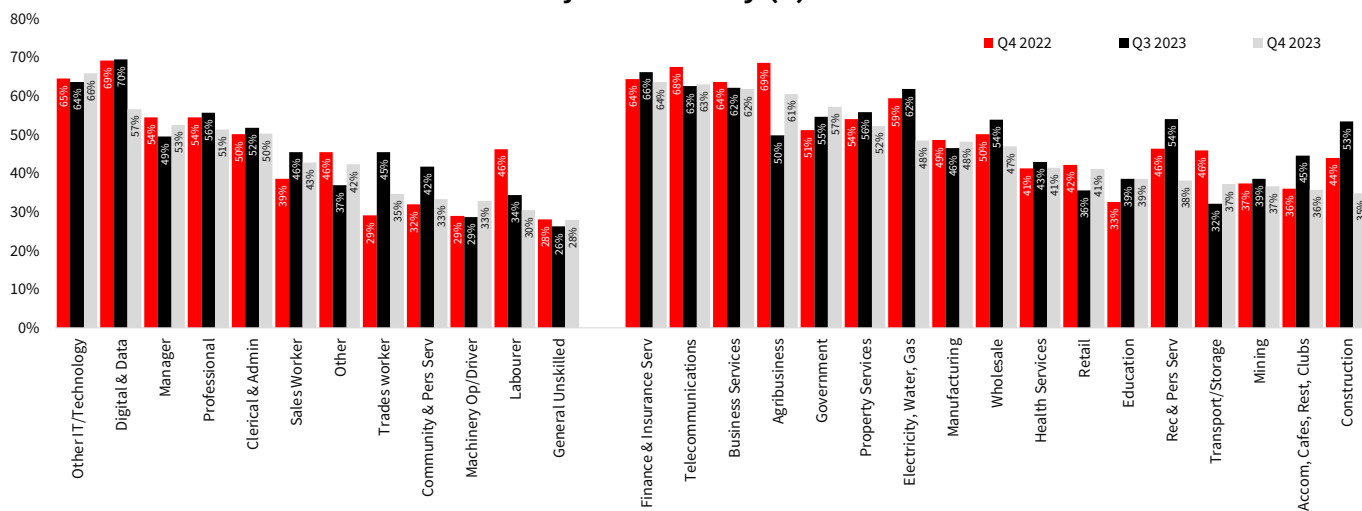
Proportion of work week ideally like to work from home: Gender & age (%)



By profession, other IT/tech (66% vs. 64%) and digital & data (57% vs. 70%) workers would ideally still prefer to spend most of their week working from home, followed by managers (53% vs. 49%), professionals (51% vs. 56%) and clerical & admin workers (50% vs. 52%). General unskilled workers (28% vs. 26%), labourers (30% vs. 34%) and machinery operators & drivers (33% vs. 29%) still want to spend the least amount of time at home.

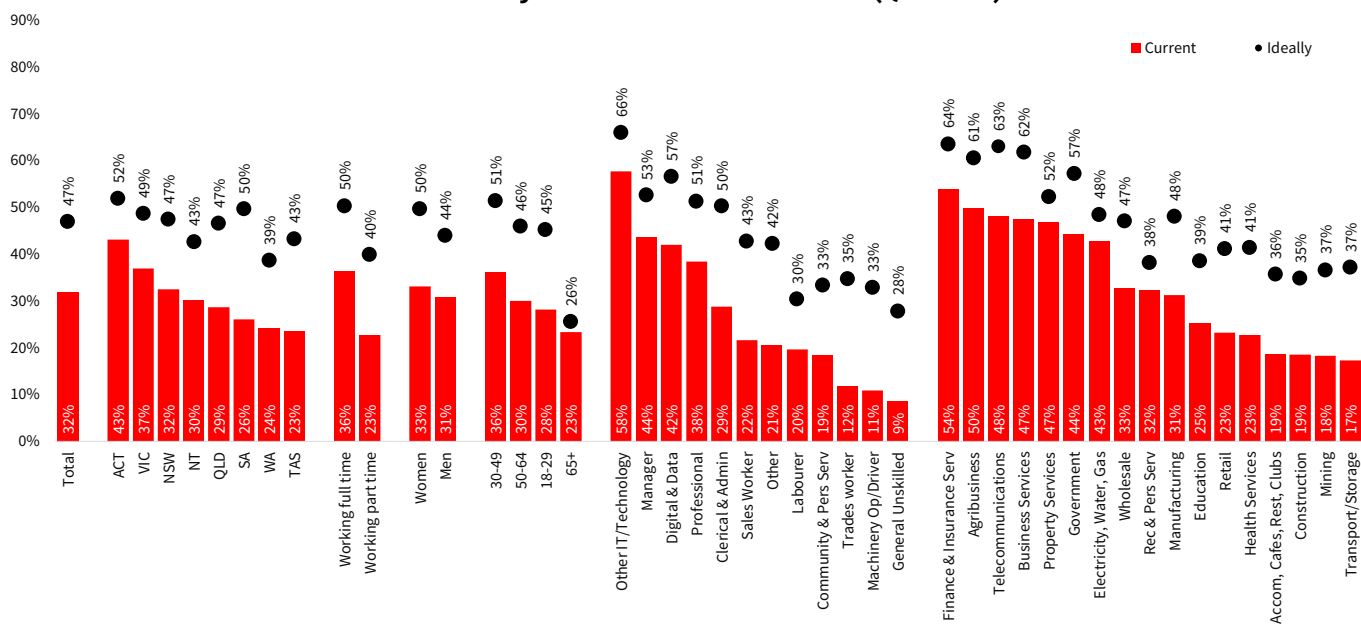
By industry, workers in the Finance & Insurance (64% vs. 66%), Telecoms (unchanged at 63%), Business Services (unchanged at 62%), Agribusiness (61% vs. 50%) and Government (57% vs. 55%) sectors ideally want to spend the most time working from home. Construction workers wanted to spend the least time at home in Q4, and was revised down sharply to 35% (53% in Q3). It was also somewhat lower for workers in the Hospitality (36% vs. 45%), Recreation & Personal Services (38% vs. 54%) and Utilities (48% vs. 62%) sectors.

Proportion of work week ideally like to work from home: job & industry (%)



The chart below compares the proportion of the week Australian workers currently spend working from home to the ideal amount of time they would like to work from home. The results continue to show that very few workers worked from home anywhere near as much as they would ideally like to in Q4 - apart from workers over the age of 65 - the only group who said they spent about as much of the week working from home during the December quarter (23%) that they ideally would like to work from home (26%), and to a lesser extent workers in the Property Services (47% current; 52% ideal) and Hospitality (32% current; 38% ideal) sectors - see chart below.

Proportion of work week currently working from home & proportion of work week ideally like to work from home (Q4 2023)



The average amount of time workers spent working from home fell well short of the ideal for workers SA (26% current; 50% ideal) and TAS (23% current; 43% ideal). It was somewhat bigger for part timers (23% current; 43% ideal) than full time workers (36% current 50% ideal), and for women (33% current; 50% ideal) than men (31% current; 44% ideal). All age groups under the age of 65 reported large gaps between the current amount of time spent working from home and their ideal.

By profession, the biggest gap was for trades workers (12% current; 35% ideal), clerical & admin workers (29% current; 50% ideal), other workers (21% current; 42% ideal) and sales workers (22% current; 43% ideal). Industries where workers were furthest apart in terms of time currently spent working from home and the ideal amount they would like to work from home were employed in the Transport & Storage (17% current; 37% ideal), Health Services (23% current; 41% ideal), Mining (18% current; 37% ideal) and Retail (23% current; 41% ideal) sectors.

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Contact the authors

Dean Pearson

Head of Behavioural and Industry Economics

Dean.Pearson@nab.com.au

+61 (0) 457 517 342

Robert De lure

Associate Director Economics

Robert.De.lure@nab.com.au

+61 (0) 477 723 769