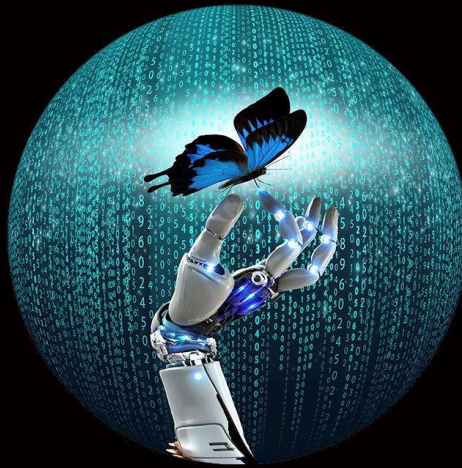


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FUTURE OF WORK AND IMPLICATIONS FOR SOUTH AUSTRALIA

AIIA Navigating Technology and the Jobs of the Future | Thursday 12th April 2018

**You can't
make it
in
Adelaide**

What's essential is that we elevate our thinking to see what's possible in 2027.

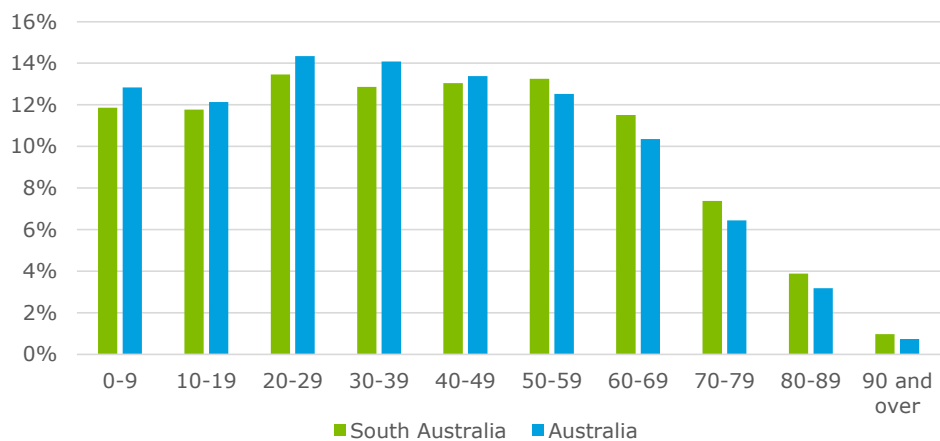
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3

What happens if nothing changes?

There are fewer young people in South Australia today than there were in the mid-1980s

Australian and South Australian demographic statistics, September 2016



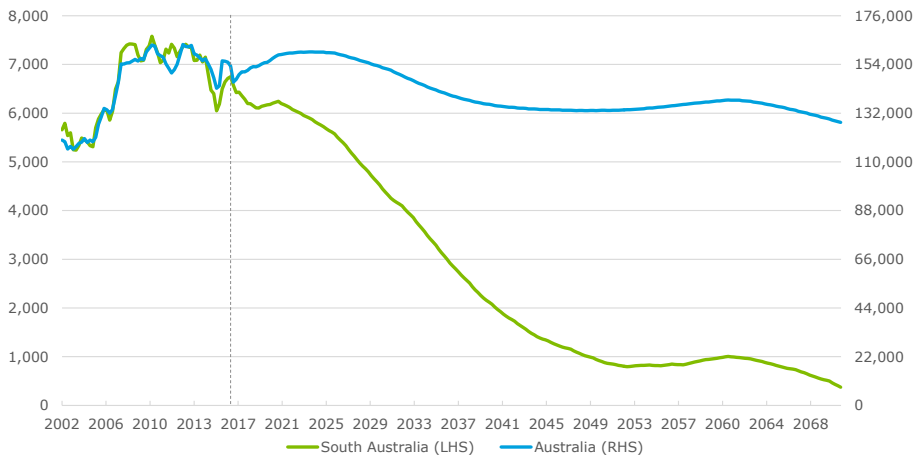
Source: Australian Bureau of Statistics, *Australian Demographic Statistics, Sep 2016*, cat. no. 3101.0 (23 March 2017).

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4

What happens if nothing changes? Demographics mean natural growth is slower than ever before

Natural population growth, South Australia and Australia



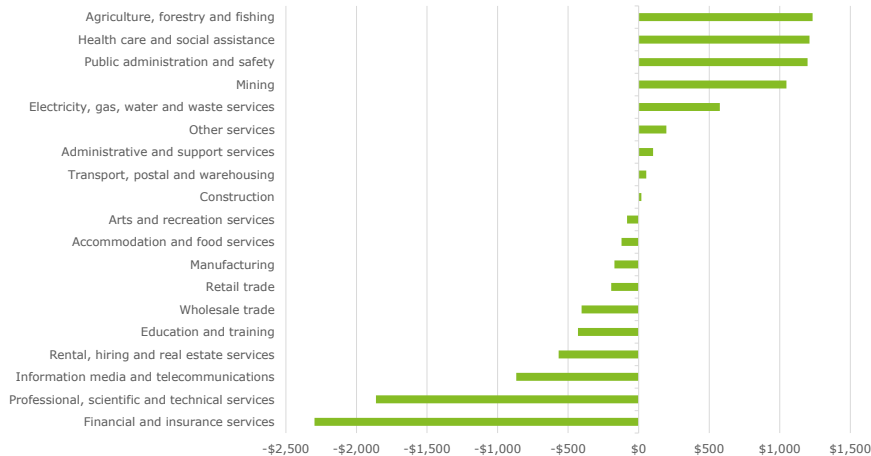
Source: Deloitte Access Economics

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But why has Victoria succeeded where we've struggled? It's simple: Victoria has a burgeoning services economy, and the fastest growing population in Australia to boot

Differences between industry value added per capita - South Australia vs Victoria, 2016



Source: Australian Bureau of Statistics, *Australian National Accounts: State Accounts, 2015-16*, cat. no. 5220.0 (18 November 2016)

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Multi-function polis is given the green light

ADELAIDE: Adelaide's multi-function polis was given the official go-ahead yesterday with the Federal Government pledging \$12.275 million over the next three years to kick-start the controversial, futuristic project.

The Premier of South Australia, John Bannion, and the federal Minister for Industry, Technology and Commerce, John Button, signed an agreement in Adelaide which cleared some uncertainties for potential foreign investors but apparently failed to satisfy diehard critics.

"There were a lot of impatient people out there wanting to see whether the [Federal Government] commitment is to be made so they can then define what sort of involvement they will have," Mr Bannion told a press conference.

Yesterday's move came four years after the project was first mooted and about 12 months after Adelaide was chosen as the host city.

Under the deal, the Federal Government will spend \$3.3 million to help set up a MFP development corporation. It will also fund a marketing campaign for overseas investment and has decided to set up its new Commonwealth Environmental Protection Agency centre in the MFP.

The formal announcement had been scheduled originally for next month, but was brought forward following a Federal Cabinet meeting on Monday and last-minute talks with Mr Bannion at the Special Premiers' meeting in Sydney on Tuesday.

Mr Bannion said acceleration on the decision was "very welcomed indeed".

He suggested that work on the swampland site in Adelaide's north-west could start by late next year or early 1993, opening the way for the creation of 40,000 jobs and a \$10 million boost in SA's gross product by 2008.

SA would spend about \$2.5 million in its new budget on initial infrastructure, with Mr Bannion confident that future infrastructure costs would be manage-

able. The signing of the agreement was preceded with the release of the findings of a Federal Government-appointed public consultation panel which said that after a year of hearings it was convinced that the community broadly backed the MFP.

Opponents of the project have accused the panel of not consulting the community properly.

Yesterday's press conference was briefly interrupted at its conclusion by Australian Democrats' environment spokesman John Coulter, who described the panel's work as "a farce" which had not reflected widespread opposition.

However, his protest was brushed aside by both the Premier and Senator Button. Instead, they voiced optimism that foreign investors could now prepare concrete proposals for the project even though Canberra remains uncommitted on a call by the South Australian Government that tax incentives be put in place to attract overseas interest.

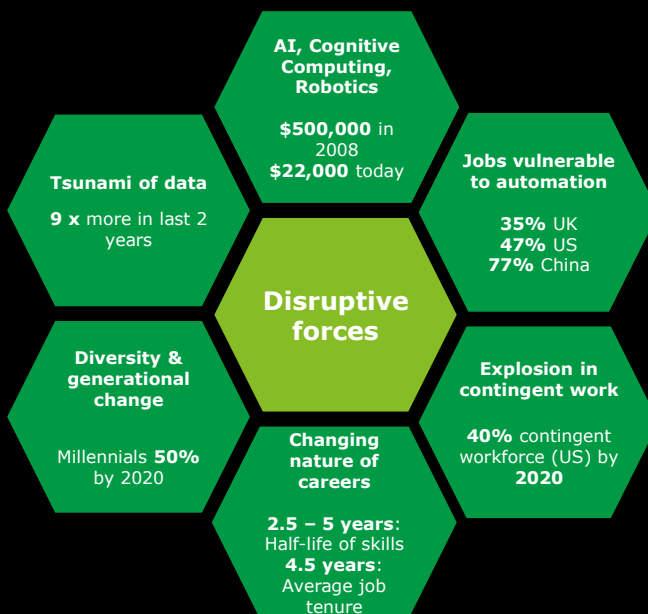
Mr Bannion has repeatedly suggested that the incentives, also mooted for the Very Fast Train project between Sydney and Melbourne, be extended to all major national infrastructure developments including the MFP as an investment catalyst.

However, Senator Button was cautious. "The predominate view in the private sector now is that investments which are led by tax incentives are not the best investments to be made," he said.

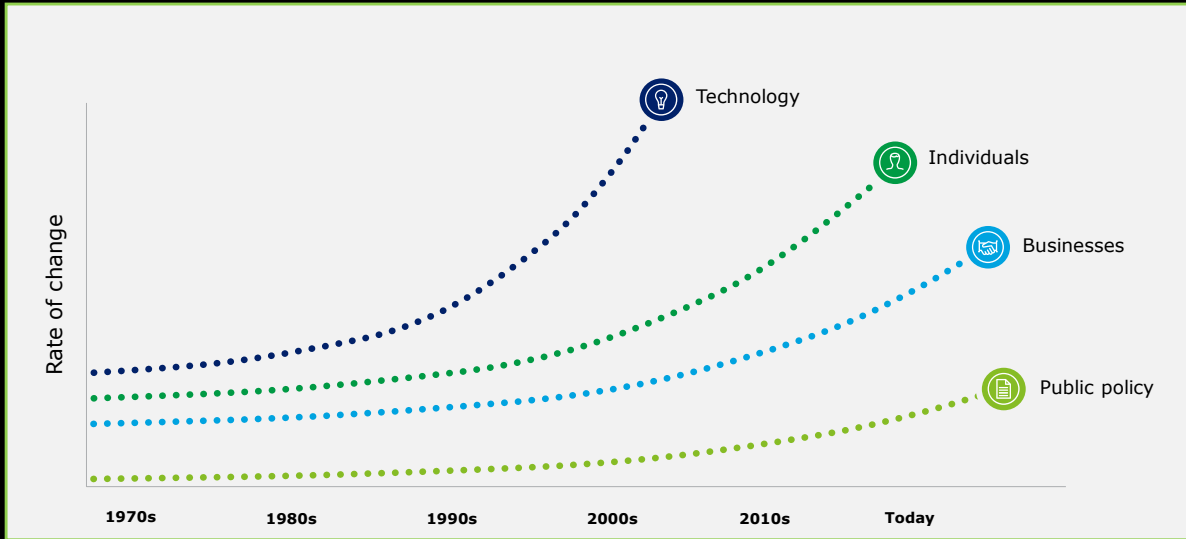
Senator Button said that most opposition to the MFP based on concern that the Japanese wanted to build a high-tech enclave for themselves had subsided.

Japan's multi-function polis task force welcomed yesterday the Australian government's pledge to kickstart the project and said the \$12.275m financial contribution would bolster confidence among potential foreign investors.

WE LIVE IN TIMES OF UNPRECEDENTED CHANGE THAT PRESENTS BOTH CHALLENGE AND OPPORTUNITY FOR LEADERS.



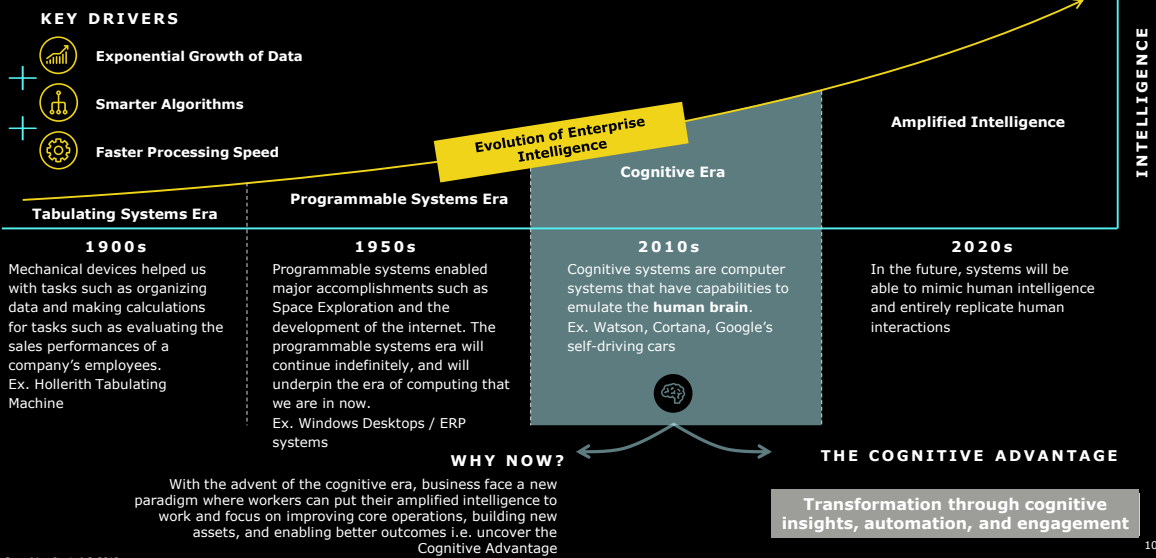
WHAT IS HAPPENING



Source: Deloitte Human Capital Trends, 2017

THE FUTURE OF COGNITIVE

Systems have evolved from mechanical computation & tabulation devices to intelligent systems that can emulate human cognition.



IMPACT OF COGNITIVE ON THE WORKFORCE

Cognitive technology will exponentially impact the workforce of the future



AUTOMATION OF THE HAND - the programmable era

Incremental impact on productivity



- Robots are doing things humans used to do



AUTOMATION OF THE BRAIN - the cognitive era

Exponential impact on the business



- Robots are doing things humans used to do
- Robots are doing things humans can't do
- Robots are augmenting the human brain



Release workforce capacity as humans are replaced by robots performing repetitive rules-based tasks



New competencies as Process owners elevated to process transformation leaders and robot designers as production becomes more automated



Skills and expertise scale as freed up capacity is available to develop competencies and build expertise



Insourcing control with the option to retain cost savings through insourcing and greater control over processes



Flexibility that is not resource reliant, changing the partnering mix



Release workforce capacity impacting roles that are human-centred and analytically driven



Smarter Workforce as people are provided with enhanced decision making information and augmented processing



Insight driven organization as all decisions will have some element of cognitive computing intelligence input



Overhauled operating model whereby once critical functions will have been entirely replaced by bots



Commoditisation of tenure in which history and expertise derived over time will be superseded by the vast amounts of computable data

The question to ask now is not "how do I employ this technology" but "how do I prepare for the exponential impact"

RE THINKING THE FUTURE OF WORK

WORK



What was

- Work of the 'Hands'
- Analog / Data light
- Profit Driven
- Hard skills

What will be

- Work of the 'Minds and Hearts'
- Digital / data insights
- Purpose Driven
- Soft skills

WORKER



- Hot bodies
- Big permanent, homogeneous workforce
- Focus on technical expertise
- Ad-hoc training
- Overwhelmed

- Hot warm and cold bodies
- Big contingent, diverse workforce
- Focus on uniquely human skills
- Life-long learning
- Well being

WORK PLACE



- Hierarchical, siloed
- Positional power
- Slow to adapt
- Traditional office

- Networks of high performing teams
- Personal power
- Nimble and innovative culture
- Smart, frictionless work spaces



WORK

What Was

What Will Be

Work of the 'Hands'	Work of the 'Hands and Minds'
Analog / Data light	Digital / Data Insights
Profit Driven	Purpose Driven
Hard Skills	Soft Skills

- What is the nature of the shifts you are seeing in South Australia?
- What is the likely impact of robotics, automation and artificial intelligence on the types of work and roles in SA's key industry sectors?
 - What jobs are being most impacted?
 - How are we responding to these shifts?



WORKER

What Was

What Will Be

Hot Bodies	Hot warm and cold bodies
Big permanent, homogeneous workforce	Big contingent, diverse workforce
Focus on technical expertise	Focus on uniquely human skills
Ad-hoc training	Life-long learning

- What is the nature of the shifts you are seeing in South Australia?
- What capabilities will be required in the future for employees in SA's key industry sectors that are different to today?
 - How are we responding to these shifts?



What Was

Hierarchical, siloed

Positional power

Slow to adapt

Traditional office

What Will Be

Networks of high performing teams

Personal power

Nimble and innovative culture

Smart, frictionless work spaces

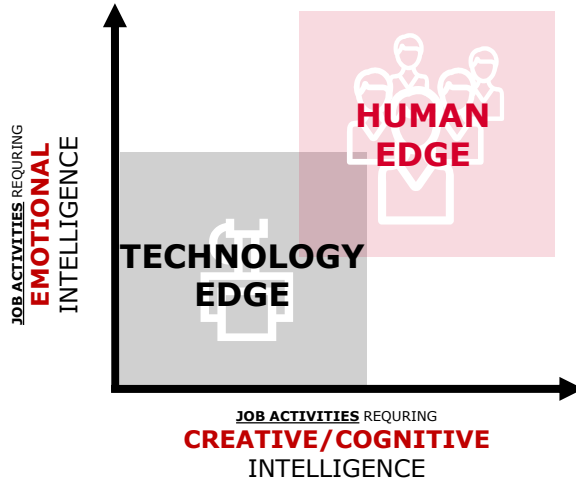
- What is the nature of the shifts you are seeing in South Australia?
- Which types of organisations are responding well to these types of changes?

ARE YOU READY, WILLING AND ABLE?



Humans will always matter

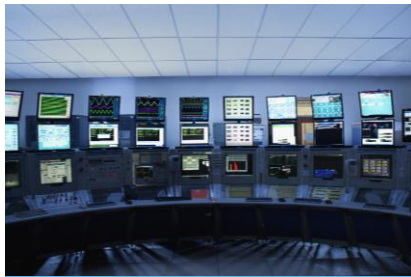
Figure 2: Future Job Activities - Automation VS Augmentation



Our industries: our competitive advantages with strong global demand



Our industries: strategically important to South Australia



Defence industries



Creative industries



Health and medical research



Professional and IT services

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Opportunities
City



Adelaide,
a city of villages



Public transport solutions
for a future Adelaide



Positioning the
Market District as
the village square



The Riverbank as
our city's front door



Further development
in Adelaide's Health and
Biomedical Precinct



Establishing North Terrace
as a destination



South Australia's
universities as
idea factories



Taking advantage of
the Old Royal Adelaide
Hospital site



Developing and reinvesting
in Adelaide's hotels



Adelaide Airport
as a facilitator of
further growth



Investment in digital
infrastructure



Claiming our fame
as the Festival State



Adelaide as a
global medical
services destination

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Opportunities City



Adelaide,
a city of villages



Public transport solutions
for a future Adelaide



Positioning the
Market District as
the village square



The Riverbank as
our city's front door



Further development
in Adelaide's Health and
Biomedical Precinct



Establishing North Terrace
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South Australia's
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Taking advantage of
the Old Royal Adelaide
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Adelaide Airport
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Investment in digital
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Claiming our fame
as the Festival State



Adelaide as a
global medical
services destination

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Opportunities Suburbs and regions



South Australia's
wine regions



Making the most of
the defence contracts



Our businesses getting
bigger and better



Energy opportunities
spanning both gas
and renewables



Positioning South Australia
as resources-ready



Expanding agricultural
opportunities in
Adelaide's regions

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Opportunities Suburbs and regions



South Australia's
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Making the most of
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Opportunities State and government policy



Establishing the
South Australian
Investment Corporation



Using digital government
to reduce the regulatory
burden for business



The promise of
immigration and
the pathway there



Building South Australia
and thinking differently
about infrastructure



Transforming
South Australia by
attracting head offices



A renewed
branding strategy

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Opportunities State and government policy



Establishing the South Australian Investment Corporation



Using digital government to reduce the regulatory burden for business



The promise of immigration and the pathway there



Building South Australia and thinking differently about infrastructure

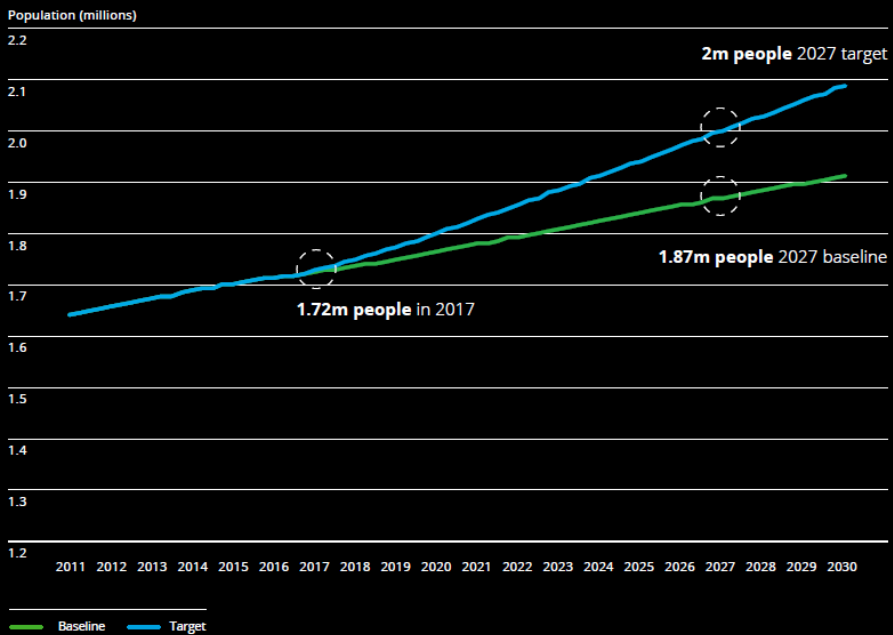


Transforming South Australia by attracting head offices



A renewed branding strategy

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South Australia 2027
2 million people
\$134 billion economy
59,000 extra jobs

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The future of work is **now**

And it's all about people.

And it's about making it in Adelaide

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You can
make it in
Adelaide

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