

BOINZ Keynote Speech given by Mark McCrindle sponsored by Heaney & Partners



**By Frana Divich, Partner
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Heaney & Partners were thrilled to bring Mark McCrindle over from Australia to speak at last month's BOINZ Conference in Dunedin. Mark's passions lie in tracking emerging issues and researching social trends. His key note address was called "Understanding the Times, Shaping the trends: A Snapshot of the Global Mega Trends Transforming the Building Industry."

"Only occasionally in history do massive demographic shifts combine with huge social change and ongoing generational transitions and rapid technological trends so that within the scope of a few decades, society altogether alters" he said.

Nothing demonstrates the rapid technological changes more vividly than the Smartphone. It is difficult to imagine life without them, but the first iPhones only appeared in 2007. Mark showed a compelling visual of the Vatican in 2005 with only one mobile phone showing in a corner of the photograph. In 2013 the same scene was a mass of screens held up recording Mass in St Peter's Square.

In the last few years we have also witnessed the rapid growth digital disrupters like Uber and airbnb who have very successfully challenged the ways things have traditionally been

done to make them more nimble and digitally friendly.

Mark used the example of Netflix to demonstrate the speed of change. In 2008 they were a mail order DVD library. In 2018 they are one of the biggest companies in the world together with other web based companies like facebook, amazon and Google.

We now have apps that provide us with location specific information at our finger tips. We did not have those 10 years ago.

In 1998 our population was projected to increase by 31% to 4.7 million by 2052. It is already at 4.9 million and is continuing to rise. Germany has grown 25%, the United Kingdom 37% and Sweden by 73%. In comparison New Zealand has grown by 450%.

It is little wonder that housing affordability is such a hot topic. It is fuelled by our population growth. In 2008 the median annual earnings

of a Generation Xer was \$37,908. In 2018 the median annual earnings of a Generation Yer is \$49,868 – an increase of 32%. In comparison the median house price has increased by 59% (from \$345,000 in 2008 to \$550,000 in 2018).

Our population is changing. Our population increase is made up of a natural increase of 28% and 72% net migration. It is also aging. Our longevity has increased from 73.9 years in 1984 to 81.2 years today. By 2044 we will have a life expectancy of 86.6 years. In 1898 New Zealand enacted the Old Age Pension Act which entitled every person 65 years or older to a pension. In 1898 the average male life expectancy was 56 years old. It does seem inevitable that New Zealand's pension age will increase in the foreseeable future.

Our population is moving. The next generation – Generation Z (currently aged between 7 and 21 years old) can expect 17 jobs and 5 careers in their



Photograph taken at the Vatican 8 years apart.