

# BEYOND THE TRUMPIFICATION OF AUSTRALIAN BUSINESS – THE FOUNDATIONS FOR PROSPERITY & INCLUSIVE GROWTH

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## PART 1 – THE INTERNATIONAL OUTLOOK

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*The Populist Revolt & Death of the Age of Reason*

***“We have set the bar extremely low for measuring the health of liberal democracy” – Edward Luce***



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***“Welcome to the Death of the Age of Reason. There is no right or wrong. Not anymore.” – Frank Underwood***

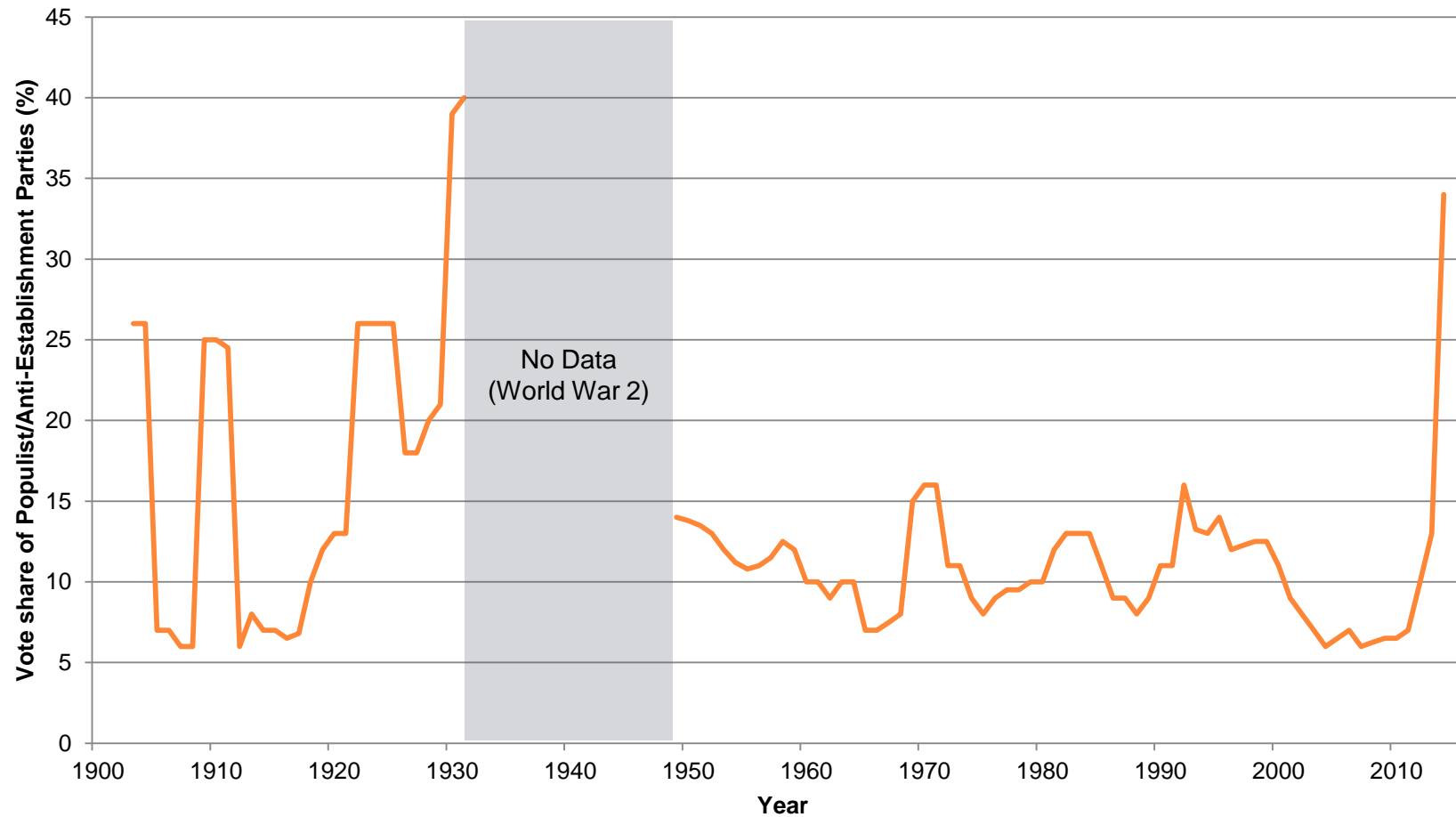


***“Welcome to the Death of the Age of Reason. There is no right or wrong. Not anymore.” – Frank Underwood***



# The Populist Revolt – Part I.

Figure 1 – Advanced Economies Populism Index



## The Populist Revolt – Part II.

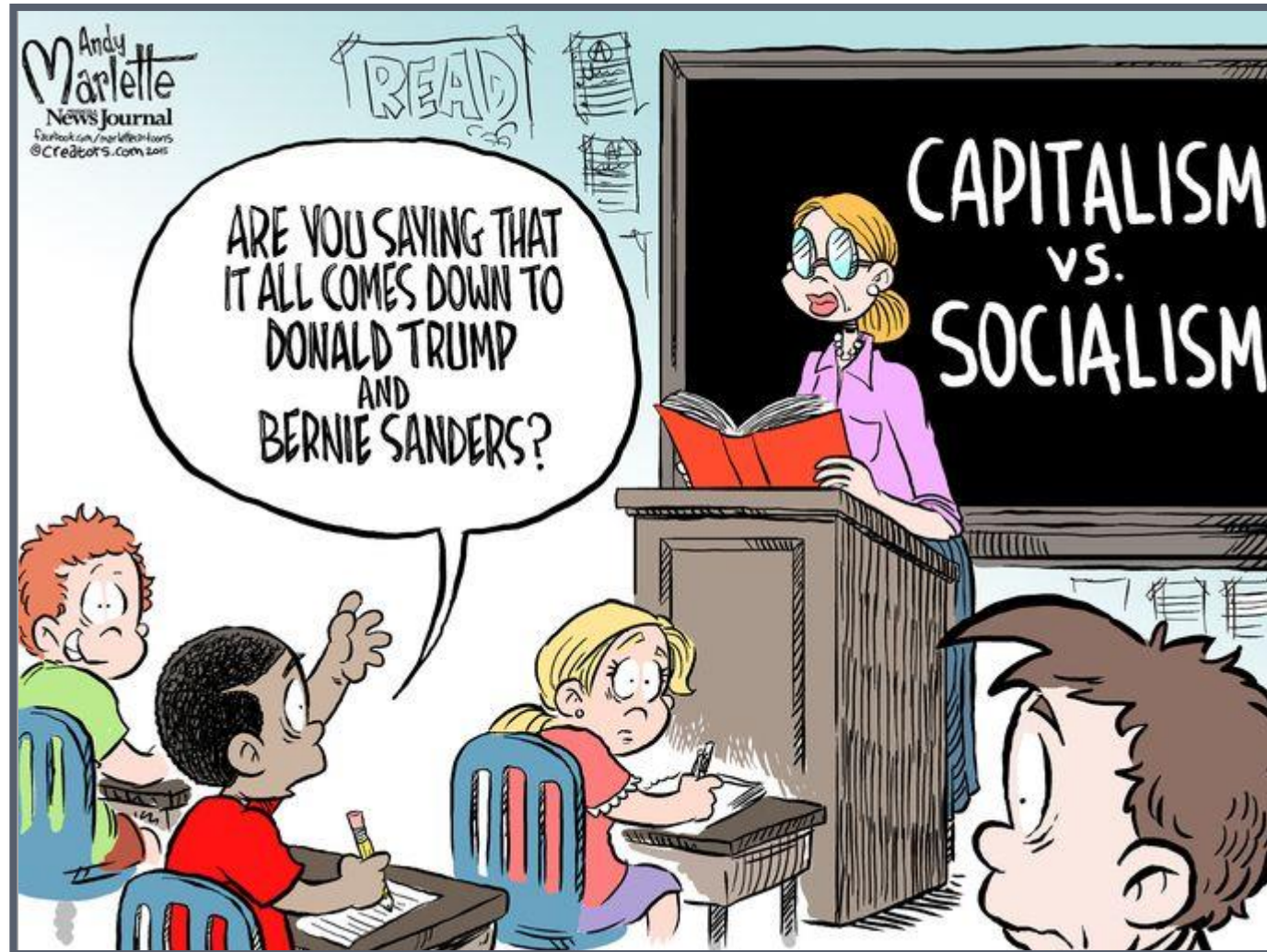
***“I agree with the first five minutes of a Bernie Sanders speech”***



Jeff Immelt, CEO of General Electric

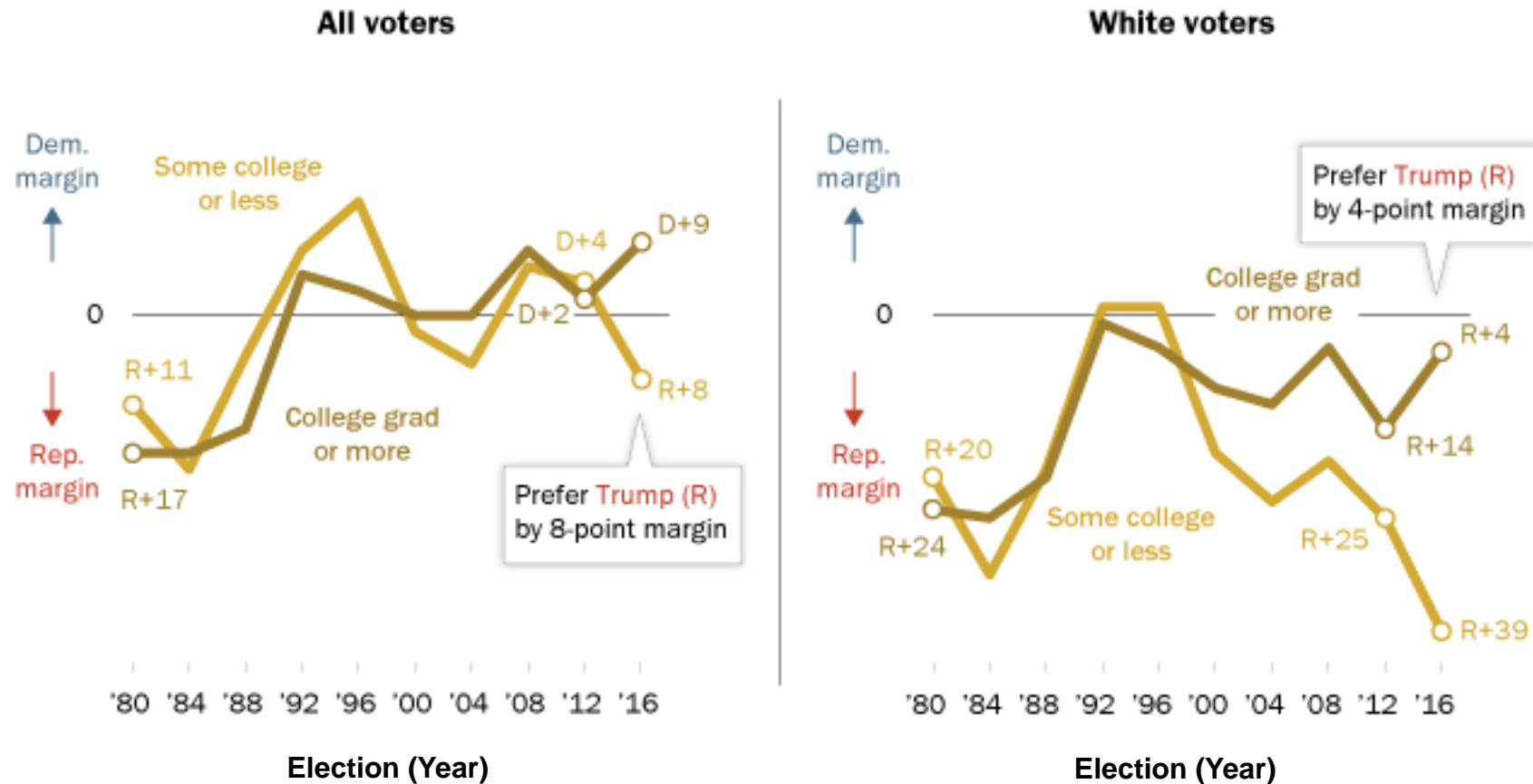


## The Populist Revolt – Part III.



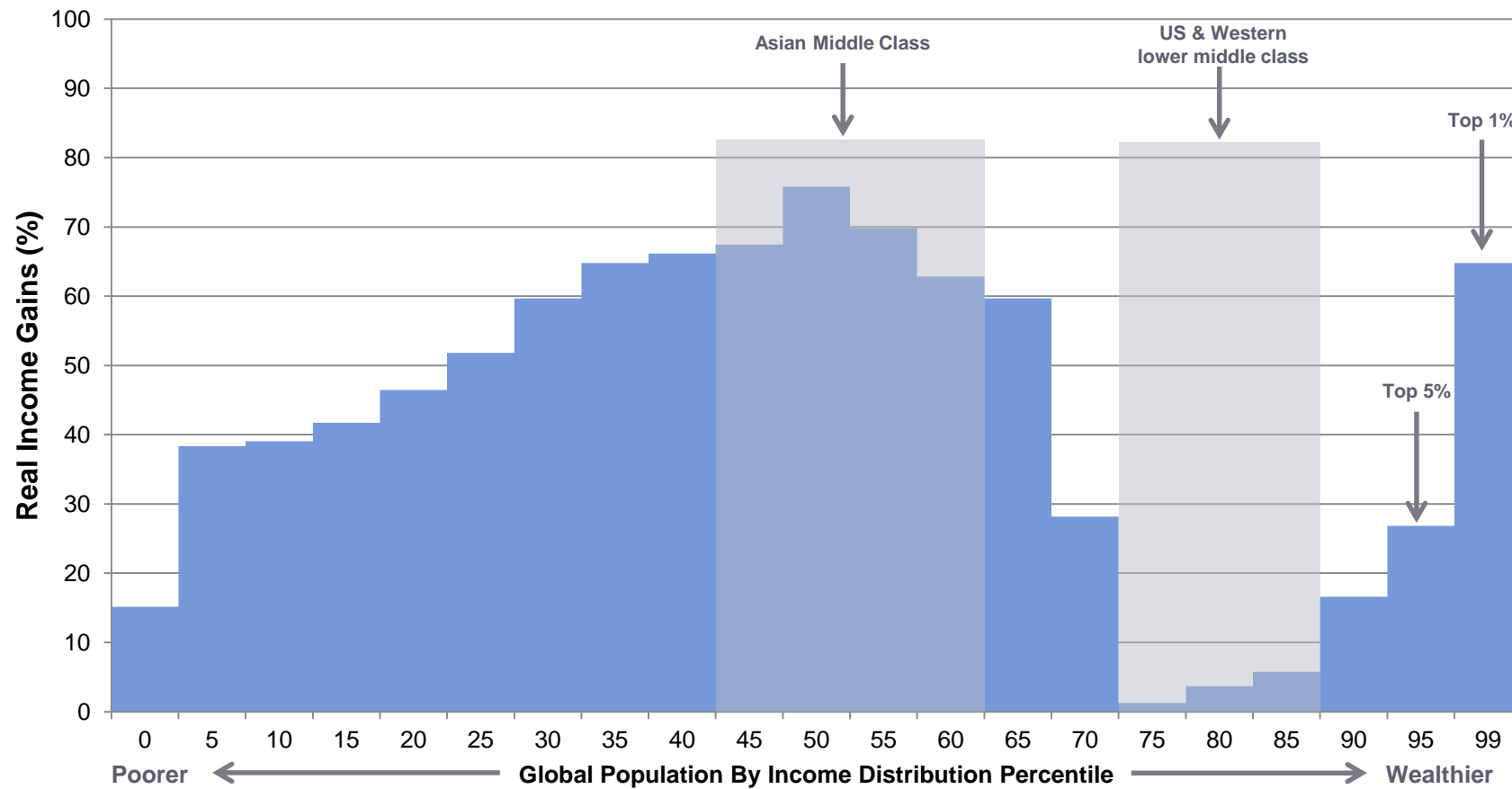
# The source of the populist revolt.

Figure 2 – Presidential candidate preference, by educational attainment (1980 – 2016)



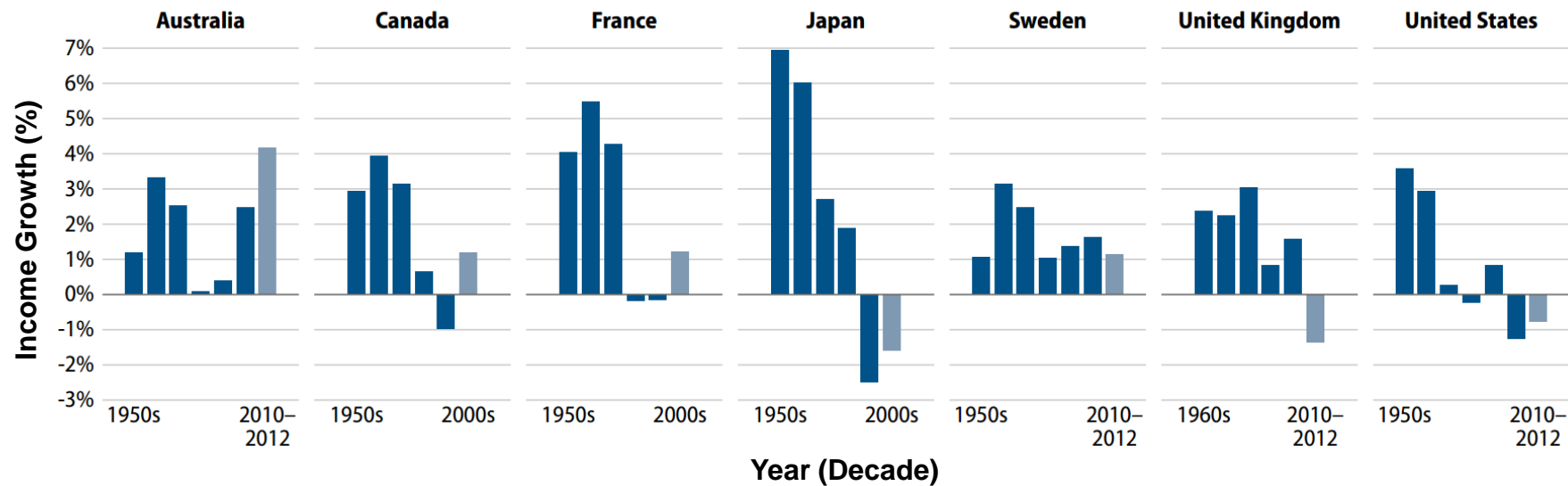
# Who has gained from globalisation?

Figure 3 – Real Income Change (1988 – 2008)



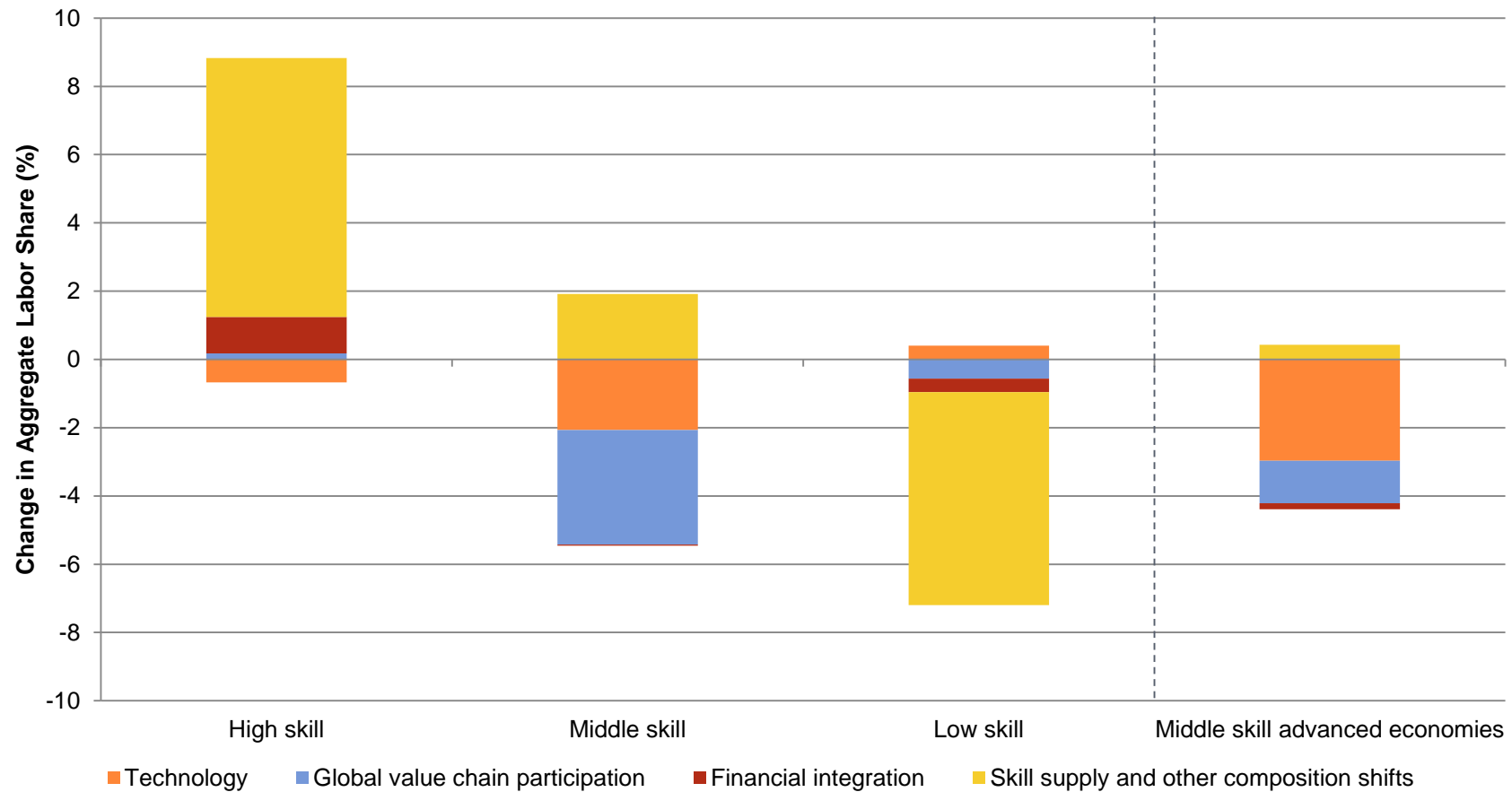
# The erosion of lower and middle income living standards in advanced economies.

Figure 4 – Bottom 90 Percent Average Annual Income Growth Rate in Select Advanced Economies by Decade



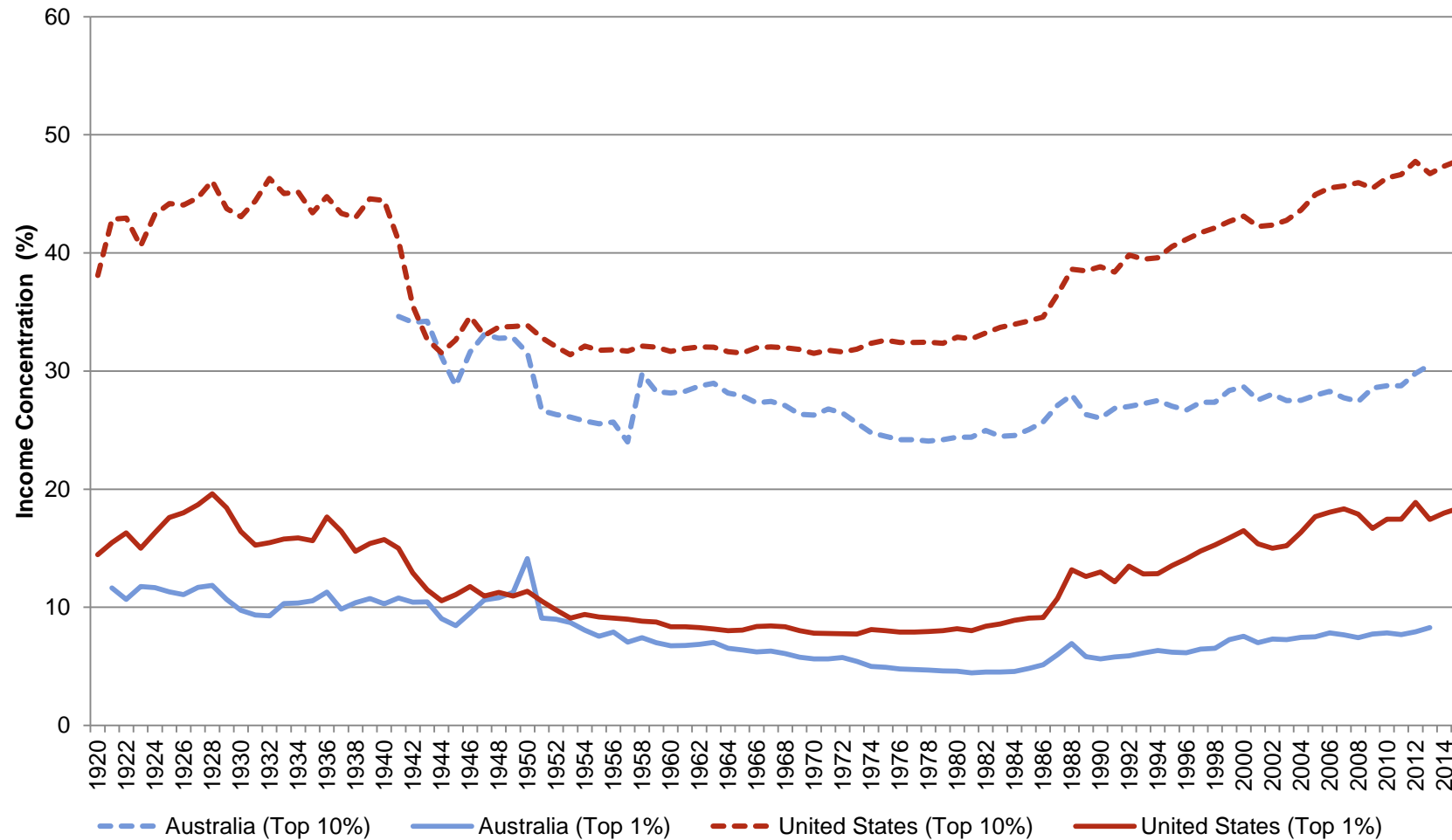
# The effect of technology on income distribution.

Figure 5 – Contributions to Aggregate Labor Share Change by Skill (1995–2009)



# The inequality challenge.

Figure 6 – Income Inequality (United States/Australia, 1920 – 2013)



# How inequality puts a handbrake on economic growth.

Figure 7 – Savings Rates By Income Group (1917 – 2012)



## PART 2 – THE ECONOMIC OUTLOOK

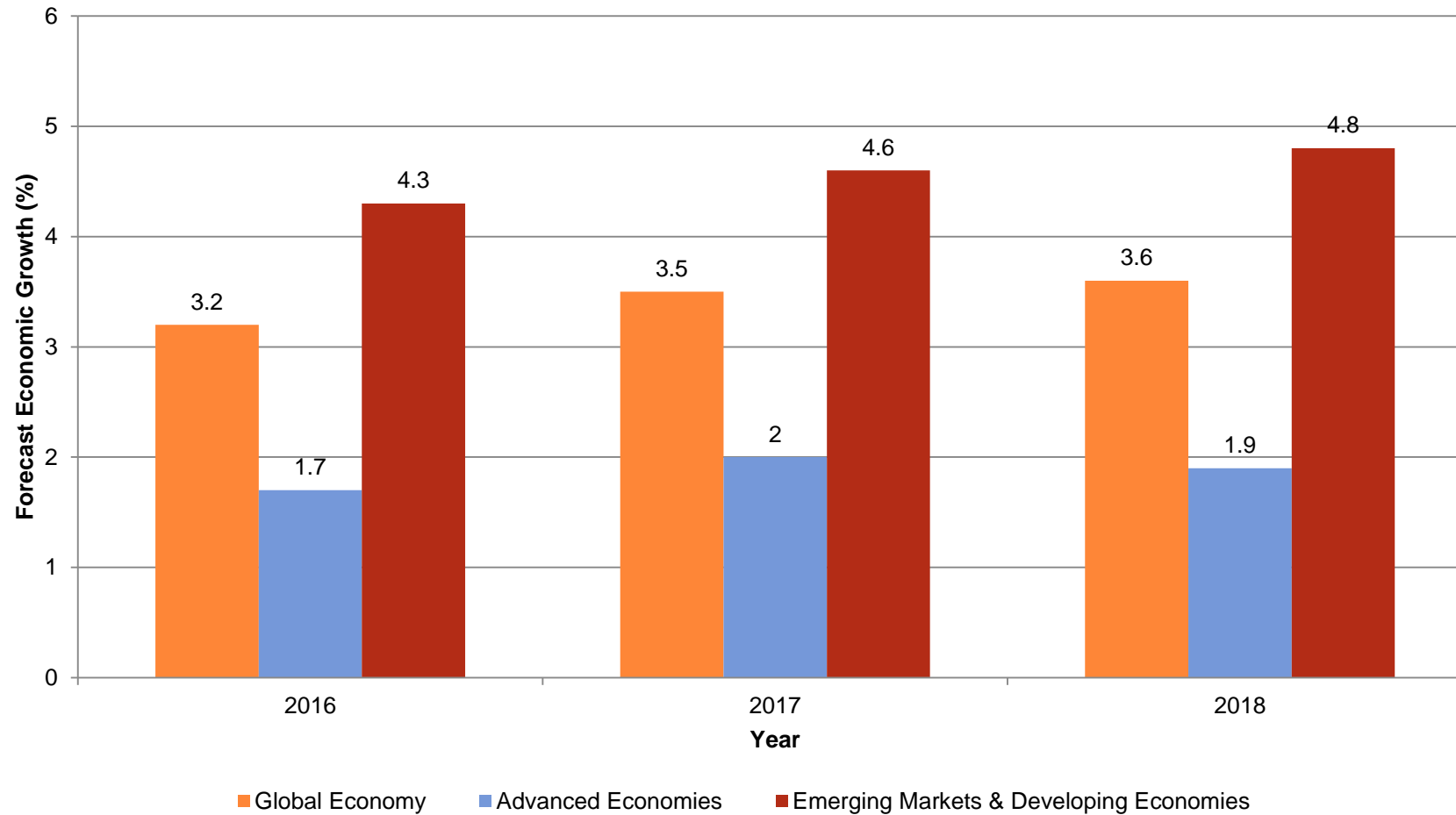
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*The Story of Australian Exceptionalism*



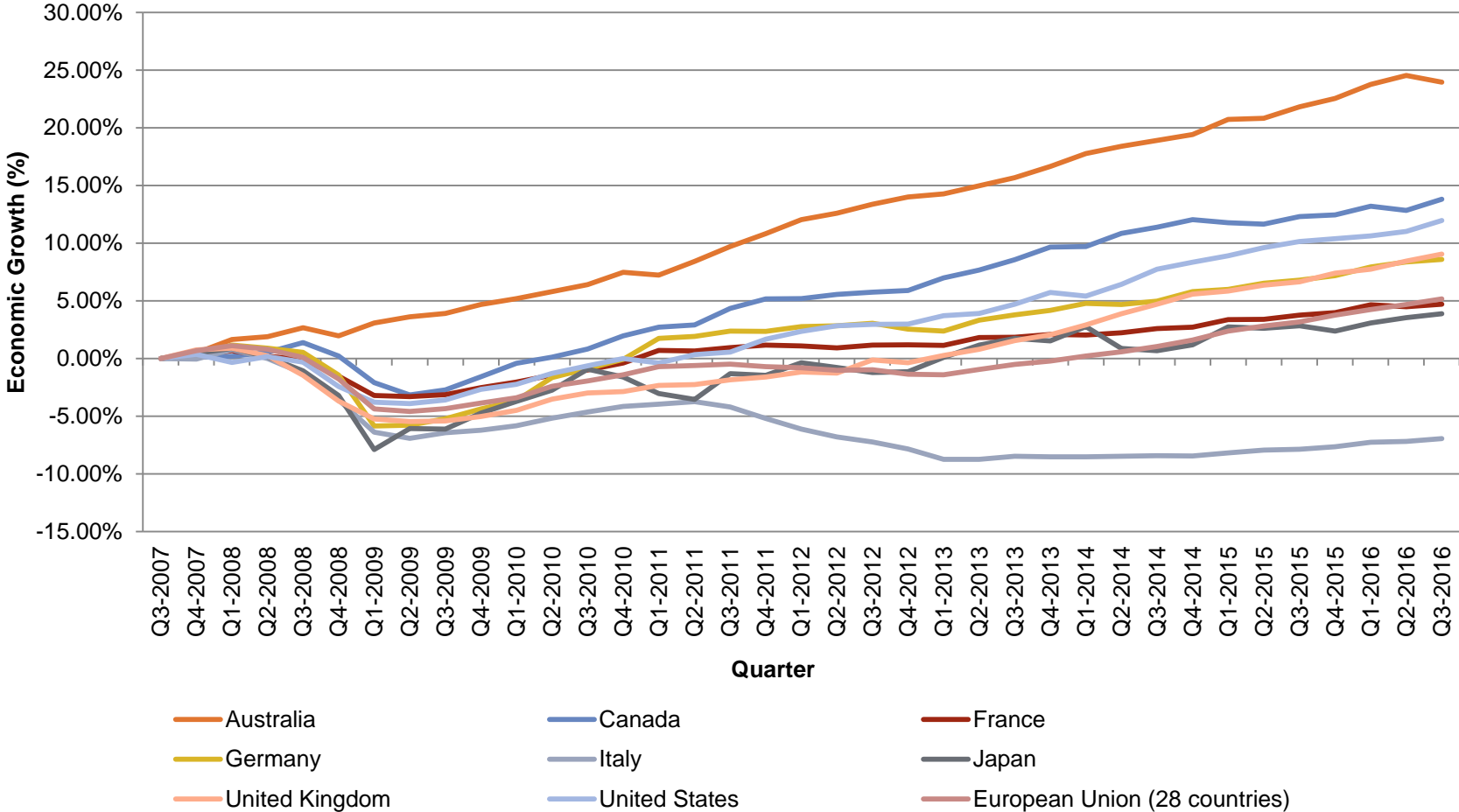
# The International Recovery.

Figure 8 – Forecast Economic Growth



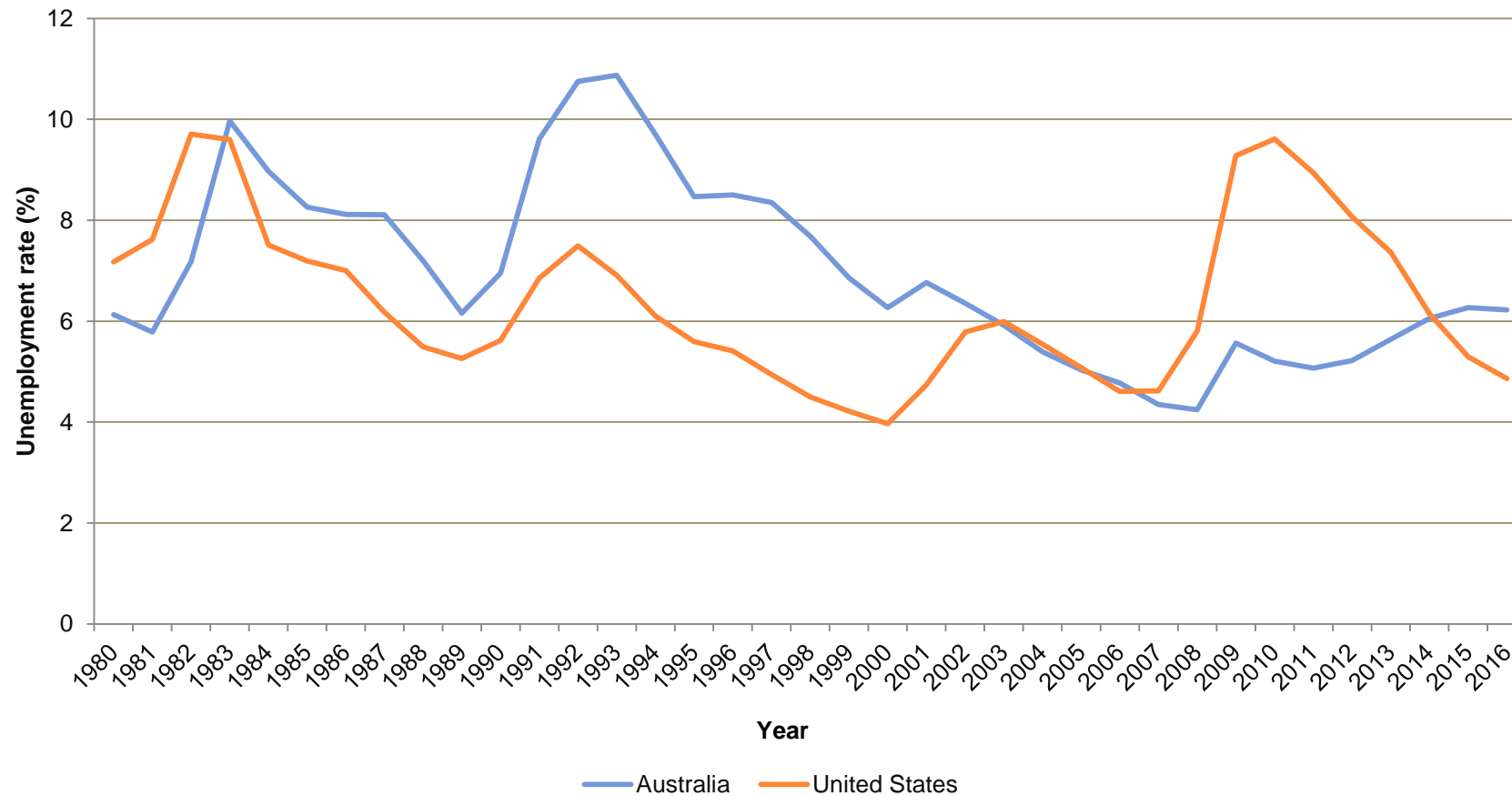
# Australia's Exceptionalism – Part I.

### Figure 9 - Real GDP Growth (International Comparison, 2007 – 2016)



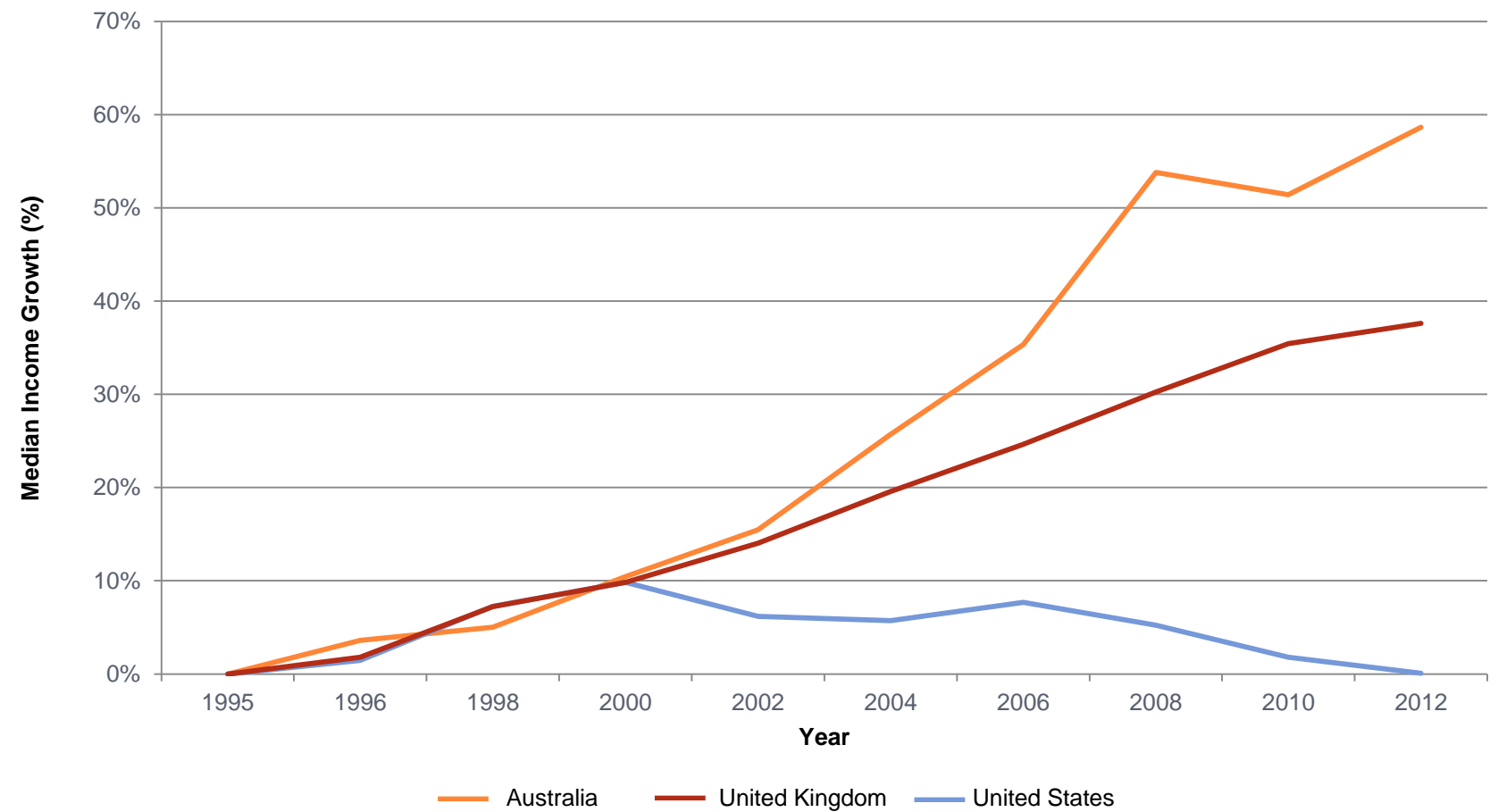
## Australia's Exceptionalism – Part II.

Figure 10 – Unemployment Rate (Australia-United States Comparison, 1980 - 2016)



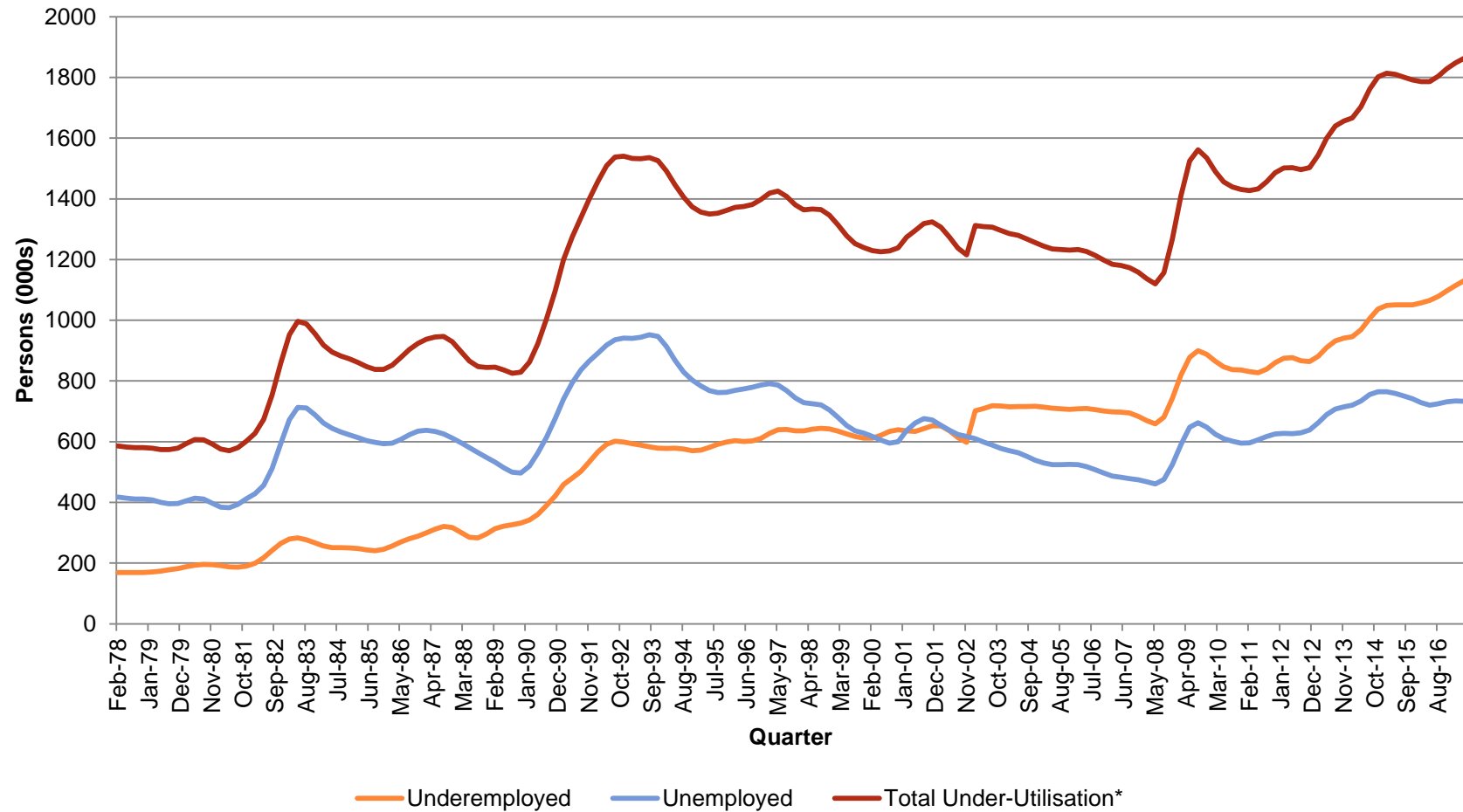
# Australia's Exceptionalism – Part III.

Figure 11 – Median Income Growth (1995 – 2012)



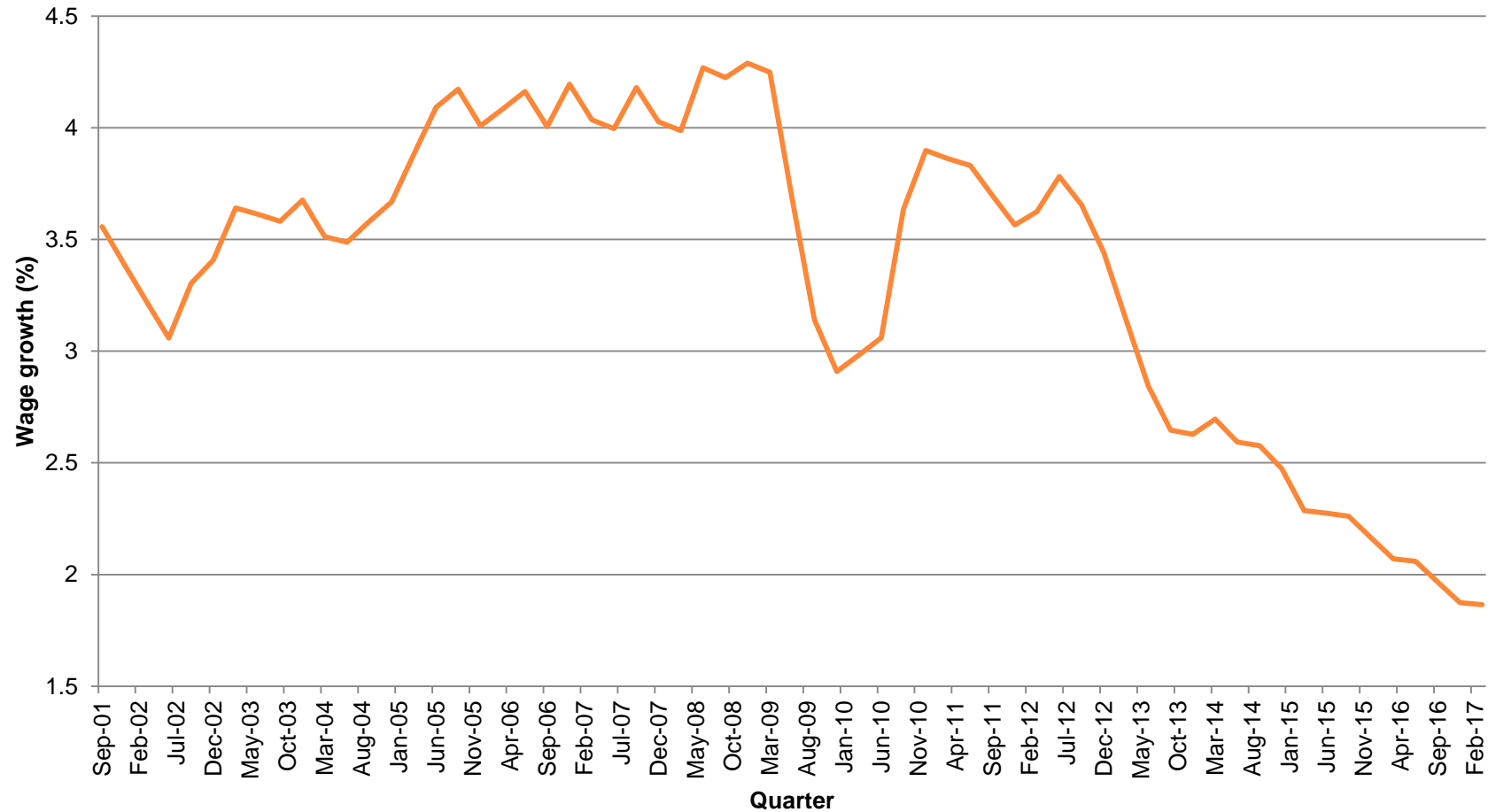
# Australia's Labour Market Challenge – Part I.

Figure 12 – Underemployment & Unemployment (1978 – 2016)



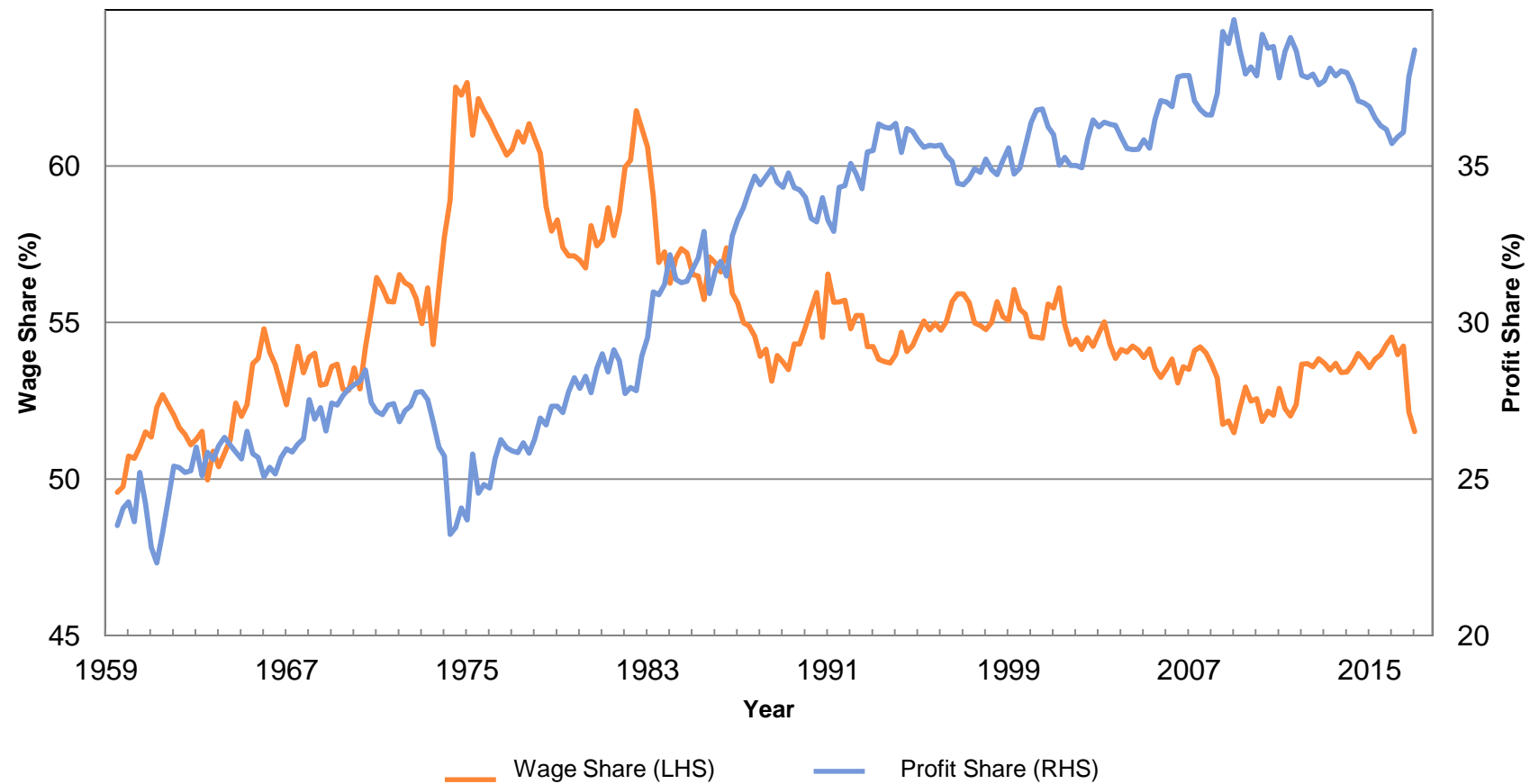
## Australia's Labour Market Challenge – Part II.

Figure 13 - Wages Growth (2001 – 2017)



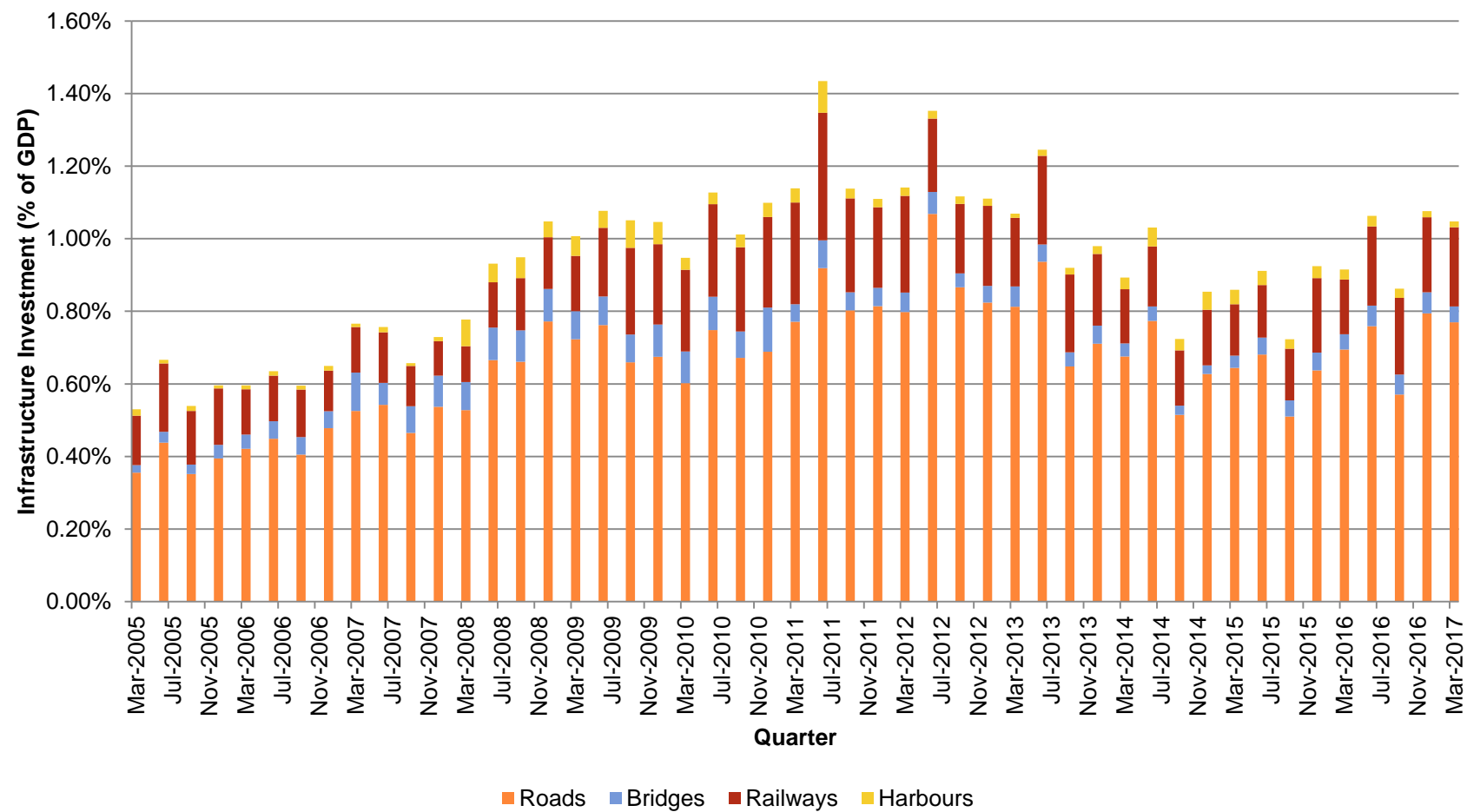
# Australia's Labour Market Challenge – Part III.

Figure 14 – Wage & Profit Share (1959 – 2016)



# Public infrastructure investment.

Figure 15 – Value of public infrastructure work done (2005 – 2017)





## BCA Executive at Parliament House Earlier This Year.

Executive	Company	Remuneration
Ian Narev (1)	Commonwealth Bank	\$12,304,948
Richard Goyder (2)	Wesfarmers	\$5,489,740
Joanna Farrel (3)	Rio Tinto	\$2,705,000
Alan Joyce (4)	Qantas	\$12,960,000
Catherine Tanna (5)	EnergyAustralia	\$5,204,000
Andrew McKenzie (6)	BHP Billiton	\$7,703,000
Sergio Ermotti (N/A)	UBS	\$18,603,948
Total		\$64,969,955



The challenge political and economic leaders across the developed world now face is how do we reverse the trend towards rampant inequality.

