

The new Australian dream: Workers prioritise wellbeing and flexibility amid rising AI fears and economic pressure

New report reveals tech and economic uncertainty are reshaping Australian workers' priorities, driving demands for balance, financial security, and career agility, while many feel unprepared for what's next.

SYDNEY, May 2026 – A significant shift is underway in the Australian workforce. Despite high career satisfaction, a new report by Real Insurance reveals that concerns over rising living costs, the accelerating impact of Artificial Intelligence (AI), and a growing desire for flexibility are fundamentally reshaping employee priorities. Nearly three in five Australian workers (59%) would now willingly accept lower pay for improved overall wellbeing, underscoring a profound re-evaluation of career values.

The research reflects a deeper cultural change, where mental health and work-life balance are increasingly outweighing income, becoming defining factors in career choices for 76% of Australians. This trend is particularly pronounced among younger generations, with 65% of Gen Z and 64% of Gen Y more inclined to consider lower pay for reduced hours. They're also not afraid to walk, with close to three in five (59%) of Gen Z indicating they would likely leave their current employer in the next 12 months in search of better pay, flexibility, or career growth.

The Real Jobs of the Future Report, commissioned in partnership with consumer research group MYMAVINS, surveyed 5,011 Australians aged 18 years and over. It explores critical themes including the future of work, the role of AI and technology, financial pressures, flexibility and wellbeing, and generational dynamics shaping the modern workplace.

AI and economic uncertainty drive the search for wellbeing and flexibility

The integration of AI into the Australian workplace presents a complex emotional landscape, directly influencing workers' expectations around wellbeing and flexibility. While nearly half (45%) of working Australians report AI and automation have had no impact on their current role, and around two in five (38%) report a positive impact, a significant concern remains: nearly two in three (64%) have experienced at least one negative emotional effect from AI at work. Commonly cited concerns include reliability or accuracy (27%) and reduced human interaction (22%).

Managing Director and Recruitment Specialist, Keiran Hathorn explains, "We are standing at a genuine inflection point in the world of work. I have seen cycles come and go, from the dot-com boom and crash through to COVID and now the rapid rise of AI. One thing that remains constant is the push and pull between employers and employees. Flexibility, purpose and engagement have always been the forces shaping the employment market."

This emotional impact extends to job security. More than one in three (36%) workers are concerned that AI could replace key tasks within their jobs over the next decade. This apprehension is driving action, with over two in five (44%) Australians undertaking upskilling or reskilling in the past year to reduce the risk of redundancy due to technological change. The concern is also generational, with over three in five (63%) parents worried about their children's ability to secure stable employment as AI and automation accelerate.

Despite these evolving demands, close to two in five (39%) Australians admit they feel unprepared for major changes in the future of work.

Mr Hathorn continues, "There are two dominant camps. One believes AI will replace large parts of human work, creating uncertainty about what comes next. The other, where I sit, sees AI as an enabler. A tool that removes

repetitive and mundane tasks, allowing people to focus on more creative and meaningful work. The hesitation around AI is understandable. It is not just the technology, but the uncertainty of where it lands. The truth is no one fully knows yet. What I do know is that every major shift creates opportunity for those willing to adapt. AI will be no different.”

Shifting priorities: wellbeing, flexibility, and fluid careers

Against this backdrop of uncertainty, expectations around wellbeing and work-life balance are rapidly evolving. Close to nine in 10 (89%) workers now feel that flexibility and autonomy are more important than they were five years ago. The prospect of a four-day workweek is highly appealing to around two in three (66%) workers, with women and Gen Y showing particular enthusiasm. More than three in four (76%) Australians believe that mental health and wellbeing are becoming increasingly central to career choices.

Accredited Specialist and Senior Lawyer, Roxanne Hart explains, “Certain employees have the right to request flexible working hours, a reduction in working hours/days and remote working. This is called a request for a flexible working arrangement and is available to certain employees if they have worked at the business for at least 12 months before making the request and are covered by the Fair Work Act (which is most employees in Australia).

There have been recent changes to the Fair Work Act which now give certain employees (and employers) a right to apply to the Fair Work Commission to resolve the dispute. The Fair Work Commission must try and mediate the dispute and if that is unsuccessful it can arbitrate the dispute and make a binding decision on the parties.”

The traditional, linear career path is becoming less relevant for many, with around two in three (66%) Australians expecting to have multiple careers or very different roles throughout their working lives. This fluid approach is reflected in the fact that over four in five (86%) have explored or would consider alternative or non-traditional work arrangements, such as starting a side hustle (44%), casual or shift-based work (31%), or running their own business (30%).

While around two in three (66%) Australians feel optimistic about their work and career over the next ten years, three in five (62%) are concerned that the cost of living will rise faster than wages, with women (67%) more likely than men (57%) to hold this concern. The concept of ‘meaningful work’ is also evolving, with nearly half (49%) expecting it to increasingly involve improved work-life balance and flexibility, alongside greater use of technology and remote or hybrid work becoming standard.

Financial pressures fuel new career strategies and generational divides

Financial considerations are playing a significant role in shaping career decisions and mobility. More than two in five (44%) Australians report staying in a job longer than they wanted to due to financial pressure, with women (47%) more likely than men (40%) to do so. The rising cost of living since 2020 has also impacted decision-making, with around two in three (66%) saying it has reduced their willingness to take career risks or pursue non-traditional work.

This economic environment is also driving entrepreneurial behaviour, with over three in five (63%) Australians interested in starting a side hustle or small business. This rises to around three in four for Gen Z (75%) and Gen Y (72%). Around two in five (40%) have already taken on additional income sources, primarily to manage increased living costs (48%) and improve financial security (45%).

Generational differences continue to shape workplace experiences. Nearly two in five (39%) of those not yet transitioning to retirement feel they must compromise their values to progress in their careers, a sentiment strongest among Gen Z (47%) and Gen Y (42%). Many also perceive a disconnect, with close to one in two (47%) believing Australian workplaces do not adequately understand Gen Z's needs, and around four in five (79%) agreeing that Gen Z's expectations clash with traditional workplace norms.

Miss Hart explains, "There have been a number of changes to Australian employment laws over the past few years, including the introduction of a "right to disconnect" which was introduced in 2024 with the aim of enabling and supporting productive work from home and flexibility of work and to protect the right of workers to disconnect from their job outside of contracted hours and to enforce this right with their employer. Essentially "availability creep" has been caused by changes in technology and the line between flexibility and unreasonable expectations has been blurred, resulting in negative consequences for the wellbeing of workers."

A shared responsibility for a resilient future

Australians see responsibility for protecting future job prospects as shared, but led by government (67%), followed by employers (57%), individuals (46%), and the education and training system (43%). To improve their sense of security, nearly one in two (48%) Australians say income protection or financial safety nets would make the biggest difference, alongside strong demand for fully funded or subsidised training (41%) and access to flexible upskilling programs (40%).

Support for structural change is also strong, with close to two in three (64%) backing a formal 'right to disconnect' law, and four in five (80%) supporting a broader shift towards life-work balance. Key workplace improvements include more flexible working hours (55%), a four-day workweek (50%), and greater location flexibility (45%).

For more information or to access the full 'Real Jobs of the Future' report, [click here](#).

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About the Real Jobs of the Future 2026

The Real Jobs of the Future Report 2026 was compiled based on research commissioned by Real Insurance and conducted by MYMAVINS between January and March. The research was carried out through a quantitative online survey, gathering 5,011 responses from Australians aged 18 and above. The sample is broadly representative of the Australian population in terms of age, gender, wealth, and region.

About Real Insurance

Real Insurance is an award-winning provider of insurance products, specialising in life, income protection, funeral, health, home, car, pet, travel and landlords insurance. In the market since 2005, Real Insurance have protected the quality of life of many Australians through the delivery of innovative products. Real Insurance is the proud recipient of many product and service awards, including the 2026 Feefo Platinum Trusted Service Award for a range of products, the 2026 ProductReview.com.au Annual Awards for Life Insurance and Funeral Insurance, and the 2026 Reader's Digest Quality Service Award for Pet Insurance, as well as being named a finalist in the 2025

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