



# RESEARCH NOTE

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## Australia 1975 to 2000—Part B: Labour Force

### Introduction

This is the second in a series of Research Notes that examines some of the major social and economic trends that have occurred in Australia since the mid-1970s.<sup>1</sup> In this Research Note a profile of the labour force in 2000 will be compared with that of 1975.

Policy initiatives in the areas of social, economic and industrial relations have had a profound effect on the supply and demand for labour. More women are participating in the labour force and there has been a shift from full to part-time work. Unemployment rates are much higher than they were in 1975.

### Female employment

Women are now much more actively engaged in the labour market than they were in 1975. Since then the proportion of women participating in the labour force has increased from 41.1 per cent to 56.1 per cent for married women and from 43.0 per cent to 54.8 per cent for women generally. At the same time the proportion of males participating in the labour force has fallen from 80.5 per cent to 72.0 per cent. The result of this change in participation patterns has meant that women have increased their share of total employment from 34.6 per cent to 44.1 per cent. In actual numbers there are now nearly twice as many women employed as there were in 1975.

### Part-time work

Part-time job growth rates have been phenomenal when compared with full-time employment. The

average annual growth rate for part-time employment has been 4.5 per cent. This compares with 1.1 per cent for full-time jobs and 1.8 per cent for jobs overall.

In 1975 full-time work was the most common form of employment for both men and women. At that time 96 per cent of employed men were employed full-time and 68.2 per cent of employed women were employed full-time. The picture is now very different. Over a quarter of the total employed work force (26.7 per cent) is now employed part-time. The proportion of men in full-time employment has fallen to 86.9 per cent and for women it is now only 56.0 per cent.

Paradoxically, even though the proportion of women in full-time jobs has declined, women have increased their share of all full-time jobs. An explanation for this trend could be the fact that women tend to be located in industries with the fastest rates of employment growth. Industries in the service sector of the economy such as education, retail and property and business services account for over 64 per cent of jobs held by women. By contrast these industries account for only about 50 per cent of jobs held by men. Men, on the other hand, are more heavily represented in those industries like manufacturing and the utilities that have lost jobs. These industries account for 22 per cent of full-time jobs held by men as opposed to 12.3 per cent for women. As a result women have increased their share of full-time workers from 27.3 per cent in 1975 to 33.7 per cent now.

Another anomaly is that despite this trend towards part-time work workers are actually working longer hours.

Since 1980 the average male full-time worker's hours have increased from 41.5 hours to 44.2 hours a week. Even part-timers are working longer now with average weekly hours of part-time staff increasing from 15.6 to 16.3 hours per week.

### Casual employment

The shift in employment from full-time to part-time work has been accompanied by a growing rate of casual employment for both full-time and part-time employees. This has grown from 16 per cent of employees in 1984 to 26 per cent in 1999.

However, not all labour market analysts are convinced of the scale of this trend. Researchers at the Productivity Commission have defined casual employment as being occasional, short terms and irregular. They argue that the ABS data overstates the situation by including owner managers, who are not really employees, and employees on casual long term contract, who are therefore not as insecure in their employment<sup>2</sup>.

### Unemployment

In the last 25 years one of the biggest issues that the labour market has posed for governments is that of unemployment. During the 1950s and 1960s the unemployment rate stayed between one and two per cent. During the 1970s it started to creep up so that by 1975 it had reached a rate of 4.7 per cent. Each economic recession since then has

Labour force— original series (Aug)	1975				2000				
	Per cent of gender (‘000)	Per cent of employment category	Per cent of Total employment	Per cent of Total employment	Per cent of gender (‘000)	Per cent of employment category	Per cent of Total employment	Average annual growth (%)	
<b>Males</b>									
Employed Full-time	3 668.4	96.0	72.7	62.8	4 399.1	86.9	66.3	48.6	0.7
Employed Part-time	152.2	4.0	19.2	2.6	660.9	13.1	27.3	7.3	6.0
Total employed	3 820.6	100.0	65.4	65.4	5 060.0	100.0	55.9	55.9	1.1
Participation rate (%)	80.5				72.0				
<b>Females</b>									
- married									
Employed Full-time	783.9	60.1	15.5	13.4	1 277.0	53.5	19.3	14.1	2.0
Employed Part-time	519.7	39.9	65.4	8.9	1 109.7	46.5	45.9	12.3	3.1
Total employed	1 303.6	100.0	22.3	22.3	2 386.6	100.0	26.4	26.4	2.4
Participation rate (%)	41.1				56.1				
- all females									
Employed Full-time	1 378.5	68.2	27.3	23.6	2 232.9	56.0	33.7	24.7	1.9
Employed Part-time	642.3	31.8	80.8	11.0	1 755.6	44.0	72.7	19.4	4.1
Total employed	2 020.8	100.0	34.6	34.6	3 988.4	100.0	44.1	44.1	2.8
Participation rate (%)	43.0				54.8				
<b>Persons</b>									
Employed Full-time	5 046.8	86.4	100.0	86.4	6 631.9	73.3	100.0	73.3	1.1
Employed Part-time	794.5	13.6	100.0	13.6	2 416.5	26.7	100.0	26.7	4.5
Total employed	5 841.3	100.0	100.0	100.0	9 048.4	100.0	100.0	100.0	1.8
Participation rate (%)	61.6				63.3				

Source: PC Ausstats, ABS

pushed up the rate to new levels of highs and lows. The last recession pushed it to 11.2 per cent in 1993.

The most recent figure for September 2000 of 6.3 per cent is the lowest rate since May 1990. It is still higher than the low of 5.8 per cent reached in November 1989.

The length of time people spend in unemployment has also increased. In August 1978 15.1 per cent of the unemployed were unemployed for a year or more. This reached a high of 38.4 per cent in May 1993. This has also now started to decline. As of

September 2000 it stands at 24.8 per cent.

## Conclusion

Major changes have occurred in the Australian labour force in the last 25 years. In the 1970s the average employee was likely to be male, working 40 hours in a secondary industry. Now that employee is just as likely to be a woman working part-time in a service based industry. Those with full-time jobs tend to work longer hours. The unemployment rate is much higher

and those in unemployment spend longer out of work.

1. The first was Guy Woods, *Australia 1975 to 2000—Part A: Industrial Change*, Research Note no. 33, 1999–2000, Department of the Parliamentary Library.
2. Greg Murtough and Matthew Waite, *The Growth of Non-Traditional Employment: Are Jobs Becoming More Precarious?*, Staff Research Paper, Productivity Commission, Canberra, July 2000.

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*Views expressed in this Research Note are those of the author and do not necessarily reflect those of the Information and Research Services and are not to be attributed to the Department of the Parliamentary Library. Research Notes provide concise analytical briefings on issues of interest to Senators and Members. As such they may not canvass all of the key issues. Advice on legislation or legal policy issues contained in this paper is provided for use in parliamentary debate and for related parliamentary purposes. This paper is not professional legal opinion.*

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Unemployment rate

