

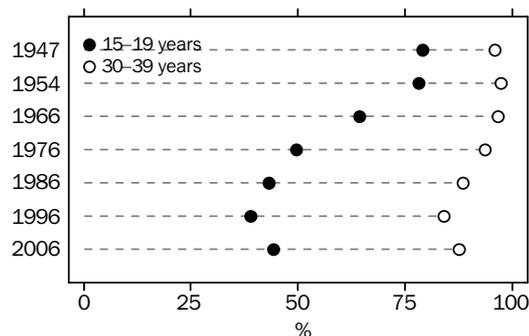
Generations of employment



Each generation of Australians has had different employment experiences, which have been shaped by the economic and social conditions of the day. At the economic level, over recent decades there has been growth and decline across the major industry sectors, as well as deregulation in a number of industries. Parallel to this have been changes in labour force regulation and industrial relations, including an increase in availability of part-time work. At a social level, substantial changes have occurred in women's participation in employment, brought about by broader changes in how society views women's roles and the choices available to them. In addition, jobs have become more technical and complex, requiring a more highly educated workforce. As a result, young people are increasingly likely to stay in education for longer and older people are more likely to return to education.

This article examines how these factors have changed the employment experience of different generations of Australians—highlighting the changing nature of employment in Australia between 1947 and 2006. For more information on the generations used in this article see the box on the next page.

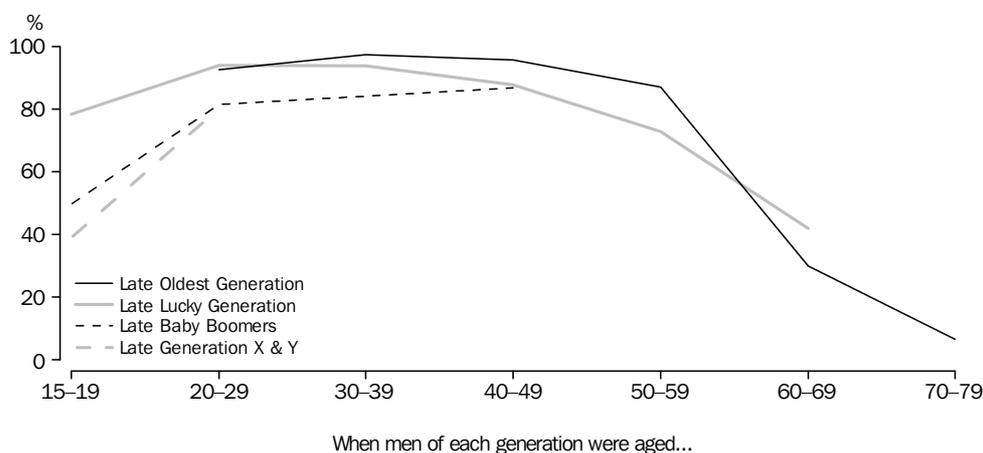
Men's employment participation



Men's employment participation declines

For men, the age pattern of participation in employment (that is, the proportion of people employed) has remained broadly similar for each generation (see graph below). In each generation, the proportion of men employed increased between the 15-19 and 20-29 year age groups, remained generally stable until ages 50-59, and declined thereafter.

Men's employment participation: selected generational groups



Tracking employment characteristics across generations

In order to track the employment characteristics for each generational group across time, this article uses Census of Population and Housing data from 1947 to 2006. Ten year age cohorts have been selected, with data obtained from every second census since 1966 (that is, 1976, 1986 and so on). For the 1947 and 1954 Censuses, which were not at 10 year intervals, the age groups used do not perfectly align with birth years for the generations. This affects the comparison of the three oldest generational groups. For example, at the time of the 1954 Census, people in the later half of the Oldest Generation were aged between 28 and 37 years, but data from this census are only available in 10 year age groups (for example, 20–29 years, 30–39 years). In this case, the 30–39 years age group is used to represent this generation. It is expected that the effects of these differences are relatively minor and do not affect the broad comparisons made in the article.

As 10 year age groups are used each generation—spanning 20 years of age each—has been split into two: an early and a later generational group (see table below). For more details about the generations used, see ‘From generation to generation’, p. 9–14.

Generational groups	Age at 2006	Birth cohort
Early Oldest Generation	90–99	1906–1916
Late Oldest Generation	80–89	1916–1926
Early Lucky Generation	70–79	1926–1936
Late Lucky Generation	60–69	1936–1946
Early Baby Boomers	50–59	1946–1956
Late Baby Boomers	40–49	1956–1966
Early Generation X and Y	30–39	1966–1976
Late Generation X and Y	20–29	1976–1986
Early iGeneration	10–19	1986–1996
Late iGeneration	0–9	1996–2006

...broadly comparable information

Across these censuses, changes to the questions asked on the census form and changes to the classifications used to produce census statistics mean that the characteristics examined may not be completely comparable. That said, the general level of comparability has been assessed to be suitable for the comparisons made in this article.

The treatment of overseas visitors is one example of these differences. In the published results of the 1947, 1954 and 1966 Censuses, overseas visitors were not separately identified. In censuses after this they were separately identified, but due to increasing numbers of these visitors, for the 1996 and 2006 Censuses the labour force status and industry of occupation of overseas visitors was not recorded. As a result, in this article, overseas visitors have been included in the calculation of statistics for all census years except 1996 and 2006.

The greatest change in employment participation for men has occurred among 15–19 year olds, where employment participation has generally declined with each successive generation—a pattern also evident in women’s employment participation at this age. In 1947, just over 79% of 15–19 year old men from the early Lucky Generation were employed. By 1976, half of the late Baby Boomer men in this age group were employed. The lowest level of employment participation for men aged 15–19 was at the 1996 Census: 39% for those in late Generation X and Y. Following a period of strong economic conditions and labour demand, this proportion was higher for the early iGeneration: 44% in 2006.

These changes were associated with increased participation in education for each generation. In the 50 years after 1947, increasing proportions of young people remained at high school through to Years 11 and 12. For example, high school retention rates peaked in 1992 at 77%, rising from 23% in 1966.¹

Over this period, opportunities for participation in further education also increased. In the 1950s and 1960s, there was a substantial increase in the number of

universities and enrolments in higher education.² In the 1970s, upfront university fees were abolished and student income support programs were introduced (for example, AUSTUDY).³ This was then followed by substantial increases in funding in the 1980s, which occurred in line with the introduction of the Higher Education Contribution Scheme (HECS).⁴ Since the early 1990s, there has also been a re-emergence and formalisation of vocational and trades education.⁴

Many of these increased opportunities in further education have been taken up by people in the 20–29 year age group, and to a lesser extent by those in older age groups. As with 15–19 year olds, this increased participation in education has reduced employment participation for successive generations of 20–29 year olds. Similarly, increased participation in education will have also contributed to the general decline in employment participation in subsequent age groups. For more information on changes in participation in education, see ‘Adult education across the generations’ p. 123–127.

Employment participation turns around in 2006

Changing economic conditions over the second half of the 20th century resulted in relatively high rates of unemployment from the mid-1970s through to the end of the century. This, combined with increasing participation by women in the workforce and an increased propensity to undertake further study, was associated with declines in male employment participation across the generational groups over this period. In contrast, declining unemployment from around the end of the 1990s, was associated with a recovery in employment participation for men across all age groups. The article ‘From generation to generation’, p. 9–14, provides an overview of the unemployment experience of the different generations.

Up until the 2006 Census, employment participation for men in the age groups between 20 and 59 years was generally slightly lower with each successive generational group. For example, at age 30–39, 97% of men in the late Oldest Generation were employed in 1954, 94% of the late Lucky Generation in 1976 and 84% of the late Baby Boomers in 1996.

At the 2006 Census, the trend of declining employment participation was reversed. Reflecting the stronger economic conditions over the previous decade, in 2006 the

proportion employed in each age group exceeded that of the previous generational group at the same age. For example, in 2006, the early Generation X and Y group were aged 30–39 and 88% of this group were employed—4 percentage points higher than the late Baby Boomers when they were the same age in 1996.

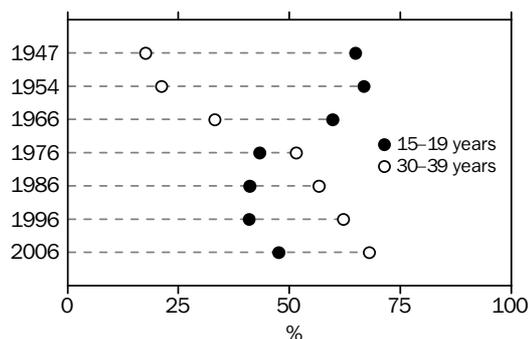
Another more recent change in employment participation occurred in the 60–69 year age group. In 2006, 42% of men from the late Lucky Generation were participating in employment at this age, substantially higher than the two groups from the Older Generation, whose employment participation was slightly below 30% when they were in this age group. The favourable job market in the previous decade would have contributed to the higher level of employment participation in this age group. However, the introduction of a range of government policies directed at the older workforce may have encouraged older people to return to or remain longer in the workforce.

Women’s employment increasing

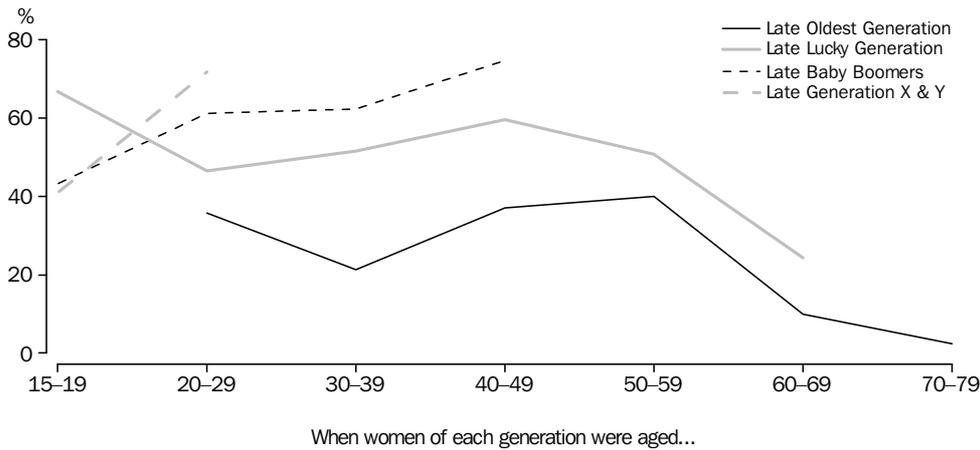
Women’s generational experiences of employment participation have been diverse and quite different to men’s, with large scale changes occurring over the last 60 years. The only trend that is similar to men’s participation is the declining employment participation among the 15–19 year olds in each successive generation, associated with increased participation in education.

Aside from these changes for young people, women’s employment participation since 1947 has generally increased in each age group, across successive generations. For example, in 1947, 18% of women from the early Oldest Generation, then aged 30–39, were employed.

Women’s employment participation



Women's employment participation: selected generational groups



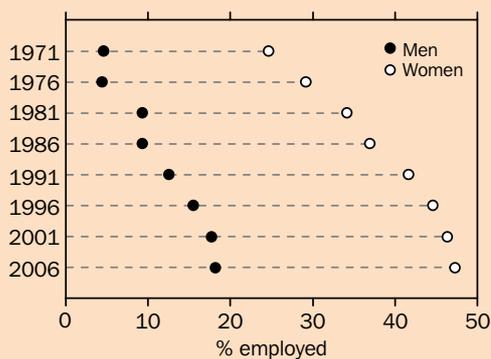
By 1976, a little over half (52%) of late Lucky Generation women at the same age were participating in employment. By 2006, 68% of women, from the early half of Generation X and Y, aged 30–39, were participating in employment.

This trend of increasing employment participation for women in each successive generation is largely associated with changing attitudes to the roles of women in society, and women, on average, having fewer children and having them later in life. Parallel to this, a range of legislative changes in the 1960s and

1970s gave women—particularly those who were married or had children—a greater opportunity to participate in employment⁵; most commonly through part-time employment (see box below).

The age profile of women's employment participation has also changed across generations. The employment participation experience of women in the late Lucky Generation is similar to the broad pattern experienced by those in previous generational groups, although the levels for these groups were lower (see graph, this page). Women of

Part-time employment



Significant changes have occurred to the composition of the workforce over the second half of the 20th century and early 21st century. Changes to labour force regulation and industrial relations, as well as increased demand by employers and employees, resulted in increased provision and take-up of part-time employment.

Much of the growth in women's employment over the 30 years to 2006 has occurred through the take-up of part-time work. Part-time employment is seen as an effective way for women, and to a lesser extent men, to participate in employment while also having time to care for children or to undertake study or other activities.⁶ That said, some part-time workers report a desire to work more hours if the work was available.⁷

In 1971, 25% of employed women were working part-time. This had increased to 47% by 2006. The proportion of men employed part-time also increased over this period, but from lower initial levels. In 1971, only 5% of men were employed part-time compared with 18% in 2006—still lower than the level for women in 1971.

the late Lucky Generation had relatively high employment participation (67%) when aged 15–19. Once these women moved into the 20–39 year age group—the main child-bearing ages for that generation—employment participation dropped to around 50%. Participation then rose as women entered or re-entered the workforce as their children become older: peaking at 60% at age 40–49. After this age participation declined as these women entered retirement ages.

In contrast, younger generations of women have begun to follow a pattern of participation in employment very different to that of their mothers and grandmothers. Moreover, this pattern is aligning with that of their male peers in the same generation. This change began to emerge with the late Baby Boomer Generation and has continued with each subsequent generation.

As a result of these changes, the employment participation of women aged 15–19 years in late Generation X and Y (41% in 1996) and the iGeneration (48% in 2006) was actually higher than for men in these generations at the same

age (39% and 44% respectively). That said, when the late Generation X and Y women reached 20–29 years of age in 2006, their participation was 72%, which was lower than the 80% for their male peers. Like the generations before them, many women continue to leave employment to bear and raise children, and this is reflected in lower levels of employment participation compared to men of the same generation.

Industry of employment

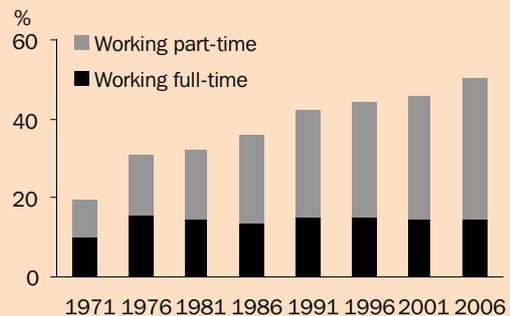
As Australia has continued to develop as a nation, the composition of its industries has changed. There has been a fundamental shift in the industries providing the greatest share of employment for each generational group, from a long term decline in primary production industries to the growing dominance of service provision industries. The following analysis looks at each generational group when its members were aged 30–39 to show the changes in the composition of employment by broad industry type. People aged 30–39 are assumed to be employed in their industry of choice.

Working mothers with young children

Over the second half of the 20th century and the early part of the 21st century, the opportunities for women in the labour force have increased. Census data on employment from 1971 to 2006 show that mothers in each successive generation have been more likely to combine caring for their children with participation in employment. The availability and uptake of part-time work has been central to this change.

In 1971, 20% of mothers with young children (at least one child aged under 5 years in single family households) were employed, with about equal proportions working part-time and full-time. Between 1971 and 1976, the proportions employed full-time and part-time both grew by approximately 5 percentage points to be just over 15% each. In contrast, between 1976 and 2006, almost all of the employment growth for this group has been in part-time employment. As a result, the proportion employed full-time remained at around 15% over this period, while the proportion employed part-time grew to 35% in 2006.

Mothers with young children(a)



(a) Mothers with at least one child aged under 5. Only includes single family households; this is due to limited relationship information in the censuses prior to 1986.

Industry Categories

In order to compare changes in employment in Australian industries over time, industry data from the census have been grouped into three broad categories, which include the following general categories of industries:

- **Primary production:** agriculture, fishing and mining
- **Secondary production:** manufacturing, construction, and electricity, gas and water supply
- **Service industries:** wholesale trade, retail trade, finance and insurance, property and business services, transport and storage, communication services, government administration and defence, education, health and community services, and cultural and recreational services

Changes to the classifications of industries of employment used in each census mean that these three groups are only broadly comparable, providing only a general indication of change in employment by industry.

In the 2006 Census, industry data were dual coded to the 1993 and 2006 versions of ANZSIC. To facilitate comparability to previous censuses, the 1993 version has been used in this article.

The move away from primary production and manufacturing industries to service provision industries has been a progressive transformation rather than a sudden shift. For each generational group at age 30–39, there has been a gradual decline in the share of employment in primary production and manufacturing industries and a corresponding increase in the share of service industry employment. This trend was apparent in almost all age groups.

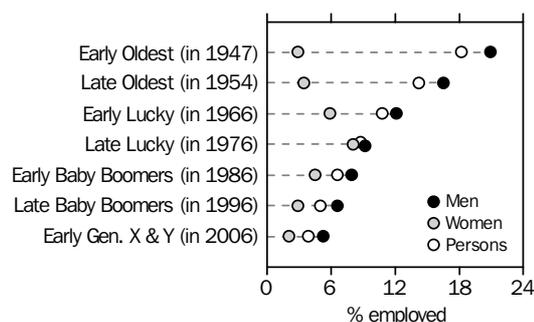
Primary production

Primary production industries include the agricultural, fishing and mining sectors. Since the middle of the last century, these industries have gradually declined as a source of employment.

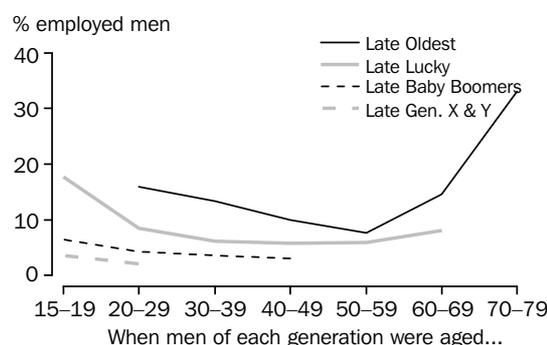
Men moving away from farming

For men, the declining share of employment in primary production industries with each successive generation has been much more pronounced than for women (see Primary production graph, this page). For men this is primarily associated with the overall decline in the share of employment in Agriculture that has occurred over the second half of the 20th century. For women, these declines have been less pronounced, as they have generally been less likely than men to be employed in Agriculture. In addition, it is likely that not all women of earlier generations who worked on family farms reported in the census that they worked in agriculture.

Primary production: employed persons aged 30–39 years



Men employed in Agriculture: selected generational groups(a)



(a) Separate 1966 data are not available for the Agricultural industry, therefore data for Oldest Generation aged 40–49 and Lucky Generation aged 20–29 are based on estimates.

In addition to men's share of employment in Agriculture declining with successive generations, it has also declined as the men in each generational group have moved through their working lives. For example, when the men from the early Oldest Generation were aged 20–29, in 1947, 16% of those employed were working in Agriculture. By the time they were 50–59, in 1976, this proportion had dropped to 8%.

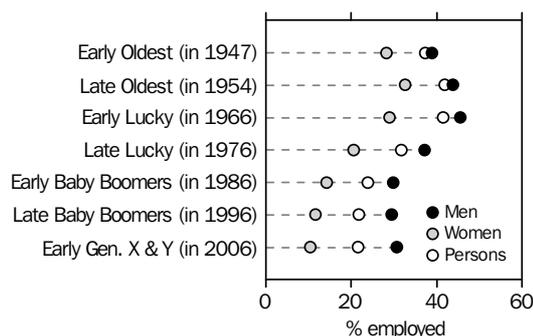
In the age groups normally associated with retirement, 60 and over, the proportion of employed men working in Agriculture rose. It appears that men in the Agricultural industry are less likely to retire than men employed in other industries. For example, the number of men in the early Lucky Generation employed in Agriculture declined by 56% between the ages of 60–69 and 70–79 (from 1996 to 2006), compared with a decline of 85% in secondary production. This trend could be influenced by younger generations of Australians choosing different occupations instead of taking over the family farm or buying farming businesses.

Secondary production

Industries such as manufacturing and construction fall into the secondary production industries group. In the years following the Second World War, strong economic conditions and high immigration led to the post-war modernisation of the Australian economy, typified by the Snowy Mountains Hydro-electric Scheme. These conditions led to higher demand for employment in the manufacturing sector, and underpinned the longer term transition in the economy from being based largely on primary production to secondary production.

At the time of the 1954 and 1966 Censuses, secondary production had reached its greatest share of employment, accounting for 42% of all employed persons aged 30–39—those in the later Oldest Generation in 1954 and the early Lucky Generation in 1966. By 1976, the rising dominance of service industries had begun to emerge, with the proportion of employed people aged 30–39 working in secondary production industries declining to 32%—members of the late Lucky Generation. Between 1976 and 1996, the proportion of people employed in secondary production continued to decline. It then remained steady through to 2006, with around 22% of 30–39 year old late Baby Boomers (in 1996) and early Generation X and Y (in 2006) working in these industries.

Secondary production: employed persons aged 30–39



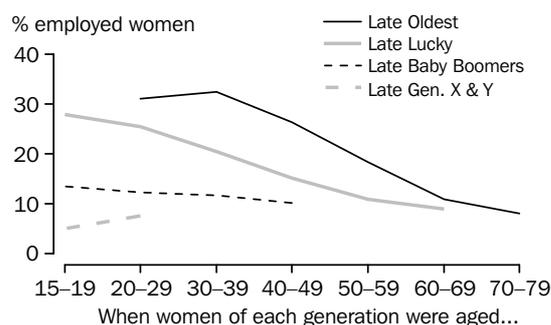
Over the 30 year period to 2006, the effects of globalisation and increased manufacturing competition from overseas had worked to reduce the proportions of those employed in secondary production industries. However, growth in industries that provide support to the mining industry, such as construction companies building mining infrastructure, may have prevented a further decline in the proportion of people employed in secondary industries between 1996 and 2006. This trend is particularly apparent among male workers (see Secondary production graph, this page).

Over the 50 years to 2006, the proportion of employed women working in secondary production declined by more than that of men. For women aged 30–39, the proportion employed in secondary production peaked in 1954 at 33%—for those in the late Oldest Generation. Since that time, this proportion has consistently declined, reaching 10% in 2006—for early Generation X and Y. For men aged 30–39 this proportion peaked later, at 46% in 1966—for the early Lucky Generation. It then declined to 30% in 1986 and remained close this level through to 2006—for Baby Boomers and early Generation X and Y.

Declining levels of women in secondary production industries

The earlier peak in the proportion of women employed in secondary production may be associated with the slightly higher overall employment participation for women during and immediately after the Second World War, a large portion of which was in secondary production industries. The subsequent falls reflected the strong growth in service industries employment since 1954 and the large share of this employment that has been taken up by women.

Women employed in secondary production: selected generational groups



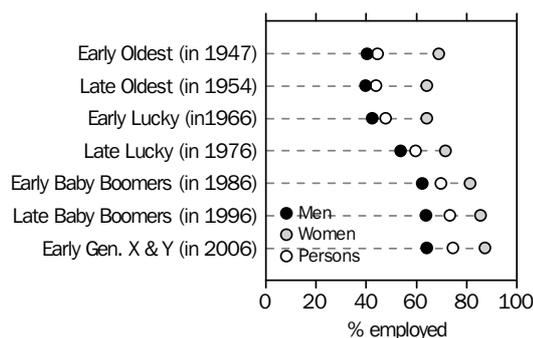
For similar reasons, the proportion of women in each of the Older, Lucky and Baby Boomer Generations employed in secondary production industries has steadily declined through their working lives (see Women employed in secondary production graph, above). The exception to this is has been for Generation X and Y women. For example, for women from late Generation X and Y, this proportion increased from 5.1% in 1996 (aged 15–19) to 7.6% in 2006 (aged 25–29). In part, this may be explained by the large proportion of young students who work in services industries while studying, but move on to careers in other industries. For more information on student employment see ‘Adult education across the generations’, p. 123–127).

Service industries

Service industries have grown to dominate employment in Australia. In 1947 and 1954, about 44% of employed 30–39 year olds, from the early and later Oldest Generation, were working in service industries. By 2006, 75% of employed 30–39 year olds, from early Generation X and Y, were in service industry jobs. Much of the increase occurred between 1966, when 48% of employed 30–39 year olds in the late Lucky Generation were in service industry jobs, and 1986, when 70% of employed early Baby Boomers aged 30–39 worked in these industries.

Until recently, the proportion employed in service industries in each generational group has increased over their working lives. Generation X and Y have not followed this pattern. Between 1996 and 2006, the proportion of employed people in service industry jobs declined by 6 percentage points for late Generation X and Y between age 15–19 and age 20–29. Again, this decline may be

Service industries: employed persons aged 30–39 years



associated with the popularity of employment in service industries among students, who move into other industries on completing their studies.

Endnotes

- 1 Australian Bureau of Statistics (ABS) 2001, ‘Australian schools: participation and funding 1901 to 2000’ in *Year Book Australia 2001*, cat. no. 1301.0, ABS, Canberra.
- 2 Australian Vice-Chancellors’ Committee (AVCC) 2007, *Australian University Handbook 2007*, AVCC, Canberra.
- 3 ABS 1994, ‘Tertiary student income’ in *Australian Social Trends 1994*, cat. no. 4102.0, ABS, Canberra.
- 4 Department of Education, Science and Training (DEST) 2001, *The National Report on Higher Education in Australia*, DEST, Canberra.
- 5 Evans, M.D.R. and Kelley, J. 2004, *Trends in Women’s Labour Force Participation in Australia: 1984–2002*, Working Paper 23/2004, Melbourne Institute of Applied Economic and Social Research.
- 6 ABS 2006, ‘Trends in women’s employment’ in *Australian Social Trends 2006*, cat. no. 4102.0, ABS, Canberra.
- 7 ABS 2006, *Underemployed Workers, Australia, September 2006*, cat. no. 6265.0, ABS, Canberra.