

Reissue



4102.0



# Australian Social Trends

USING STATISTICS TO PAINT A PICTURE OF AUSTRALIAN SOCIETY



SEPTEMBER 2010



EMBARGO:  
11.30 AM (CANBERRA TIME) WEDNESDAY 29 SEPTEMBER 2010

A u s t r a l i a n  
S o c i a l T r e n d s  
S e p t e m b e r 2 0 1 0

**Brian Pink**  
Australian Statistician

ABS catalogue no. 4102.0

ISSN 1321-1781

© Commonwealth of Australia 2010



This work is licensed under a Creative Commons [Attribution 2.5 Australia](#) licence.

In all cases the ABS must be acknowledged as the source when reproducing or quoting any part of an ABS publication or other product. Please see the [Australian Bureau of Statistics website copyright statement](#) for further details.

Produced by the Australian Bureau of Statistics

## INQUIRIES

- For further information about these and related statistics contact the National Information and Referral Service on 1300 135 070, or refer to contacts listed at the back of this publication.

# Contents

---

Introduction.....	vii
Holidaying abroad.....	1
Parental divorce or death during childhood.....	5
New Zealanders in Australia.....	10
The city and the bush: Indigenous wellbeing across remoteness areas.....	15
Older people and the labour market.....	21
Australian workers: Education and workplace training.....	29



# Introduction

---

*Australian Social Trends* draws on a wide range of data, sourced both from ABS and other agencies, to present a picture of Australian society. This publication aims to inform decision-making, research and discussion on social conditions in Australia. It covers social issues of current and ongoing concern, population groups of interest, and changes in these over time.

The selection of articles aims to address current and perennial social concerns and to provide answers to key social questions. Some topics are revisited as new data become available. The aim of this approach is for each report to remain responsive to contemporary concerns, while accumulating a more comprehensive picture of Australian social conditions over time. For this reason, articles often include cross references to other relevant articles in the current issue, and in previous issues. All articles published since 1994 are available from the Australian Social Trends page of the ABS web site: [www.abs.gov.au/socialtrends](http://www.abs.gov.au/socialtrends).

*Australian Social Trends* is structured according to the ABS Wellbeing Framework which identifies areas of social concern, population groups and transactions among people and entities within their social environments (see *Measuring Wellbeing: Frameworks for Australian Social Statistics, 2001* – ABS cat. no. 4160.0). The broad areas of social concern are:

- population
- family and community
- health
- education and training
- work
- economic resources
- housing
- crime and justice
- culture and leisure
- other areas - including environment, religion, and transport and communication.

*Australian Social Trends* is now issued on a quarterly basis, and in the course of a year the articles will cover a wide range of the areas of social concern.

The articles focus strongly on people and social concerns. Each article aims to tell a story, providing a sense of the social and historical context in which a particular topic is embedded, moving from the general to the specific, and using statistics to bring light to the issue. Articles aim to balance 'what' analysis (relating the relevant statistical facts surrounding the issue, e.g. number, characteristics, change over time, sex, age and other differences), with 'why' analysis (providing context and explanation by highlighting relevant social changes and events and the chronologies of these). For example, an article on work may examine current labour force participation, how the labour market has changed over time, how different groups of people are affected by social and economic conditions, and how these factors may be linked to observed employment trends.





# Holidaying abroad

The number of Australian residents travelling overseas for trips of less than a year has grown at an unprecedented rate over recent years. In the 12 months to June 2010, 6.8 million overseas trips were made by Australians, up from 2.1 million two decades earlier. In per capita terms, this was the equivalent to 31 trips overseas for every 100 Australian residents in 2009–10, up from 12 trips per 100 residents in 1989–90.

A number of interrelated factors have contributed to the increase in overseas travel. These include the greater affordability of overseas holidays and accommodation (due in part to the strength of the Australian dollar and increasing competition among airlines), as well as the greater marketing and online facilitation of booking and travel information. The globalised nature of many of these changes has also contributed to the increase of short-term overseas visitors to Australia, with visitor arrivals to Australia having also increased considerably over the last 10 years.

The reasons for short-term overseas travel (as collected from passenger cards) range from holidays to visiting friends and relatives to business, employment and education purposes. In this article, the reasons for travel have been broadly categorised into 'holiday' (includes holiday and visiting family and friends) and 'business' (includes business, employment, conference, education and accompanying a business traveller). In the 12 months to June 2010, holidays accounted for 82% of overseas trips of less than 12 months, while business accounted for 17%.

## Data source and definitions

This article uses data from the overseas arrivals and departures (OAD) collection. These data count the movements of people from incoming and outgoing passenger cards. These data and other information available from the Department of Immigration and Citizenship serve as the source of OAD.

*Australian resident* is self-defined by travellers when completing an incoming or outgoing passenger card.

*Continental Europe* refers to all countries in Northern, Western, Southern and Eastern Europe, excluding the United Kingdom and Ireland.

*Departures* refers to the number of movements of travellers rather than the number of travellers.

*Main destination* is the country which the traveller intends to spend most time. Overseas travellers may visit more than one country on the trip, whilst the data only captures the main destination and not any other countries visited.

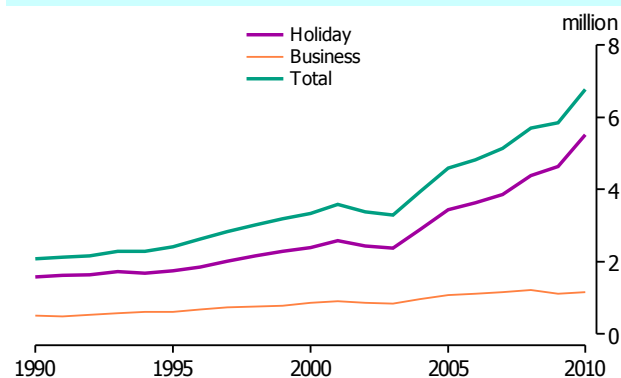
*Passenger card* refers to the card that incoming and outgoing travellers fill in and provide customs upon entering or exiting Australia.

*Reason for travel* refers to the five main reasons for travel (business, employment, education, convention/conference, holiday, visiting family/friends) have been grouped into two sub-groups; business travel/employment/education (which also contains data for conventions and conferences), and holiday/visiting family and friends. Where this information was not stated (around 3% of cases) these records have been excluded from calculations of proportions although they are included in overall numbers.

*Short-term* refers to the intention to stay abroad for less than 12 months.

Source: ABS [Overseas Arrivals and Departures](#) (cat. no. 3401.0)

## Short-term departures by Australian residents(a)



(a) Year ending June.

Source: ABS 1990-2010 Overseas Arrivals and Departures collection

## Travel trends

The annual number of short-term departures by Australian residents has grown particularly rapidly from 2003–04 onwards. Since July 2003, the annual increase in the number of departures by Australians averaged 11% per year, compared with 4% per year in the 13 years prior. Travel for holidays has driven the overall increase, growing 13% per year on average since 2003–04 compared with 4% for business.

Holidays in the Asia Pacific region have been consistently more popular than to other regions. In the year to June 2010, South East Asia and Oceania accounted for over half (53%) of all overseas holidays by Australians with 2.9 million departures to these regions.

## Short-term departures by Australian residents – 2009-10

Country of main stay	Total short-term departures		For holiday (a)	Average growth since 1999-2000(b)
	'000	%	%	% per year
New Zealand	1 064.0	15.7	80.8	7.7
Indonesia	652.8	9.6	92.9	9.8
United States of America	634.6	9.4	77.9	5.4
Continental Europe	610.6	9.0	83.9	5.9
UK & Ireland	489.6	7.2	85.4	3.2
Thailand	432.0	6.4	92.9	11.3
China(c)	305.9	4.5	65.7	13.5
Fiji	286.4	4.2	93.7	10.3
Singapore	246.2	3.6	62.8	5.4
Malaysia	239.2	3.5	80.8	6.6
All other countries	1 809.0	26.7	78.2	7.5
<b>Total</b>	<b>6 770.5</b>	<b>100.0</b>	<b>81.6</b>	<b>7.3</b>

(a) Proportion of total short-term departures where person stated main reason was for 'holiday' or 'visiting friends/relatives'.

(b) Of total short-term departures.

(c) Excludes Hong Kong, Macau and Taiwan.

Source: ABS 2009-10 Overseas Arrivals and Departures collection

While the volume of visits to these closer regions dominates the international market for Australians, the growth in departures to other regions has also been strong in percentage terms.

### Main destinations

New Zealand was the leading destination for short-term travellers in 2009-10 with 1.1 million departures by Australians (16% of all short-term departures). Growth in departures to New Zealand averaged 7.7% per year over the last decade, similar to the overall growth of departures (7.3%).

Indonesia (including Bali) was the second most popular destination in 2009-10 with 653,000 short-term departures, followed by the USA with 635,000. Over the last decade, Indonesia has overtaken the USA as the number two destination for Australians, with average annual growth of 9.8% per year, compared with 5.4% to the USA.

Continental Europe was the destination for 611,000 departures in 2009-10, ahead of the UK and Ireland with 490,000 departures. The relatively slower growth in departures to UK and Ireland (3.2%) compared with 5.9% per year to the rest of Europe has led to the UK and Ireland falling from third to fifth most popular destination over the last decade.

The remainder of the top ten destinations were in the Asia and Pacific region, with 432,000 departures to Thailand, 306,000 to China and 286,000 to Fiji. Departures to these three countries grew the fastest of all major destinations with average growth of each exceeding 10% per year over the last decade.

### Who is travelling?

Whilst travel overseas is popular amongst people across most demographic groups, there are some noticeable differences.

#### ...sex

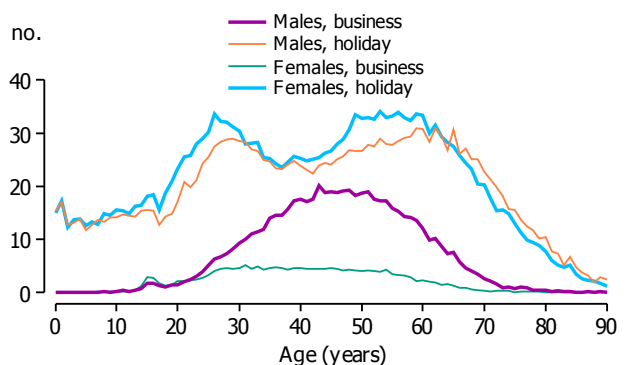
Men were overall slightly more likely than women to travel overseas with 33 trips for every 100 males in the population, compared with 29 trips per 100 Australian females. The difference is due to the higher rate of men travelling for business (8.0 departures per 100 males, compared with 2.4 business departures of women per 100 females). Conversely, women were slightly more likely to be travelling for a holiday (26 female and 24 male departures per 100 respective populations).

#### ...age

The age at which people were most likely to go overseas for holiday shows two peaks – the first around age 26 years for women and 29 years for men, then a longer peak of around 49-60 years for women and late 50s and early 60s for men. For business trips, the peak for males was between the ages of 40 and 50 years.

Among the broad section of the younger peak (aged 20-34 years), the most popular destinations for holidays were New Zealand (15%), Indonesia (11%) and USA and Thailand (10% each).

### Short-term departures by Australian residents, per 100 resident population, by age – 2010(a)



(a) Year ending June.

Source: ABS 2010 Overseas Arrivals and Departures collection

In the older age peak (50–60 years), holidays to New Zealand was also the most popular (16%), while Europe was the second most common holiday destination (11%) and Indonesia was third with 10% of trips in 2009–10.

For Australian residents aged in their 40s travelling for business, New Zealand was the main destination (17%), followed by the USA (12%) and China (10%).

### ...overseas born

While overseas born Australians make up around one quarter (26%) of the population, they account for around two-fifths (42%) of travellers making short-term departures from Australia. In 2009–10, nearly half (49 trips per 100 overseas born residents) of overseas born residents of Australia took a short-term trip abroad. This compares with 24 trips for every 100 Australian born residents. The growth in departures by overseas born residents over the decade was slightly greater than that of the Australian born population, increasing by 17 trips for every 100 overseas born residents compared with 11 trips for every 100 Australian born residents.

Australian residents born in New Zealand, China, India and Malaysia made up the majority of the short-term departures of overseas born Australians in the year to June 2010. Malaysian born Australians had the highest per capita travel ratio with 93 departures for every 100 Malaysian born Australians. New Zealand born Australians followed with 83 departures per 100, while China and India had ratios of 56 and 45 per 100 respective populations.

### Length of stay

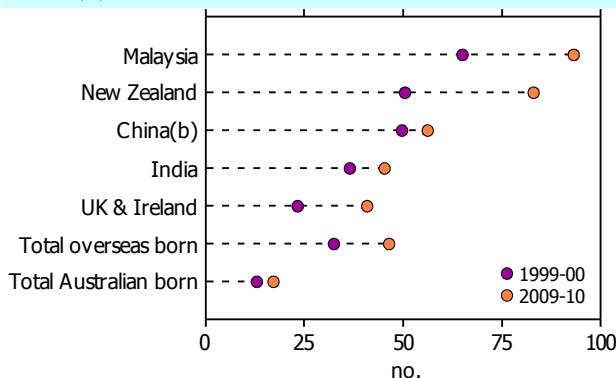
In the year to June 2010, the median duration of stay for Australian travellers abroad was 14 days. However, the length of stay overseas can depend on the country being visited and the purpose of the trip. Holiday and business travel to countries closer to Australia, such as Hong Kong and Singapore, are shorter in duration with the median length of stay for those travelling for business being seven and six days respectively, and holiday makers for up to 14 days. The duration of holiday and business travel to countries with longer travel distances such as France, Germany and England tend to be longer, with those travelling for business typically staying 11–16 days, while those travelling for holidays tending to stay more than a month.

### ...extended holidays

In 2009–10, there were 220,000 holiday departures by Australian residents leaving for three months or more (13 or more weeks), making up 4.8% of all Australian holidays abroad. As with all short-term departures, there was one peak in younger age groups with around 1.7 departures per 100 people aged in their 20s, and another in older ages with 2.1 departures per 100 people aged in their 60s.

Holidays with an intended length of three months or more have grown by just 2.0% per year on average over the last two decades compared with 6.8% per year for those going for an intended time of less than three months. This coincides with a shift towards shorter stays in more distant destinations. For example, in 1989–90, 23% of residents departing for a holiday in the UK and Ireland were going for three months or more compared with just 8% in 2009–10.

### Number of trips per 100 people, by country of birth(a)

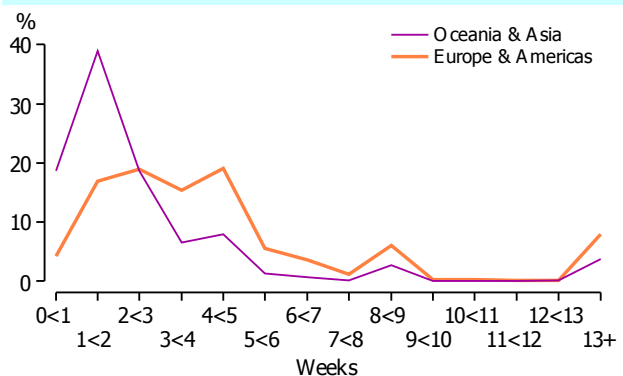


(a) Number of trips per 100 people of respective resident population in Australia.

(b) Excludes Hong Kong, Macau and Taiwan.

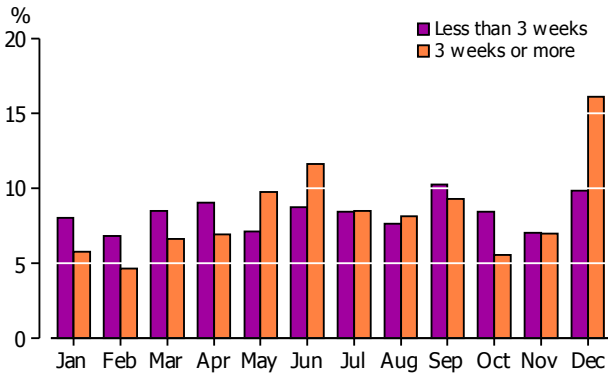
Source: ABS Overseas Arrivals and Departures collection and ABS Migration, Australia (cat. no. 3412.0)

### Length of intended stay by Australian residents, to selected regions – 2009-10



Source: ABS 2009-10 Overseas Arrivals and Departures collection

### Total short-term departures for holidays, month of departure(a)



(a) Average of 10 years to June 2010.

Source: ABS Overseas Arrivals and Departures collection and ABS [Migration, Australia](#) (cat. no. 3412.0)

### Monthly pattern

Over the last decade, the most popular month of departure for Australians travelling overseas was December with 13% of all departures leaving in this peak holiday month. However, the monthly pattern was strongly associated with the destination and duration of trips. For example, of Australian residents holidaying in New Zealand for a period of more than three weeks, almost one-third (31%) left Australia in December. In contrast, people holidaying in Europe were more likely to leave for the northern summer, with more departing in June (18%) than any other month.

### Recent trends in short-term arrivals and departures

Up until 2008, short-term arrivals of overseas visitors to Australia had always been greater than the short-term departures of Australians. However, over the last two years this has turned around, with over one million more departures by Australians (6.8 million) than arrivals by overseas people (5.7 million) in 2009–10.

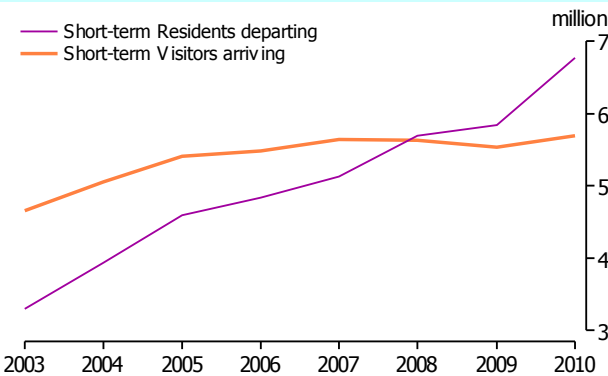
This change coincided with the Global Financial Crisis (GFC), which, in most developed economies led to simultaneous and severe recessions. In Australia, however, the GFC caused only a relatively brief and mild economic downturn.

So while this has slowed the number of overseas tourists to Australia, the number of Australians going overseas does not appear to have been negatively affected. Furthermore, the general softening of global demand for overseas travel following the GFC led to holiday and airfare discounting, and this may have appeared to offer greater value to Australians travelling abroad.<sup>1</sup>

### Endnotes

- 1 Tourism Australia, 2009, [Tourism Australia Global Market Monitor, August 2009](#), viewed 31 August 2010, <[www.tourism.australia.com/en-au/](http://www.tourism.australia.com/en-au/)>.

### Total short-term arrivals and departures(a)



(a) Year ending June.

Source: ABS Overseas Arrivals and Departures collection and ABS [Migration, Australia](#) (cat. no. 3412.0)

# Parental divorce or death during childhood

The family plays a pivotal role in shaping society through the socialisation of children. Experiences as a child can impact on future development through learned behaviours and access to resources and support networks. The experience of parental divorce or separation, or the death of a parent can potentially impact adversely on a child's psychological wellbeing and their economic and social success as adults.

Parental divorce or death can affect a child in a number of ways. In the short term, there is the initial trauma of the loss and adjusting to life without the parent. For those who find themselves in a one-parent family, the adjustment is often accompanied by greater risk of economic disadvantage either through the loss of the main income earner, or the reduced labour force participation of the remaining parent as they assume the sole caring role. There are concerns that the difficulties associated with family breakdown or the loss of a parent and the ensuing challenges of living in a sole parent family could lead to lower levels of educational and later occupational attainment by children who grow up in sole parent families.<sup>1</sup>

This article focuses on outcomes, in terms of adult relationships, education, employment and income, for people who as children experienced parental divorce or permanent separation, or the death of a parent.

## How many people experienced the divorce or separation, or death of a parent in their childhood?

The proportion of people who had experienced parental divorce/permanent separation or death during their childhood varied greatly across the generations. These patterns reflect changes in social attitudes towards divorce and improvements in life expectancy over recent decades.

Amongst older people, experiencing the death of a parent during their childhood was much more common than experiencing parental divorce. People born in the lead up to World War II are more likely to have experienced parental death as a child, either as a result of the war, or other premature death associated with the lower health standards of that period.

Amongst younger people the opposite was the case: experiencing the divorce or permanent separation of parents in childhood was much more common than experiencing the death of a parent.

### Data source and definitions

This article uses data from the ABS 2006–07 Family Characteristics and Transitions Survey. The family transitions and history topic collected information from persons aged 18 years and over about the family transitions they experienced in their lives. This article focuses on outcomes for those people that reported experiencing parental divorce or permanent separation (from either a registered marriage or de facto relationship) or the death of a parent before the age of 18 years.

A *child* is a person aged 0–17 years of age.

*Parent* includes birth, step, adoptive or foster parents and guardians, usually resident in the same household.

*Registered marriage* refers to people in a couple relationship who usually live together and have had their marriage formally registered. In this article, 'marriage' is used to refer to a registered marriage only.

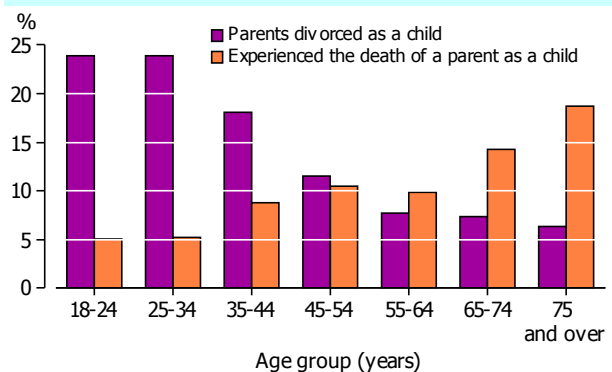
*De facto relationship* refers to people living together as a couple who are not registered as married to each other. A de facto relationship may exist between a couple of the opposite sex or of the same-sex.

*Live-in relationships* are couple relationships where partners live together in either a registered marriage or de facto relationship.

*Age standardised rates* are used to remove the effect of age in comparisons between groups which have different age structures (e.g. between people who experienced parental divorce in childhood and those who did not).

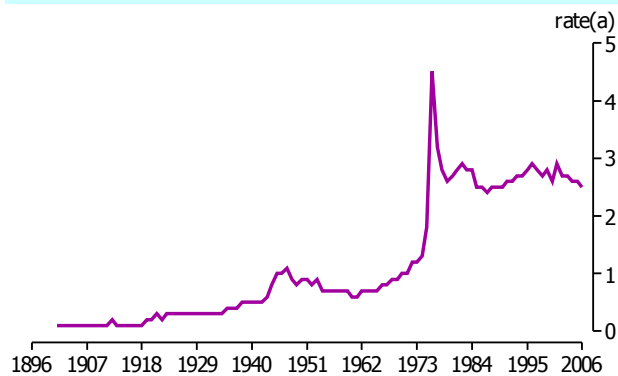
Nearly one in five people aged 75 years and over reported having experienced the death of a parent when they were a child. This compares with about one in ten people aged 55–64 years and about one in twenty aged 18–24 years.

### Proportion of people who experienced parental divorce or separation, or death of a parent during their childhood – 2006-07



Source: ABS 2006-07 Family Characteristics and Transitions Survey

## Crude divorce rate – 1901-2006



(a) Divorces per 1,000 population.

Source: ABS [Australian Historical Population Statistics, 2008](#) (cat. no. 3105.0.65.001)

### Trends in divorce

Dramatic shifts in social attitudes towards marriage, accompanied by significant changes in the divorce laws during the 1970s, resulted in a greater proportion of children experiencing parental divorce. The Family Law Act 1975 introduced a 'no fault' approach which notably changed the divorce trend in Australia. After an initial spike in the divorce rate in 1976 following the change in legislation, the rate has remained relatively steady, albeit at a much higher level than prior to the legislative change. Based on the recent trend in divorce rates it has been estimated that around one-third of all marriages in Australia will end in divorce.<sup>2</sup>

Around one in four people aged 18–34 years in 2006–07 reported experiencing the divorce or permanent separation of their parents during their childhood. In contrast, less than one in ten people aged 65 years and over had experienced parental divorce or permanent separation before they were 18 years old.

Nearly half of all divorces involve children. In 2008 alone, 43,000 children experienced the divorce of their parents. This does not include children who experience the breakdown of their parents' de facto relationship.<sup>3</sup>

## Relationship status and outcomes

### ...de facto relationships

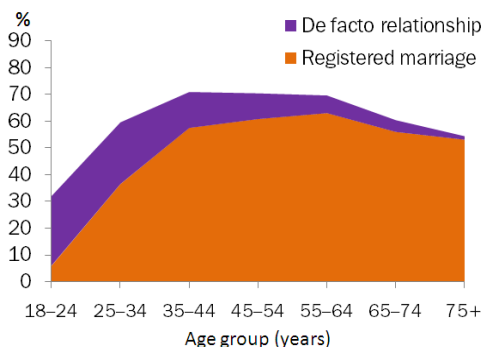
At younger ages, people whose parents divorced or separated when they were a child were much more likely to be in a live-in relationship, particularly a de facto relationship. Almost one-third (32%) of people aged 18–24 years whose parents had divorced or separated (in their childhood) were in a live-in relationship, including 26% who were in de facto relationships. For people the same age whose parents had not divorced or separated, 17% were in a live-in relationship including 12% in de facto relationships.

In older age groups, the rates of de facto relationship declined, yet were still higher among the people whose parents had divorced or permanently separated than those who had not.

With the relatively high rates of divorce since the 1970s, a preference towards a de facto relationship rather than a registered marriage may be a form of self-protection to avoid the perceived social and economic risks associated with investing in a marriage. This may be especially true if the person has experienced the divorce of their parents as a child.<sup>4</sup>

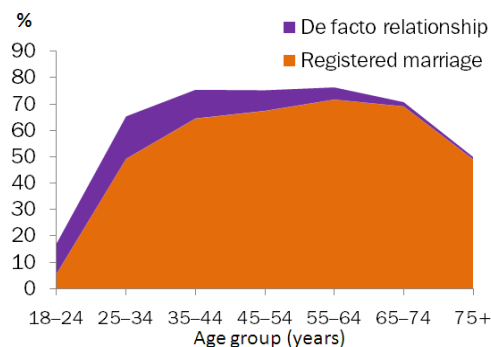
Those who have experienced the divorce or permanent separation of their parents as a child were also more likely to have entered into multiple live-in relationships over the course of their life. Accounting for the effects of age, those who had experienced parental divorce/permanent separation were twice as likely (10%) to have had three or more live-in relationships than those who did not (5%).

### Relationship status, people who experienced parental divorce or separation – 2006-07



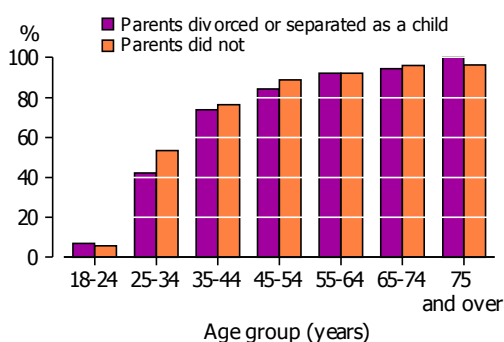
Source: ABS 2006-07 Family Characteristics and Transitions Survey

### Relationship status, people who did not experience parental divorce or separation – 2006-07



Source: ABS 2006-07 Family Characteristics and Transitions Survey

## People who have ever married – 2006-07



Source: ABS 2006-07 Family Characteristics and Transitions Survey

### ...in registered marriage

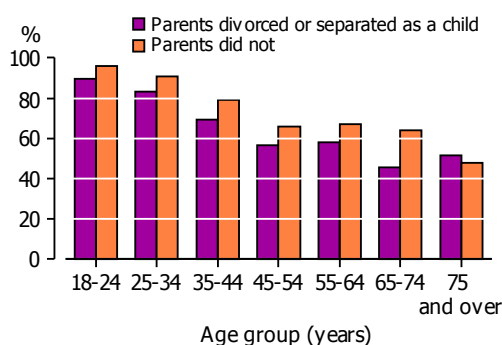
Associated with the higher rates of de facto partnering among people who have experienced parental divorce/permanent separation as a child, is the lower probability of getting married (particularly at younger ages). Of people aged 25–34 years in 2006–07, whose parents had divorced or permanent separated when they were a child, 42% had married, compared with 53% of the same age who had not experienced parental divorce or separation. The gap was narrower amongst older age groups, suggesting that people who have experienced parental divorce/permanent separation are either less likely to marry at all, or are choosing to delay marriage.

As well as being less likely to marry, those who had experienced parental divorce or separation, were themselves more likely to divorce or separate. Of the 25–34 year olds in 2006–07 who had married, 83% of those who had experienced parental divorce/permanent separation as a child remained in their first marriage, compared with 91% of people the same age who had not experienced parental divorce/permanent separation.

### ...having children

Women who had experienced the divorce or permanent separation of their parents in childhood were more likely to have children at a younger age. After adjusting for age differences, just over one-third of women who had the experience of parental divorce/permanent separation had had a child before the age of 25 years including 13% who had their first child as a teenager.

## People who have ever married and still in first marriage – 2006-07



Source: ABS 2006-07 Family Characteristics and Transitions Survey

In comparison, one-quarter of women who had not had the experience, had had a child before the age of 25 years, and 7% had their first child before the age of 20 years.

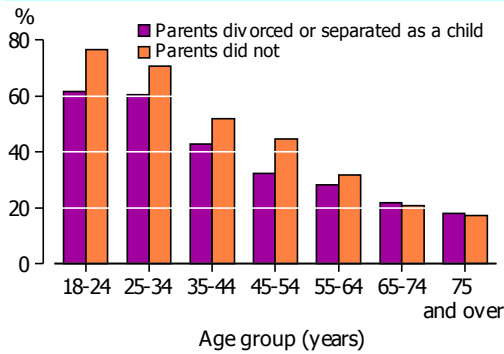
Consistent with their higher rate of relationship breakdown, people who had a childhood experience of parental divorce or separation were also more likely to have natural children living elsewhere. After accounting for the effects of age, people who had experienced parental divorce/permanent separation as a child were nearly 40% more likely than those who had not, to have children living outside of their home (8.9% and 5.2% respectively).

### Education

Over recent decades, the proportion of people completing Year 12 has risen considerably. Consequently, young people are much more likely than older people to have completed school. However, those who experienced parental divorce/permanent separation or death of a parent during their childhood are less likely to have completed school than those who did not.

For 18–24 year olds, 62% of those who experienced parental divorce/permanent separation during their childhood completed Year 12, compared with 77% of those whose parents did not. An average difference of around 10 percentage points in Year 12 completion rates between those who experienced parental divorce/permanent separation during their childhood and those who did not is apparent in each of the 10 year age groups up to 45–54 years.

### People who completed Year 12 – 2006-07



Source: ABS 2006-07 Family Characteristics and Transitions Survey

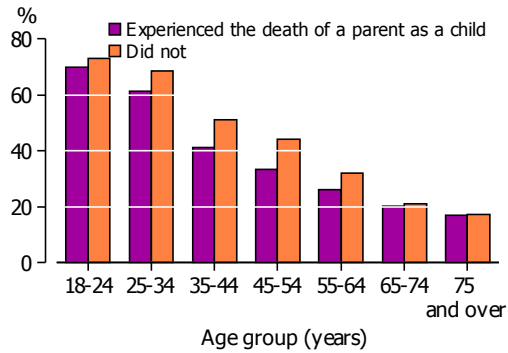
This pattern is also reflected in higher educational attainment: after accounting for the effects of age, people who had experienced parental divorce/permanent separation were 28% less likely to have a Bachelor degree or higher.

Those people who had experienced the death of a parent during their childhood also had lower rates of Year 12 completion compared with those who had not, with age standardised rates of 41% and 48% respectively. The age group with the largest average difference was the 45-54 year olds (11 percentage points).

### Employment

In 2006-07, there was little difference in employment participation between those who reported that their parents had divorced or permanently separated during their childhood and those who had not. The difference was greatest for persons aged 45-54 years, where 76% of those who had experienced parental divorce/permanent separation were employed, compared with 83% of those who had not.

### People who completed Year 12 – 2006-07



Source: ABS 2006-07 Family Characteristics and Transitions Survey

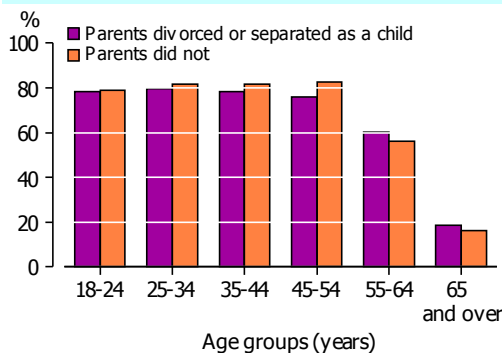
The impact of parental death on employment was greatest among people aged 18-54 years where, on average, 76% were employed in 2006-07, compared with the 81% employment rate among those who had not experienced the death of a parent while in childhood.

### Income

People who had experienced parental divorce/permanent separation or the death of a parent during their childhood generally had lower personal income than those who did not. For people in the ten year age groups, from 25-34 years up to 45-54 years, those who had experienced parental divorce or separation had, on average, a weekly personal income about 8% less than those who had not.

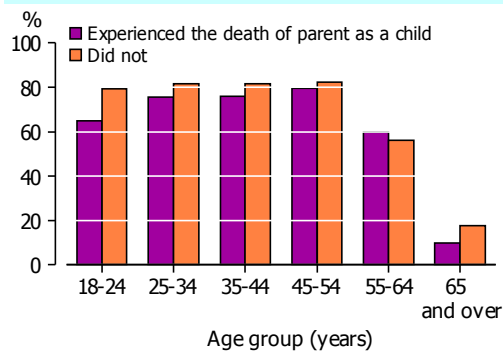
The death of a parent was associated with a greater personal income differential than parental divorce. For people aged 25-54 years who had experienced the death of a parent during their childhood had, on average, personal incomes about 18% lower than those who did not.

### People employed – 2006-07



Source: ABS 2006-07 Family Characteristics and Transitions Survey

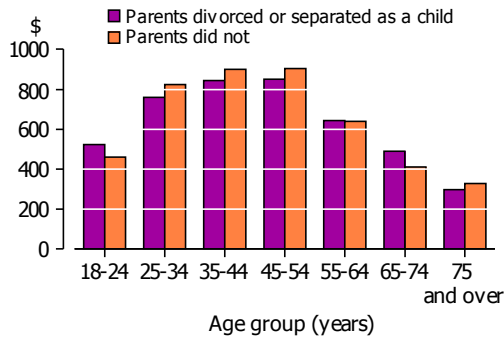
### People employed – 2006-07



Source: ABS 2006-07 Family Characteristics and Transitions Survey

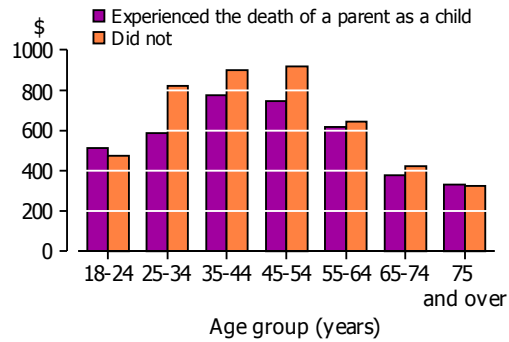


### Mean weekly personal income



Source: ABS 2006-07 Family Characteristics and Transitions Survey

### Mean weekly personal income



Source: ABS 2006-07 Family Characteristics and Transitions Survey

## Conclusion

Experiencing parental divorce/permanent separation or the death of a parent during childhood are both events that affect only a minority of children. Around one in four of today's children will experience parental divorce/permanent separation before the age of 18 and one in twenty will experience the death of a parent. Each of these experiences can result in emotional and economic hardship for the family and a reduction in resources available to the child during their development. On average, those who experienced parental divorce or separation and those who experienced the death of a parent as a child had lower levels of school completion, employment participation and lower personal income as an adult than those who did not.

## Endnotes

- 1 Australian Institute of Family Studies, 1991, *Family Matters*, no. 30.
- 2 Australian Bureau of Statistics, 2007, *Lifetime Marriage and Divorce Trends in Australian Social Trends*, cat. no. 4102.0, <[www.abs.gov.au](http://www.abs.gov.au)>.
- 3 Australian Bureau of Statistics, 2008, *Marriages and Divorces Australia*, cat. no. 3310.0, <[www.abs.gov.au](http://www.abs.gov.au)>.
- 4 Australian Institute of Family Studies, 2005, *Family Matters: Perspectives of the future of marriage*, no. 72.

# New Zealanders in Australia

Australia and New Zealand enjoy a unique relationship, nurtured by a number of factors including close geographic proximity, shared histories as members of the British Commonwealth and the ANZAC tradition. This relationship has led to arrangements that enable citizens of Australia and New Zealand to migrate freely between the two countries. Over recent decades, the most significant trans-Tasman movements have been of New Zealanders moving to Australia, with the pattern tending to reflect the relative economic conditions and opportunities within the two countries.

The article looks at the growing number of NZ-born people living in Australia, their demographic profile and distribution, and the extent to which they participate in the labour force and in education.

**In 2009, there were over half a million NZ-born people living in Australia, up 89% from 1989.**

## New Zealanders in Australia

The number of NZ-born people living in Australia increased by 89% over the last two decades, from 280,200 in 1989 to 529,200 in 2009.

Annual growth in the number of NZ-born people living in Australia averaged 13,100 between 1989 to 2009. However, from year to year there have been variations in annual growth, with increases exceeding 25,000 on four occasions (1989, 2001, 2008 and 2009), and negative growth in 1991 (-860). This decrease coincided with the early 1990s recession within Australia, which may have discouraged some NZ-born people from coming to Australia, and prompted others to return 'home'.

## Data sources and definitions

The data presented in this article come from several different sources including ABS [Migration, Australia, 2008-09](#) (cat. no. 3412.0), ABS 2006 Census of Population and Housing, ABS 2009 Survey of Education and Work, ABS Overseas Arrivals and Departures collection and other unpublished ABS data.

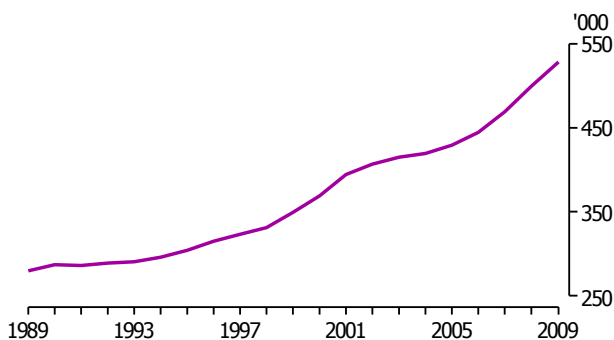
*NZ-born people living in Australia* refers to people who were born in New Zealand but were counted as a part of Australia's Estimated Resident Population. In census data, this refers to people born in New Zealand who were resident in Australia on census night, but who were not considered overseas visitors. For the purposes of this article these people are also referred to as *migrants*.

*Estimated resident population* (ERP) is the official measure of the population of Australia. It is based on the concept of usual residence. For the purpose of ERP, a person is regarded as a usual resident if they have been (or are expected to be) residing in Australia for a period of 12 months or more. As such, it refers to all people, regardless of nationality, citizenship or legal status, who usually live in Australia, with the exception of foreign diplomatic personnel and their families. For more information see ABS [Migration, Australia, 2008-09](#) (cat. no. 3412.0) [Explanatory Notes](#) paragraphs 9-10.

Between 1989 and 2009, the proportion of NZ-born people in Australia's estimated resident population (ERP) increased from 1.7% to 2.4%. This makes New Zealand the second largest single country contributor to Australia's overseas-born population (the United Kingdom is the largest contributor at 5.4% of ERP). In 2009, the proportion of the Australian population that was born in China (1.6%) or India (1.4%) were both smaller than the New Zealand share. Nonetheless, in recent years there has been very strong growth in both China-born and India-born Australian residents (see [Australian Social Trends September 2009](#) 'Expanding links with China and India').

## NZ-born people living in Australia – 1989-2009(a)

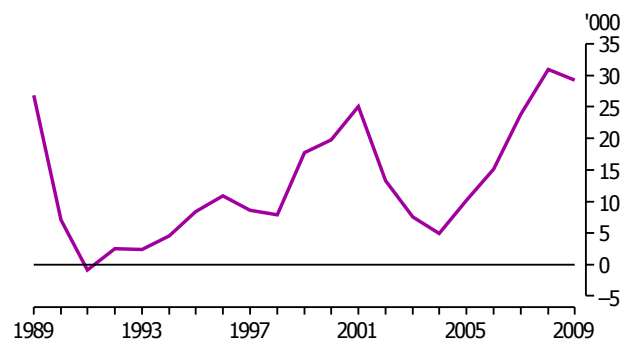
TOTAL



(a) At 30 June.

Source: ABS [Migration, Australia](#) (cat. no. 3412.0)

ANNUAL CHANGE



## Australian and New Zealand Travel Arrangements

While under various agreements there has been a free flow of people between Australia and New Zealand for a long time, this situation was further cemented by the 1973 Trans-Tasman Travel Arrangement. The Arrangement has allowed Australian and New Zealand citizens to freely enter each country to visit, live or work, without any need to obtain authority.

From 1 September 1994, all non-citizens residing lawfully in Australia were required to hold visas. For New Zealanders this involves a stamp in a valid New Zealand passport, given at immigration clearance (subject to health and character considerations).

On 26 February 2001, the Australian and New Zealand governments introduced a new bilateral social security arrangement. New Zealand citizens are now required to obtain Australian permanent residence if they wish to access certain social security payments, sponsor family members for permanent residence or take out Australian citizenship.

Source: Department of Immigration and Citizenship, *Fact Sheet 17 - New Zealanders in Australia*, viewed 5 August 2010, <[www.immi.gov.au](http://www.immi.gov.au)>

Compared with the other contributor countries of migrants, New Zealand has a relatively small population, with an estimated 3.0 million NZ-born people living in New Zealand in 2006.<sup>1</sup> This means that for every 100 New Zealanders in New Zealand in 2006 there were 15 NZ-born people living in Australia.

The annual change in the size of the NZ-born population in Australia tends to hide the two-way movement of the NZ-born population. Although there was a net migration of 94,300 NZ-born people to Australia between 2005 and 2008, this included 156,000 NZ-born arrivals and 61,500 NZ-born departures. Of those who departed in this period, around one-third (32%) had been resident in Australia for less than two years, while over half (58%) had been here for less than five years.

Despite the relative fluidity of migration to and from Australia by NZ-born people, the majority have been living here for a decade or more. The 2006 Census of Population and Housing showed that 65% of Australia's NZ-born population had been in Australia since 1996, including 41% who had been here since 1986.

In addition to longer-term migratory movements of the NZ-born population, a large number of them are frequent flyers back to New Zealand on short-term trips. In 2009–10 there were 297,000 departures of NZ-born residents of Australia back to New Zealand for a period of less than 12 months. This was equivalent to 56 departures for every 100 NZ-born people living in Australia (for more information see Australian Social Trends, September 2010, ['Holidaying abroad'](#)).

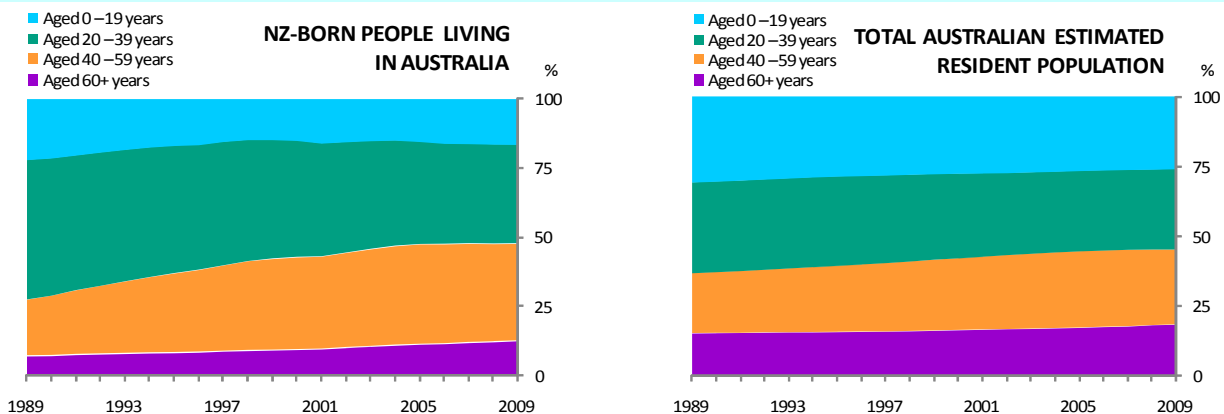
## Profile

### ...more likely to be middle-aged

In 2009, the NZ-born population living in Australia had a higher proportion of people in the 20–59 years age group than the Australian population in general (71% compared with 55%). In contrast, children and adolescents (aged 0–19 years) made up a lower proportion of the NZ-born population living in Australia (17%), compared with the overall Australian population (26%). This was also the case with the older age group of those aged 60 years and over (13% compared with 18%).

Between 1989 and 2009, the Australian population aged as the proportion of people in the younger age groups decreased and those in the older age groups increased. This ageing process was much more dramatic among the NZ-born population living in Australia. While one-half (50%) of NZ-born people living in Australia were aged 20–39 years in 1989, only 36% were of this age in 2009. Over the same period, NZ-born people aged 40–59 years living in Australia increased from 20% to 35%. This

## Age structure of the population – 1989-2009(a)



(a) At 30 June.

Source: ABS [Migration, Australia](#) (cat. no. 3412.0)

changing age structure was reflected in the median age of the NZ-born population increasing from 30.6 years to 39.0 years over the past two decades.

The more rapid ageing of the NZ-born population in Australia can be partly attributed to the change over time in the age of arrivals from New Zealand. Of all arrivals of NZ-born people into Australia in the five years to 1989, 11% were aged 40 years and over. This proportion had grown to 21% in the five years to 2009. Another contributing factor is that children born to New Zealanders while they are living in Australia do not influence the age structure of the NZ-born population in Australia.

**In 1989, 50% of the NZ-born people living in Australia were aged 20-39 years, but by 2009 this had reduced to 36%.**

### ...more likely to be male

Among NZ-born people living in Australia, there were more males than females, with 106 NZ-born males for every 100 NZ-born females. This contrasts with the overall sex ratio for Australia of 99 males per 100 females.

### ...Maori and other ancestries

The 2006 Census of Population and Housing asked people about their ancestry.<sup>2</sup> Of NZ-born people living in Australia, 15% stated Maori ancestry. This was similar to the rate in New Zealand, where 16% of people usually living in New Zealand said that they are of Maori descent.<sup>3</sup>

Almost two-thirds of NZ-born people living in Australia stated that they had European ancestry (65%). One-fifth reported having ancestry of 'New Zealander' or 'New Zealand peoples', while a small proportion stated Polynesian ancestry (6.0%).

### ...partnering up

In 2006, just over three-fifths (62%) of NZ-born people aged 15 years and over living in Australia were in a couple relationship, slightly higher than the general Australian population (59%).

In around one-quarter (26%) of couple relationships involving a person of NZ birth, the second person was also of NZ birth. It was more common for both partners to be NZ-born in relationships between older people than among younger couples (34% where both were aged 60 years and over, and 22% where both were aged under 40 years).

## Place of usual residence(a) – 1986 and 2006

	New Zealand-born		Australian population	
	1986 %	2006 %	1986 %	2006 %
NSW	35.1	27.4	34.6	33.0
<i>Sydney</i>	27.6	20.8	21.6	20.7
Vic.	16.4	16.4	26.0	24.8
<i>Melbourne</i>	13.4	13.5	18.3	18.1
Qld	28.2	38.2	16.3	19.7
<i>Brisbane</i>	14.2	18.8	7.4	8.9
<i>Gold Coast</i>	3.0	9.0	0.7	2.4
WA	12.0	12.2	9.0	9.9
<i>Perth</i>	8.7	8.9	6.5	7.3
Other	8.3	5.8	14.0	12.6
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
	'000	'000	'000	'000
<b>ERP(b)</b>	<b>218.0</b>	<b>445.1</b>	<b>16 018.4</b>	<b>20 697.9</b>

(a) Capital cities are Statistical Divisions and Gold Coast is a Statistical Sub Division in the Australian Standard Geographical Classification.

(b) Estimated Resident Population is at June 30, while the proportions in the table are based on the respective Census nights.

Source: 1986 and 2006 ABS Census of Population and Housing

## Where do they live?

In 1986, the majority of NZ-born Australians were living in New South Wales or Queensland (35% and 28% respectively). While these two states still held the majority of NZ-born people living in Australia in 2006, Queensland overtook New South Wales as their most popular state of usual residence (38% in Queensland and 27% in New South Wales).

NZ-born residents were almost twice as likely as the overall population to live in Queensland in 2006 (38% compared with 20%). In particular, they were just over twice as likely to live in Brisbane and more than three times as likely to live on the Gold Coast.

**In 2006, New Zealanders in Australia were over three times as likely to live on the Gold Coast (9.0%) compared with the overall population (2.4%).**

In 2006, there were several Statistical Local Areas on the Gold Coast where around one in ten residents were of NZ birth, the result of strong growth in the NZ-born population living in this region. These areas were Pacific Pines-Gaven and Surfers Paradise (both 11%), and Coombabah, Kingsholme-Upper Coomera, Broadbeach-Mermaid Beach and Robina (all 10%).

NZ-born people were also slightly more likely than the overall population to live in Western Australia (12% compared with 10%).

## What are they doing?

### ...work

In 2009–10, information from the Labour Force Survey showed that NZ-born males aged 15–64 years had a higher rate of labour force participation (90%) compared with the overall Australian male population (83%). They were also more likely to be employed full time (76% compared with 66%).

NZ-born females aged 15–64 years also had a higher rate of labour force participation compared with the overall Australian female population (75% and 70% respectively), and a higher rate of full-time employment (44% compared with 36%).

Construction and Manufacturing were the most common industries of employment among working 15–64 year old NZ-born males (21% and 13% respectively). Of those in Construction, just under half were Technicians or trade workers (46%), and a further 28% were Labourers. Being a Technician or trade worker was also the most common occupation of those in Manufacturing (29%), while being a Machinery operator or driver (20%), Manager (19%), or Labourer (18%) were equally popular jobs.

Health care and social assistance was a common industry of employment among NZ-born female workers aged 15–64 years (16%).

### Employed people aged 15-64 years, selected industry of main job – 2009-10(a)

	New Zealand-born		Australian population	
	Males %	Females %	Males %	Females %
Construction	20.7	3.1	14.9	2.4
Manufacturing	13.1	8.2	12.4	5.4
Transport, postal and warehousing	9.3	3.9	7.4	2.6
Retail trade	8.2	13.4	8.7	13.6
Professional, scientific and technical services	7.2	8.0	7.9	7.2
Accommodation and food services	5.1	8.7	5.6	8.5
Health care and social assistance	2.4	15.8	4.2	19.1
	'000	'000	'000	'000
<b>Total</b>	<b>177.8</b>	<b>142.7</b>	<b>5 815.4</b>	<b>4 911.8</b>

(a) Average of four quarters, year ending May.

Source: ABS 2009-10 Labour Force Survey

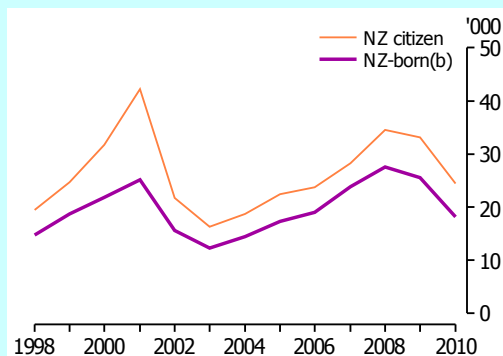
### Third country movements through NZ

One of the influencing factors in the development of the 2001 bilateral social security arrangement (see 'Australian and New Zealand Travel Arrangements') was an increasing proportion of NZ citizens who were migrating to Australia being of third-country origin (i.e. people who had initially migrated to NZ, but then migrated to Australia after gaining NZ citizenship). These 'third-country' movements were perceived as a possible way to bypass Australian immigration requirements, which these people may not have met without their New Zealand citizenship.

In 1997–98, permanent arrivals to Australia of New Zealand citizens outstripped those of people of New Zealand birth by 4,700. This difference grew to 9,700 in 1999–2000 and spiked at 17,100 in 2000–01, in part due to the early warning of the impending social security changes. The figure dropped back to 6,000 in 2001–02.

Changes to New Zealand passports since 2005 have meant that country of birth information has had to be imputed and isn't strictly comparable with data prior to the change. Between 2005–06 and 2009–10 the difference in the number of New Zealand citizens and NZ-born people coming to Australia on a permanent basis rose from 4,800 to 6,400.

### Permanent arrivals(a), NZ-born and NZ citizens – 1998-2010



(a) Year ending June 30.

(b) Excludes a small number of arrivals who did not have New Zealand citizenship.

Source: ABS 1998-2010 Overseas Arrivals and Departures collection

Around two in five of those working in the Health care and social assistance industry were Professionals (37%), while around one in three were Community and personal service workers (32%) and around one in five (19%) were in Clerical or administrative positions.

Retail trade was also a common industry of employment for NZ-born females (13%). Around half of these NZ-born female retail workers were in Sales (53%) while a further 18% were in Managerial positions.

## ...study

Education participation rates of young NZ-born people (obtained from the 2009 Survey of Education and Work) are lower than among young Australians generally. Among those aged 18–24 years who were not still at school, the NZ-born were half as likely as the overall population to be enrolled in study (22% compared with 44%). Furthermore, around one in ten (12%) young NZ-born people were studying full-time compared with around one in three (32%) young people generally.

In 2009, NZ-born people aged 25–64 years had the same rate of attainment of a non-school qualification as the overall Australian population (both 62%). These similar attainment rates, together with NZ-born people in Australia having lower rates of participation in study, suggest they have a tendency to complete their studies prior to migrating to Australia.

However, NZ-born people tend to have a slightly different skills profile to the general Australian population. It was more common for 25–64 year old NZ-born people to have an advanced diploma or lower as their highest non-school qualification (39%), compared with the overall Australian population (34%). Around one in five (19%) NZ-born people aged 25–64 years had a Certificate III or IV.

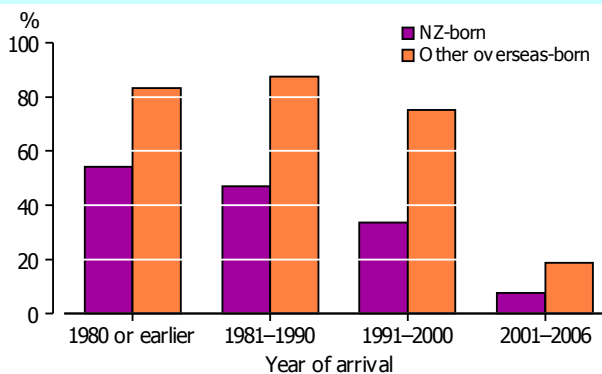
NZ-born Australians aged 25–64 years were less likely than Australians in general to have a bachelor degree or higher (22% compared with 27%).

Information from the 2006 Census of Population and Housing suggest that recent NZ-born migrants are more likely than previous NZ-born migrants to have a bachelor degree or higher. Around one in four (23%) 25–64 year old NZ-born people, who arrived in Australia in 2002 or later, had a bachelor degree or higher as their highest non-school qualification. In contrast, around one in five (18%) of those who had arrived in Australia between 1997 and 2001 had a bachelor degree or higher, as did 16% of those who arrived prior to 1997.

## Becoming Australian Citizens

NZ-born people living in Australia are less likely to become Australian citizens than other overseas-born Australian residents. Of the NZ-born population counted in the 2006 Census of Population and Housing, 37% had Australian citizenship. In contrast, 71% of people who were born in other countries (excluding Australia) were Australian citizens.

## Australian citizenship of overseas-born residents, by year of arrival – 2006



Source: ABS 2006 Census of Population and Housing

The high rate of movements back and forth between New Zealand and Australia may contribute to this low rate of citizenship. For example, the Census may count people living in Australia who do not consider taking up citizenship because they plan on moving back to New Zealand in the longer term. The low rate of citizenship may also be influenced by NZ-born people not having the same incentives to seek Australian citizenship as people from other countries, because their New Zealand citizenship provides them with certain benefits within Australia. For example, New Zealand citizens who migrated to Australia prior to 27 February 2001 are eligible for certain social security payments from the Australian government without needing to apply for Australian permanent residency or citizenship, unlike other migrants to Australia.

Nevertheless, NZ-born people living in Australia, like any migrant population, are more likely to become Australian citizens the longer they have lived here. Over half (54%) of those who had arrived in 1980 or before had obtained Australian citizenship by 2006, while only 7.7% of those who arrived in 2001 or later had become Australian citizens.

## Endnotes

- 1 Statistics New Zealand, 2006, *Quickstats About Culture and Identity – Tables* viewed 27 August 2010, <[www.stats.govt.nz](http://www.stats.govt.nz)>.
- 2 People could put a maximum of two ancestries on their Census form.
- 3 Statistics New Zealand, 2006, *Quickstats About Maori*, viewed 22 March 2010, <<http://www.stats.govt.nz>>.

# The city and the bush: Indigenous wellbeing across remoteness areas

In 2010, Indigenous Australians were projected to number just over 560,000, or 3% of Australia's total population. In 2008, close to one third of Indigenous people lived in Major Cities while just under one quarter lived in Remote Areas. The total population, in contrast, is much more concentrated with over two-thirds of people living in the Major Cities and only 2% in the Remote Areas.

This article looks at the differences in circumstances of Aboriginal and Torres Strait Islander people living in major cities, regional areas and remote areas.

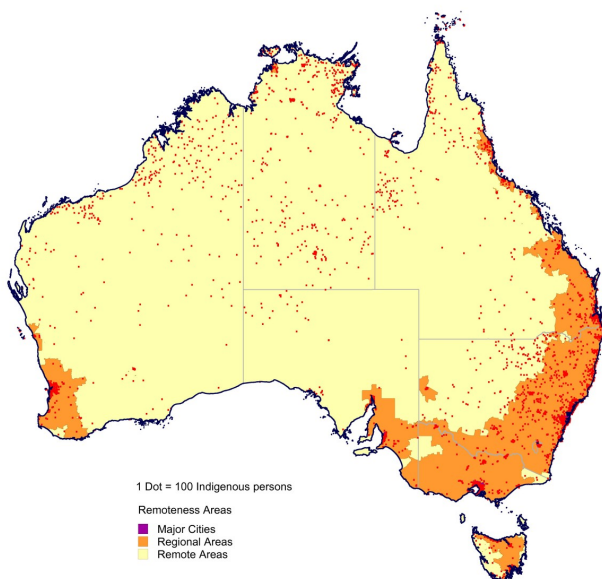
## Demographic characteristics

### ...age profile

The Indigenous population overall has a very young age profile with around half being aged less than twenty years in 2008. In contrast, only around one quarter of the total Australian population was aged under twenty in 2008.

Across Remoteness Areas, there were slight differences in the age structure of the Indigenous population. Remote Areas had a lower proportion aged under 20 years (45%) than either the Regional Areas (50%) or the Major Cities (49%). This difference may be in part attributable to out-migration of younger people from Remote Areas.

## Indigenous population distribution(a) and Remoteness Areas – 2006



(a) Final estimated resident population based on the 2006 Census of Population and Housing.

Source: ABS [Experimental Estimates of Aboriginal and Torres Strait Islander Australians, Jun 2006](#) (cat. no. 3238.0.55.001)

## Data sources and definitions

This article draws on a range of ABS sources including the ABS 2002 and 2008 National Aboriginal and Torres Strait Islander Social Surveys (NATSISS). It also uses data from the 2006 Census and population projections which are based on Census data.

**Remoteness Area** is a structure of the Australian Standard Geographical Classification (ASGC). It classifies areas sharing common characteristics of remoteness into six broad geographical regions (Remoteness Areas). The remoteness of a point is measured by its physical distance by road to the nearest urban centre. As remoteness is measured nationally, not all Remoteness Areas are represented in each state or territory. The six Remoteness Areas are: Major Cities of Australia; Inner Regional Australia; Outer Regional Australia; Remote Australia; Very Remote Australia; and Migratory. In this article Remoteness Areas (apart from Migratory, which is not in the scope of ABS surveys) are collapsed to three levels:

- Major Cities
- Regional Areas ( Inner Regional plus Outer Regional)
- Remote Areas (Remote plus Very Remote)

For further information about Remoteness Areas see Chapter 8 of ABS [Australian Standard Geographical Classification \(ASGC\), July 2007](#) (cat. no. 1216.0).

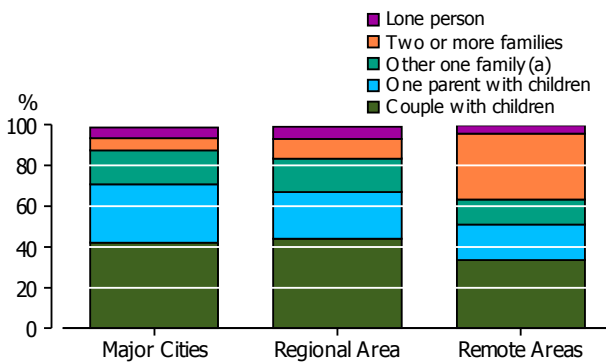
## Living arrangements and families

Overall in 2006, 80% of Indigenous people lived in a household with just one family, and this was significantly more common among those in Major Cities (88%) than in Remote Areas (63%). Nearly one-third (32%) of Indigenous people in Remote Areas were living in multi-family households, compared with 6% of Indigenous people from Major Cities and 10% in Regional Areas.

### ...partnering

In the Major Cities and Regional Areas, Indigenous people in couple relationships were more often than not partnered with a non-Indigenous person. In almost nine out of ten couples (88%) in Major Cities where at least one partner was Indigenous, the other did not identify as Indigenous in the 2006 Census. In Regional Areas, the proportion was 77%. In contrast, in Remote Areas only around one-quarter (24%) of couples where one partner was Indigenous, the other was non-Indigenous.

## Type of family/household lived in, Indigenous persons – 2008



(a) Includes couple only households and one family households (such as sibling households).

Source: ABS 2008 NATSISS

### ...number of children

Indigenous households in Remote Areas were more likely to contain children than other areas, and of those who did have children, they tended to have a greater number. In 2008, 57% of Indigenous households in Remote Areas had children aged less than 15 years living in them with an average of 2.5 children per household. This compares with Regional Areas where the average number of children was 2.1 (out of 51% of households with children), and 2.0 children on average in Major Cities (out of 48% of households with children).

***In nine out of ten couples involving an Indigenous person in Major Cities, the other partner was non-Indigenous.***

Indigenous women in Remote Areas tend to have more babies than those in other areas. According to the 2006 Census, around one-quarter (24%) of Indigenous women aged in their 40s who lived in the Remote Areas had five or more children. This compares with 13% of Indigenous women in Major Cities in their 40s having five or more children. Higher fertility in the Remote Areas is particularly evident among teenagers, with one in five 15–19 year old Indigenous females being a mother in 2006, compared with 8% of those in Major Cities.

### Cultural differences

Indigenous people living in Remote Areas are more likely to report higher levels of attachment to their culture as measured by their language spoken, participation in cultural events and identification with clan, tribe or language group.

## Mobility across Remoteness Areas

Between 2001 and 2006, around 10% of Indigenous people aged over five years had moved to an area with a different level of remoteness. Just over half of these (5.5% of the Indigenous population) moved to a less remote region. The largest flows were between Major Cities and Regional Areas with around 3% moving in each direction. Over 2% moved out of Remote Areas, while just 1% moved into a Remote Area.

The largest net movement of Indigenous people between 2001 and 2006 was from Remote to Regional Areas, and the rate was highest among people aged 5–19 years, with around 5% moving to a Regional Area.

## Migration between 2001 and 2006 across Remoteness Areas



Source: ABS 2006 Census of Population and Housing

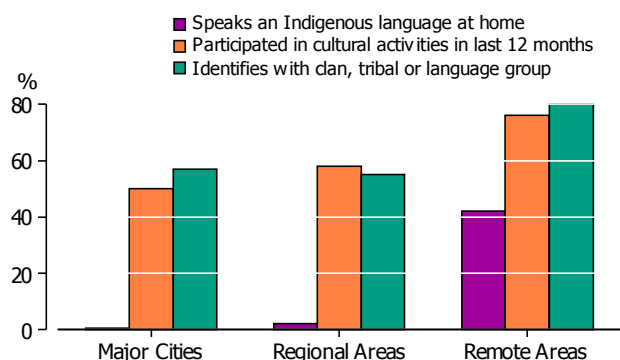
In 2008, 42% of Indigenous people aged 15 years and over in Remote Areas spoke an Aboriginal or Torres Strait Islander language at home. This was much higher than for Indigenous people in Major Cities and Regional areas, where less than 1% and 2% respectively spoke an Indigenous language at home.

Around three-quarters (76%) of Indigenous people in Remote Areas participated in cultural activities in the previous year, higher than both those living in Regional Areas (58%) and Major Cities (50%). The most commonly attended cultural activities among people in Remote Areas were funerals/sorry business (62% attended), followed by sports carnivals (42%). The most commonly attended events for Indigenous people in Major Cities and Regional Areas were NAIDOC week activities (36% and 37% respectively).

Identification with a clan, tribal or language group is important to the majority of Indigenous people, but is more common among those in Remote Areas (80%) than either Major Cities (57%) or Regional Areas (55%). In each Remoteness Area, tribal groups were more commonly identified with than language groups, clans, missions or regional groups.



## Indicators of Indigenous cultural attachment – 2008



Source: ABS 2008 NATSISS

### Disadvantage and remoteness

The widespread disadvantage of Indigenous peoples results from a complex legacy of historical, social and economic factors and extends across all aspects of wellbeing.<sup>1</sup> Over the last decade there have been some improvements in a number of key outcome measures, yet inequalities are also evident between Remoteness Areas in areas such as education, work, health and housing.

### ...engagement in education and work of young people

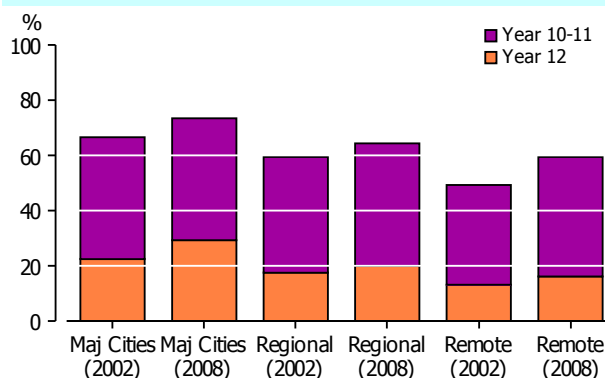
The proportion of young Indigenous people (aged 15–24 years) fully engaged in work or study has increased between 2002 and 2008. However, the increase in participation was only evident in the Major Cities and Remote Areas.

Overall, the proportion of Indigenous youth (aged 15–24 years) who were either studying full time, working full time (or doing a part time combination of both) increased from 47% to 54% over the period, with full-time study occupying 35% and full-time work 18% in the latter period.

In Major Cities, the increase in full engagement in education or work in the six years to 2008 was from 51% to 63%, while in Remote Areas the increase was from 33% to 41%. This means six out of ten young people in Remote Areas were not fully engaged in 2009. In Regional Areas, the overall engagement level was virtually unchanged at 53%, as a small rise in full-time employment was offset by a decline in the proportion who were in full time study.

Over the 2002–08 period, measures of the highest level of school completed by Indigenous people (of those aged 15 years and over who had left school) increased across all Remoteness Areas. In 2008, 73% of Indigenous people in Major Cities had completed year 10 or higher (up from 67% in 2002) and included 29% who had finished year 12 (up from 23% in

## Highest school completion, Remoteness Areas, Indigenous people(a) – 2002 and 2008



(a) Aged 15 years and over, excludes those attending school.

Source: ABS 2002 and 2008 NATSISS

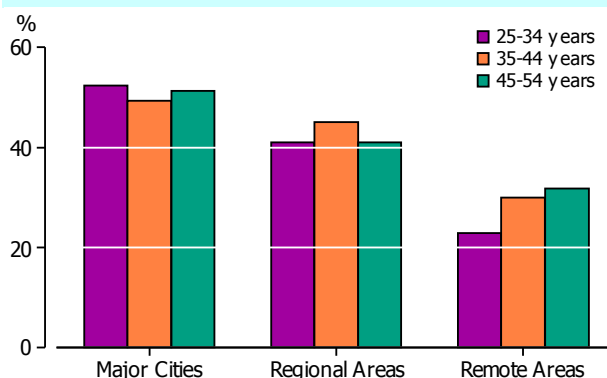
2002). In Regional Areas, the proportion who had completed year 10 or higher increased from 60% to 64% over the period, while in Remote Areas the level increased from 49% to 59%.

### ...non-school qualifications

Between 2002 and 2008 the proportion of Indigenous adults (aged 25–64 years) with a non-school qualification increased from 32% to 40%. The greatest increases occurred in Major Cities and Regional Areas, and in 2008, half of all Indigenous adults living in Major Cities had a non-school qualification compared with 41% of those in Regional Areas and 26% of those in Remote Areas.

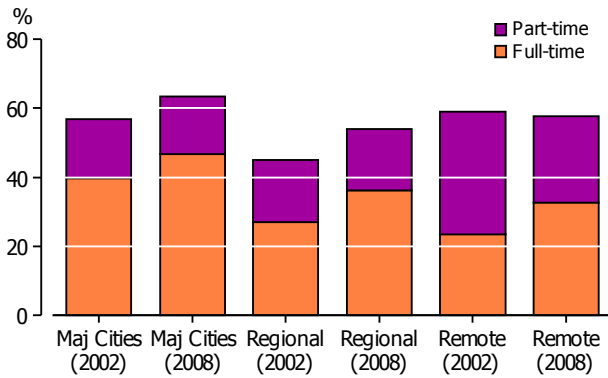
In 2008, Indigenous people aged 25–34 years in Remote Areas were the least likely (23%) of any group (aged between 25 and 54 years) to have a non-school qualification. This may be in part due to young people having to move out of Remote Areas to study, or to use their qualification in employment.

## Indigenous people with a non-school qualification – 2008



Source: ABS 2008 NATSISS

### Employment of Indigenous people aged 25-64 – 2002 and 2008



Source: ABS 2002 and 2008 NATSISS

### ...employment of adults

The overall level of employment among Indigenous people aged 25–64 years rose from 52% to 58% in the six years to 2008. While the improvements were mainly seen in Major Cities (up seven points to 64%) and Regional Areas (up nine point to 54%), Remote Areas (at 58% in 2008) still had higher employment than Regional Areas. However, in Remote Areas employed Indigenous people were more often in part-time work (43%) than those in Major Cities (26%) or Regional Areas (33%). The high proportion of part-time work in Remote Areas is mainly due to the Community Development Employment Program, which in 2008 was assisting 35% of employed Indigenous people in Remote Areas, 71% of whom were employed part time.

### Income

Indigenous households are over represented at the lower end of the income distribution (based on the income of all Australian households). In 2008, 49% of Indigenous households were in the bottom quintile (twenty percent) of all households based on their equivalised gross income (that is, more than twice the 20% that

would be expected if there were no differences on average between Indigenous and non-Indigenous Australians). This disparity has grown from 2002 when 40% of Indigenous households were in the bottom quintile.

At the high end of the income distribution, Indigenous households were under represented with 6% in the top quintile.

The income disparity between Indigenous people and all Australians highlighted by the distribution of household income was most apparent in Regional Areas and Remote Areas, where over half of households were in the bottom quintile, and just 4% in the top quintile. Indigenous households in Major Cities were somewhat better off, although there were still 42% in the bottom quintile (twice as many as the average for total Australia) and just 8% in the top quintile, compared with the 20% that would be expected if income was not distributed differently among Indigenous and non-Indigenous Australians.

### Housing

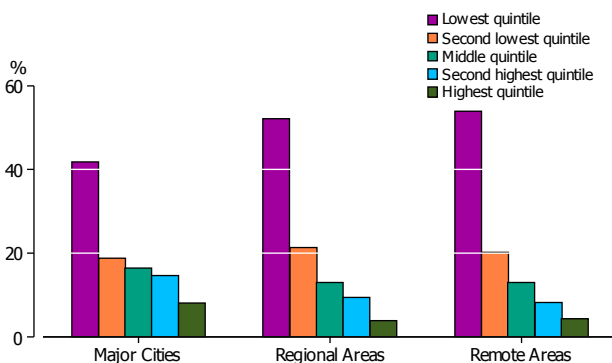
As well as providing basic shelter, adequate housing should facilitate good health and education outcomes. However, a high proportion of Indigenous households live with overcrowding or sub-standard housing.

### ...overcrowding

Overcrowded housing presents a number of risks such as increasing the chances of spreading infectious diseases and interpersonal conflict. In addition, overcrowding may impair children's education through decreased opportunities to study or get sufficient sleep.<sup>1</sup>

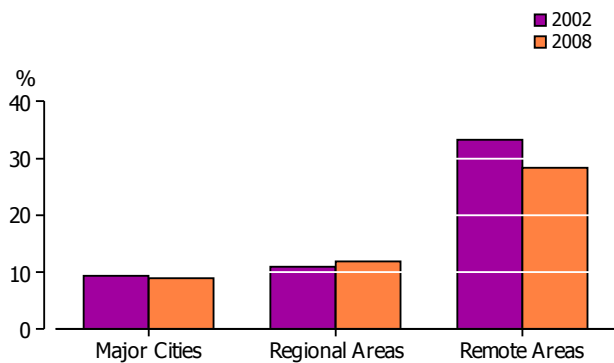
In 2008, over half (52%) of Indigenous people living in Remote Areas (almost 66,000 people) were living in households without a sufficient number of bedrooms,<sup>2</sup> and most of these were in multiple family households. In contrast, 16%

### Indigenous households' income distribution by quintiles of equivalised gross income – 2008



Source: ABS 2008 NATSISS

### Indigenous households with insufficient number of bedrooms – 2002 and 2008



Source: ABS 2002 and 2008 NATSISS

of Indigenous people living in Major Cities were in overcrowded conditions, while in Regional Areas the figure was 23%.

While Indigenous people in Remote Areas were more likely to be living in overcrowded households, there was a small but significant decline in the proportion of overcrowded households between 2002 and 2008 (from 33% to 28%).

Overcrowding occurred for all types of housing tenure or landlord types, but in Remote Areas it was most common in houses managed by Indigenous Housing Organisations (IHOs). IHOs made up one-third of all Indigenous dwellings in Remote Areas in 2008, and 41% of these dwellings (housing 34,200 people) were overcrowded.

### ...structural problems and other deficiencies

Closely associated with overcrowding are structural problems and non-existent or non-functioning basic facilities. At best, such inadequacies may make conditions uncomfortable, but they may also pose significant risks to health or safety.

In 2008, 26% of dwellings occupied by Indigenous people had some kind of structural problem. This compares with 18% across all Australian households. The Indigenous households with structural problems were most frequent in Remote Areas (34%), but still relatively common in Regional Areas and Major Cities (25% each).

The most common types of structural problems for Indigenous occupied houses were major cracks in walls or floors (affecting 12% of all households), followed by walls or windows that were not straight (7%), problems with foundations, rot or termite damage and major plumbing problems (6% each).

Since 2002, the proportion of Indigenous households reporting structural problems has declined by 25% overall, with the reductions occurring across all Remoteness Areas.

In 2008, 27% of Indigenous people (in 7,300 households) in Remote Areas lacked some kind of basic household amenity. This compared with 8% in Major Cities and 9% in the Regional Areas. The most common deficiency was a lack of cooking facilities which affected 15% of the population in Remote Areas, while 11% didn't have a washing machine and 6% didn't have a fridge.

### Health

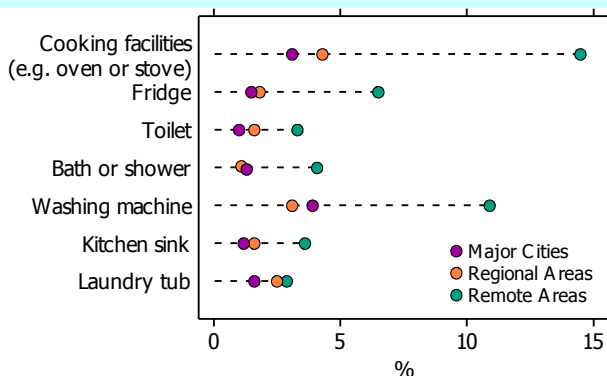
The poor health outcomes of Australia's Indigenous people (highlighted by the gap in life expectancy) are associated with a number of negative factors including those to do with lifestyle, living environment and access to health services.<sup>1</sup>

Overall, self-reported health shows that Indigenous people in Regional Areas and Major Cities were less likely to report their health as good or better (76% and 77% respectively) than those in Remote Australia (81%).

### ...risk factors

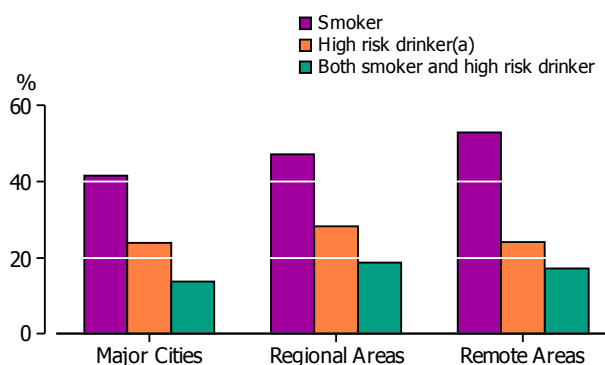
Smoking and alcohol consumption are two major health risk factors that contribute to premature death and ill health among Indigenous people. In 2008, 47% of Indigenous people (aged 15 years and over) were current smokers, down from 51% in 2002. Smoking was most prevalent among those in Remote Areas (53%) compared with 42% in Major Cities and 47% in Regional Areas.

#### Indigenous households - type of unavailable facility – 2008



Source: ABS 2008 NATSISS

#### Smoking and high risk drinking – 2008



(a) In the two weeks prior to interview.

Source: ABS 2002 and 2008 NATSISS

In the two weeks prior to being interviewed in 2008, half of all Indigenous people aged 15 years and over had consumed some alcohol, and around half (51%) of these drinkers consumed at levels considered to be high risk to health. This means that one-quarter of all Indigenous people had consumed at high risk levels. Across Remoteness Areas, the rate varied from 24% in Major Cities and Remote Areas to 28% in Regional Areas. In Remote Areas, fewer people drink at all (40% compared with 54% in non-Remote Areas) which means a high proportion (61%) of those who did drink, drank at high risk levels.

Overall, the level of high risk drinking in 2008 (26%) was not statistically different to the level in 2002 (23%).

### Positive wellbeing

Indigenous people in the 2008 NATSISS were asked about positive as well as negative feelings of wellbeing. In Remote Areas, 79% of people aged 15 years and over reported feeling happy, some or most of the time. This was considerably higher than Major Cities where 68% were happy and Regional Areas where 73% were happy.

In Remote Areas, feeling happy was associated with cultural activities such as making or performing Indigenous arts. Of the people who were involved in art, craft, dance, music or story-telling, 83% reported feeling happy some or most of the time. Similarly, of those who attended cultural activities at least once per week, 81% were happy some or most of the time compared with 71% among those who rarely or never attended cultural events.

### Crime and safety

Indigenous people in Major Cities were more likely (29%) to report feeling unsafe in their local area after dark than those in Regional (26%) and Remote Areas (22%). This difference in feeling safe is associated with differences in experiences of personal crime. People in Major Cities were slightly more likely than people in Remote Areas to have been victims of physical or threatened violence (26% compared with 22%). Among 95% of violent assaults in Remote Areas, the perpetrator was known to the victim, compared with 73% in Major Cities.

## Conclusion

The Indigenous population is a much less concentrated population than the overall Australian population, being only half as likely to live in Major Cities and 12 times more likely to live in Remote Australia. In some characteristics, such as household and family type, employment and education, Indigenous people in Major Cities appear less disadvantaged than their remote counterparts. Other indicators such as self-reported health and happiness, and experience of crime, show Indigenous people in Major Cities are not doing better (and in some cases slightly worse) than those in Remote Areas.

## Endnotes

- 1 Steering Committee for the Review of Government Service Provision, 2009, *Overcoming Indigenous Disadvantage: Key Indicators 2009*, Productivity Commission, Canberra, viewed 7 September 2010, <[www.pc.gov.au](http://www.pc.gov.au)>.
- 2 According to the Canadian National Occupancy Standard for housing appropriateness. See paragraphs 24 to 26 of the Explanatory Notes in ABS *Housing Occupancy and Costs, 2007-08*, cat. no. 4130.0, Canberra, <[www.abs.gov.au](http://www.abs.gov.au)>

# Older people and the labour market

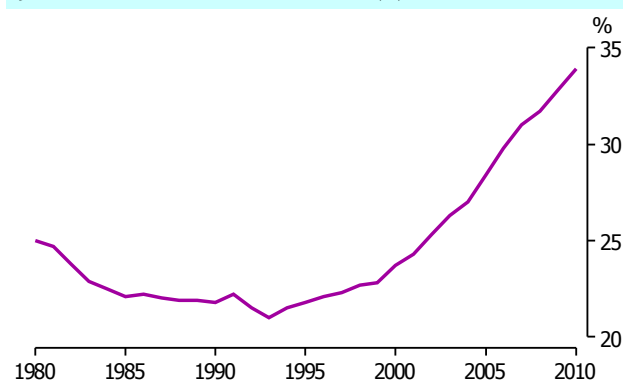
While older workers have always been an important part of the Australian work force, in recent years the importance of this contribution has become increasingly apparent. The 2010 Intergenerational Report highlighted the fiscal pressures associated with the ageing population. Demand for health and aged care services as well as pensions is projected to increase over coming decades while at the same time the proportion of people participating in the labour force is projected to fall.<sup>1</sup>

Increasing the labour force participation rate of older people is seen as one way to help soften the economic impacts of an ageing population. Over the past decade, successive Australian governments have recognised this and developed policies aimed at lifting participation among older workers by encouraging them to stay in the workforce longer or re-enter the workforce.

## Participation trends of people aged 55 years and over

In 2009–10, there were around 5.5 million Australians aged 55 years and over, making up one quarter of the population. Around one third of them (or 1.9 million) were participating in the labour force. People aged 55 years and over made up 16% of the total labour force, up from around 10% three decades earlier. The participation rate of Australians aged 55 and over has increased from 25% to 34% over the past 30 years, with most of the increase occurring in the past decade.

Labour force participation of people aged 55 years and over – 1980-2010(a)



(a) Year to June.

Source: ABS 1980-2010 Labour Force Survey

## Data sources and definitions

This article uses data from the ABS Labour Force Survey and a number of supplementary surveys including Persons not in the Labour Force, Survey of Education and Work, Barriers and Incentives to Labour Force Participation and Retirement and Retirement Intentions.

**Older people** in this article refers to people aged 55 years and over.

**Labour force status** is a classification of the civilian population aged 15 years and over into employed, unemployed or not in the labour force, with employed being further classified as full-time or part-time.

**Labour force participation rate** is the number of people in the labour force as a proportion of the civilian population aged 15 years and over.

People **employed full time** are those who usually work 35 hours or more a week (in all jobs), and those who, although usually working less than 35 hours a week, worked 35 hours or more during the reference week.

People **employed part time** are those who usually work less than 35 hours a week (in all jobs), and either did so during the reference week, or were not at work during the reference week.

**Unemployed** refers to people who were not employed during the reference week and had actively looked for work in the four weeks leading up to the reference week and were available to start work during the reference week.

People **not in the labour force** are those who were classified as neither employed nor unemployed during the reference week.

**Underemployed** people are those people who are employed part time (or normally work full time but had their hours reduced for economic reasons such as being stood down or insufficient work) and would prefer to work more hours.

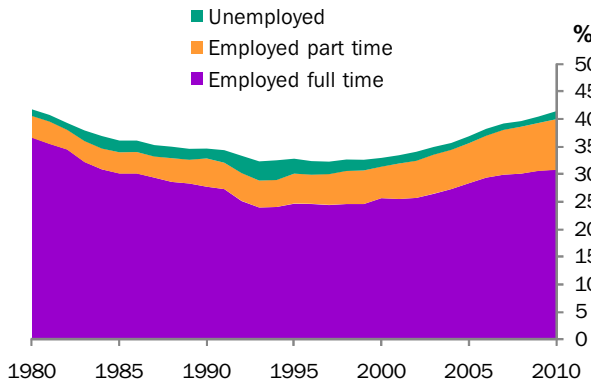
**Discouraged job seekers** are those who are not working and would like to, but for a variety of reasons were not actively looking for work.

**Owner managers** are people who operate their own unincorporated enterprise or who engage independently in a profession or trade.

## Men's and women's participation

Over the past three decades, the labour force participation rate among older men has been marked by three distinct periods. The first period saw a steady decline from a rate of 42% in 1980 to a low of 32% in 1993, largely driven by a fall in full-time employment. The second period saw the participation rate of older men remain relatively stable at around 32–33%, with falling unemployment and rising levels of

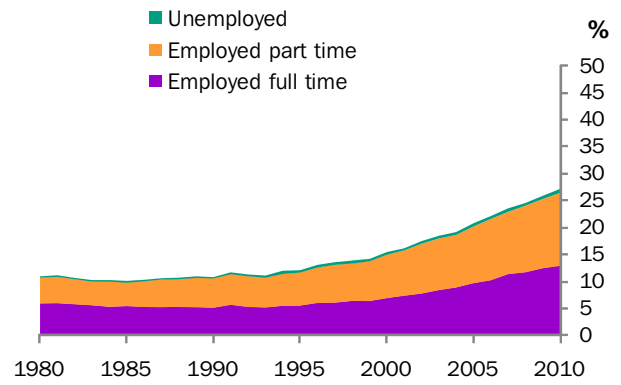
### Older male(a) labour force participation



(a) Aged 55 years and over.

Source: ABS 1980-2010 Labour Force Survey

### Older female(a) labour force participation



part-time employment. The period from 2002 to 2010 saw the labour force participation rate of older men increase to 42%, with growth in the proportion of older men in both full-time and part-time work.

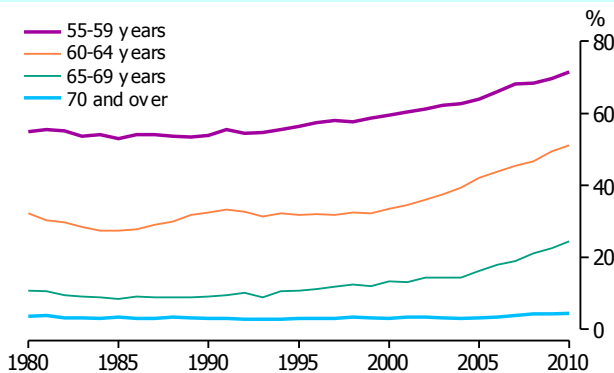
At the start of the 1980s, the labour force participation rate among older women was roughly one quarter that of older men. However, the trend of increasing labour force participation by women has seen this gap narrow. As with men, trends in the labour force participation of older women over the past three decades can also be broken down into three periods, although the characteristics of each period are slightly different to men. During the period from 1980 to 1993, the labour force participation of women aged 55 years and over was reasonably stable at around 11–12%. There was moderate growth in both full-time and part-time work in the years following, with the participation rate climbing to 16% in 2001. Since 2001, growth in both full and part-time employment among older women has accelerated, with the participation rate increasing 11 percentage points to 27% by 2010.

The marked increase in labour force participation among older men and women over the past decade is likely due to strong economic growth over the period leading to an increase in demand for employees of all ages. Increased flexibility in employment arrangements in recent years may have enabled older workers to switch to part-time work as a transition to retirement. However, there have also been legislative changes designed to encourage older workers to continue in the workforce. These include tax concessions for workers aged 55 years and over, for women, and an increase in the age at which they are eligible for the age pension.<sup>2,3</sup>

### ...by age

Labour force participation declines with age. In the year to June 2010, 71% of Australians aged 55–59 years were participating in the labour force. This compares with half (51%) of 60–64 year olds and one quarter (24%) of those aged 65–69 years. The participation rates for each of these age groups increased considerably between 1980 and 2010 (e.g. up 19 percentage points among those aged 60–64 years), with the

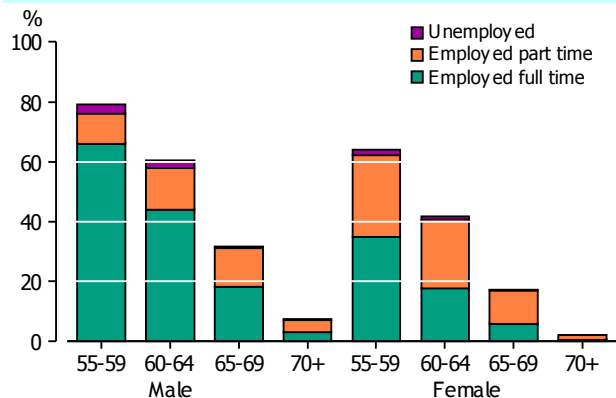
### Labour force participation, by age – 1980-2010(a)



(a) Year to June.

Source: ABS 1980-2010 Labour Force Survey

### Labour force status, by age and sex – 2010(a)



(a) Year to June.

Source: ABS 2010 Labour Force Survey

## Occupational groups of employed males and females – 2010(a)

Occupation	Males		Females	
	15-54 years	55 years and over	15-54 years	55 years and over
	%	%	%	%
Managers	14.7	22.9	9.6	12.3
Professionals	18.7	20.3	24.4	24.9
Technicians and Trades Workers	24.0	18.3	4.6	3.3
Community and Personal Service Workers	5.5	3.7	14.3	12.0
Clerical and Administrative Workers	6.7	6.8	24.3	28.0
Sales Workers	6.9	4.9	13.8	8.1
Machinery Operators And Drivers	10.4	12.2	1.1	1.7
Labourers	13.1	10.9	8.0	9.7
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
	'000	'000	'000	'000
<b>Total</b>	<b>4,901.9</b>	<b>1,036.4</b>	<b>4,198.0</b>	<b>753.9</b>

(a) Year to June.

Source: ABS 2010 Labour Force Survey

bulk of the increase coming in the past 10 years. The participation rate of people aged 70 years and over remained comparatively low, ranging between 2.7% and 4.5% over this 30 year period.

Lower labour force participation across the older age groups largely reflects declining levels of full-time employment. In the year to June 2010, two-thirds of men aged 55–59 years were employed full time, declining to 44% of those aged 60–64 years, and 18% for those aged 65–69 years. By contrast, the rate of part-time work among older men actually increases with age, from 10% of men aged 55–59 years, to 13% of those between the ages of 60 and 69 years.

The proportion of women employed full time also declines with age, though from a smaller base than for men. In the year to June 2010, 35% of women aged 55–59 years worked full time compared with 18% of women aged 60–64 and 6% of those aged 65–69 years. As with men, in progressively older age groups women who work part time make up a greater share of the shrinking number of labour force participants.

### What kind of jobs do they have?

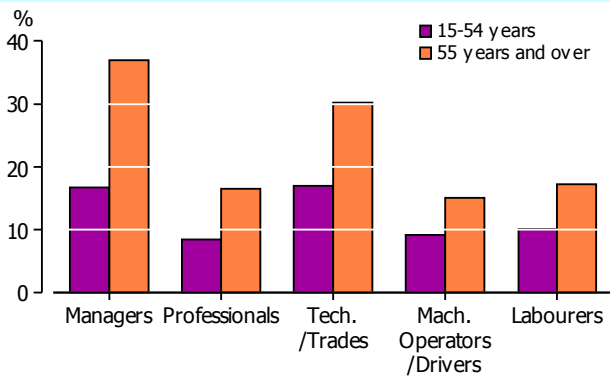
In the year to June 2010, around two in five employed men aged 55 years and over worked as Managers (23%) or Professionals (20%). Older men were more likely to be employed in these higher skilled occupations than their younger counterparts and less likely to be employed in more physically demanding occupations such as Technicians and Trade Workers (18%) and Labourers (11%). However, there were 113,000 men aged 55 years and over working as Labourers. Half of these worked as either Construction and Mining Workers (16%), Factory Workers (16%) or Farm, Forestry and Garden Workers (13%).

The most common occupations among women aged 55 years and over were Clerical and Administrative Workers (28%), followed by Professionals (25%). While these were also the most common occupation groups among younger women, those aged 55 years and over were more likely to be employed as Managers and Clerical and Administrative Workers than their younger counterparts, and less likely to be employed as Sales Workers. There were 72,800 women aged 55 years and over employed as Labourers, more than half (54%) of whom worked as Cleaners and Laundry Workers.

The industry profile of older workers largely resembled that of younger workers, with a couple of notable exceptions. Employed men aged 55 years and over were twice as likely to work in Agriculture, Forestry, and Fishing (7.8% compared with 3.4%). Among older women who worked, around 39% were either in the Health Care and Social Assistance or Education and Training industries, compared with 29% of younger employed women. On the other hand, older women were less likely than their younger counterparts to be employed in Retail Trade (10% compared with 14%), while 5% of older females worked in the Agriculture, Forestry and Fisheries industry compared with 2% of younger females.

Older workers were also more likely than their younger counterparts to be self-employed. Of employed men aged 55 years and over, 24% were self-employed, compared with 12% of younger men. Older men working as Managers were most likely to be self-employed (36%), along with those working as Technicians and Trade Workers (30%). Older men employed as Clerical and Administrative Workers were the least likely to be self-employed (11%).

### Proportion of owner managers, selected occupations – 2010(a)



(a) Year to June.

Source: ABS 2010 Labour Force Survey

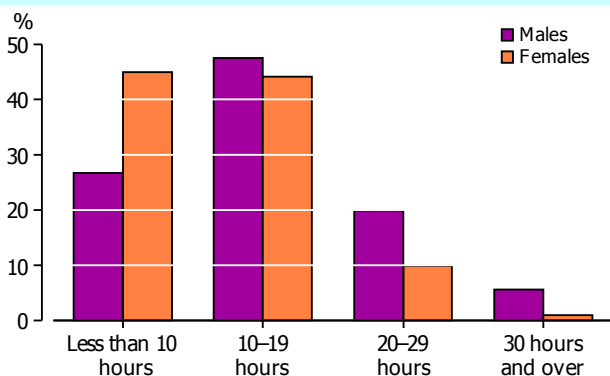
Older women were less likely to be self-employed (15%) than older men. However, they were twice as likely to be self-employed than younger women (7%). The proportion of older women employed as Managers who were self-employed (39%) was similar to that of their male counterparts.

### Underemployed older people

As well as encouraging older people to participate in the labour force, there is also a desire to see those who are underemployed increase the hours they work. In the June quarter 2010, there were 837,000 Australians who were underemployed, of whom 97,100 (11.6%) were aged 55 years and over. The underemployment rate among older workers was 4.5% for men and 6.1% for women. The higher rate of underemployment among women partly reflects the fact that women, even in the older age groups, are more likely than men to work part time.

While older workers are less likely to be underemployed than younger workers, on average older workers tend to remain

### Underemployed older workers(a), preferred number of extra hours – September 2009



(a) Aged 55 years and over.

Source: ABS *Underemployed Workers, Australia, September 2009* (cat. no. 6265.0)

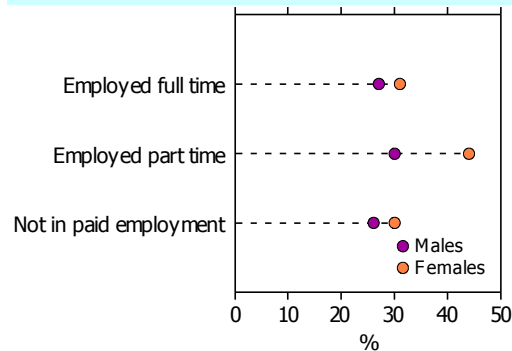
### Voluntary work

In 2006 there were 1.4 million Australians aged 55 years and over who did voluntary work. This accounts for around one in three (32%) older women and around one in four (27%) older men. The proportion of older people engaged in voluntary work was relatively consistent across the older age groups. There were 31,100 people who were still volunteering past the age of 85 years.

Among older people who were employed, 38% of women and 28% of men were also engaged in voluntary work. Older women who worked part-time were particularly likely to be volunteers (44%). Among older people who were not in paid employment, 26% of men and 30% of women volunteered, with women aged 55-59 years who were not employed having the highest rate (43%).

Fundraising was the most common voluntary activity among both older men (49%) and older women (55%). Preparing and serving food was also common among older women (48%), while men were more likely to engage in outdoor activities such as maintenance and gardening (44%).

### Volunteers aged 55 years and over by labour force status – 2006



Source: ABS 2006 General Social Survey

underemployed for longer. In September 2009, 41% of older underemployed workers had been underemployed for more than a year, compared with 30% of younger underemployed workers. Among older underemployed workers, women were more likely to have been underemployed for more than a year (50%) than men (33%).

In general, older underemployed workers preferred to work fewer extra hours than their younger counterparts. Around a third of older underemployed workers wanted to work less than 10 additional hours per week, while 46% would prefer to work between 10 and 19 extra hours. Around 18% of underemployed workers aged 55 years and over wanted to work 20 or more additional hours a week, compared with 26% of those aged under 55 years.

In general, older men who were underemployed wanted to work more extra hours than older women. Around one in four (27%) older underemployed men wanted to work less than 10 additional hours a week, compared with almost half of underemployed older women (45%). Around a quarter (26%) of



older men who were underemployed preferred to work 20 or more additional hours, compared with only 11% of older underemployed women.

Many older underemployed workers cited their age as one of the key factors preventing them from increasing the hours they work. Of those older underemployed workers who had actively looked for work with more hours in September 2009, 20% cited 'being considered too old by employers' as their main difficulty. However, a lack of vacancies or too many applicants was the most common difficulty, with around half (51%) reporting this as their main difficulty in finding work with more hours.

## Education

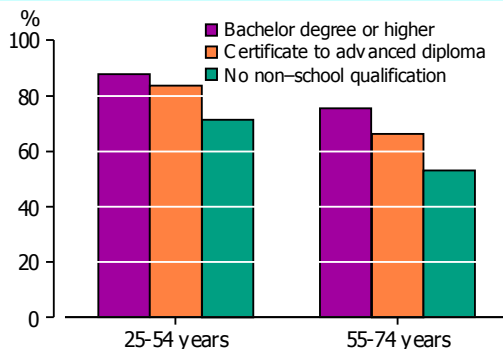
People with higher non-school qualifications were significantly more likely to be employed than those with lower skills. The relationship between education and employment is particularly apparent among older people. In 2009, there were just under half a million people (equal to 18% of those aged 55–74 years) who had a bachelor degree or higher. Of these, around three-quarters (76%) were employed, compared with just over half (53%) of those without a post-school qualification (a difference of 23 percentage points). In contrast, the employment level of younger people with a degree was 16 percentage points higher than those without a non-school qualification.

## Unemployment

In the year to June 2010, there were on average 58,100 people aged 55 years and over who were unemployed, with an unemployment rate of 3.1%. While this was higher than in previous years, it was much lower than in the early to mid 1990s when the rate was around 9% for this group.

Although the unemployment rate among older people was around half that of people aged less than 55 years (5.9% in the year to June 2010),

### Proportion of persons employed, by highest non-school qualification – 2009



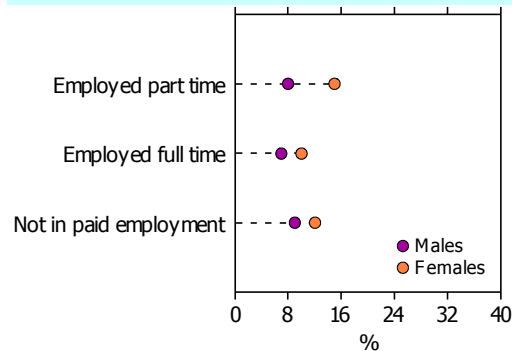
Source: ABS 2009 Survey of Education and Training

## Carers

Many older people provide care for relatives and loved ones with disabilities or ill health, thus enabling them to live in the community rather than in institutions. This type of care also makes a valuable contribution to society. Estimates from the 1997 Time Use Survey suggest that voluntary work and caring by older people contributed \$75 billion in that year.<sup>4</sup> In 2007, there were 490,000 carers aged 55 years and over, equivalent to 10% of people this age. This was slightly higher than the proportion of people aged 15–54 years (7%). Among people aged 55 years and over, women were more likely to be carers (12%) than men were (8%). The provision of care was particularly common among women aged 55–64 years (16%).<sup>5</sup>

Many older people combine caring responsibilities with paid employment. Among older people who were employed, 12% of women and 7% of men were also carers. Carers were more likely to be employed part time than full time. The rate of carers was particularly high among older women working part time (15%).

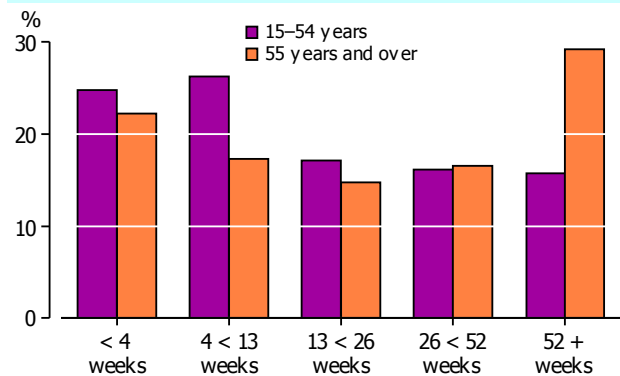
### Carers aged 55 years and over by labour force status – 2007



Source: ABS 2007 Survey of Employment Arrangements, Retirement and Superannuation

those older people who do become unemployed tend to be unemployed for longer. In the year to June 2010, 46% of unemployed older people had been looking for work for six months or more, compared with 32% of those aged less than 55 years. However, the numbers of people involved were relatively few – 26,600 people aged 55 years and over were

### Duration of unemployment – 2010(a)



(a) Year to June.

Source: ABS 2010 Labour Force Survey

unemployed for six months or more, compared with 185,000 people who were aged less than 55 years.

The main difficulty in finding work reported by around a third of older unemployed people was that they are considered too old by employers (36% of men and 28% of women). Other reasons included that there were no job vacancies in the locality or in their line of work (19%) and that there were too many applicants for the available jobs (15%).

## Retirement plans

In looking ahead to future trends in the labour force participation of older people, one of the key factors will be people's plans as they get older, including when and how they intend to retire and what factors will influence their decisions.

In 2008–09 there were 4.3 million Australians in the labour force who were aged 45 years and over. Of these, 575,000 (13%) said they never intended to retire. Of those who did plan to retire, the average intended retirement age was 64.2 years for men and 62.5 years for women. This is slightly older than the average retirement age for people who retired in the previous five years (61.1 years for men and 59.2 years for women), and is in keeping with a trend towards later retirement.<sup>6</sup>

Of those who intend to retire, around two in five (39%) said that financial security would be the main factor in deciding when to retire. A further 11% said that reaching the eligibility age for the age (or service) pension was the main factor for them. Health was also a key consideration with 23% reporting that 'personal health or physical abilities' would be the main factor in their decision on when to retire.

There were around 3 million people aged 45 years and over who were working full time in 2008–09. Around 30% of these intended to shift to part-time work before eventually retiring, while a further 5% intended to take up part-time work but not necessarily retire.

The transition to retirement is not a one-way street, and many people who retire end up re-entering the labour force. Over the course of 2008–09 there were 144,000 people 55 years and over (59% of them women) who came out of retirement and returned to the workforce. Around one third of these said the reason they came back into the labour force was because they were bored (34%), or because an interesting opportunity came up (13%). A further 37% returned to the labour force for financial reasons. This may reflect the impact of the Global Financial Crisis (GFC) on retirement savings, although it should be noted that the survey was partly conducted prior to the onset of the GFC.

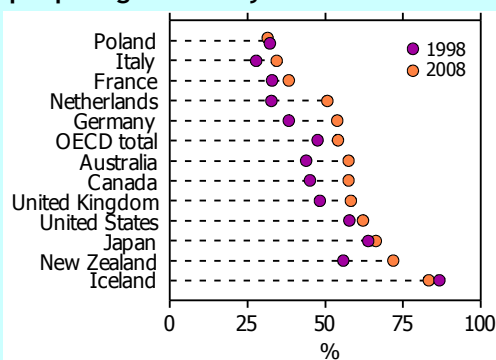
## International comparison

In 2008, 57% of Australia's 55–64 year olds were employed. This placed Australia 13th, close to the average across the OECD.<sup>7</sup>

Countries that had higher employment to population ratios for people aged 55–64 included Iceland (83%), New Zealand (72%), Japan (66%) and the USA (62%). A number of countries have taken various approaches to increase older worker participation including raising the official retirement age, anti-discrimination legislation, employer subsidy schemes, and extensive awareness campaigns on the benefits of employing and retaining older workers.

As many countries had sharp recessions following the Global Financial Crisis, it is likely that the employment to population ratios presented here have since decreased as a result of higher unemployment levels. Of the countries shown, those most affected include the USA, UK and Iceland.

## Employment to population ratio, people aged 55-64 years



Source: *OECD Factbook 2010* <[www.oecd.org](http://www.oecd.org)>

## Older people not in the labour force

In September 2009 there were 3.3 million Australians aged 55 years and over not in the labour force. There were 1.6 million aged 55 to 69 years, and of those, women made up the majority (59%), due to their earlier retirement from the labour force and greater longevity compared with men. Two out of five people aged 55–69 years who were not in the labour force (40%) listed their main activity as being retired or voluntarily inactive. Other main activities reported included home duties (26%, most of whom were women), and long-term health or disability (15%). Of these 1.6 million older people, there were 13% who said that they would like to work compared with 42% of younger people not in the labour force.

People not in the labour force include those who are *marginally attached to the labour force*. That is, they wanted to work and were either actively looking but were unable to start right away, or they were available to start, but not actively looking. In September 2009 there were 184,000 people aged 55 years and over with marginal attachment to the labour force. Almost

## Main activity when not in the labour force, people aged 55-69 years – September 2009

	Males	Females	Persons
	%	%	%
Retired/voluntarily inactive	49.8	33.0	39.8
Home duties	7.9	39.0	26.3
Own long-term health disability	21.8	10.5	15.1
Travel, holiday, leisure	7.8	5.0	6.1
Looking after ill/disabled person	4.6	5.3	5.0
Working unpaid voluntary job	4.0	3.0	3.4
Other(a)	*4.1	*4.2	*4.1
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

\* estimate has a relative standard error of 25% to 50% and should be used with caution

(a) Includes caring for children, attending educational institution, own short term illness/injury, other.

Source: ABS *Persons Not in the Labour Force, Australia, September 2009* (cat. no. 6220.0)

all of these people were available to start work, but not actively looking. Around two-fifths of older people in this situation identified personal factors as the main reason they were not looking for work. These included long-term health condition or disability (21%), unspecified personal reasons (17%), and family reasons (8%) such as the ill health of a family member.

Of particular interest to policy makers are a group of people known as *discouraged job seekers*. These are people who stated that they wanted a job and were available to work, but were not looking because they didn't think they would be able to find a job for reasons related to the labour market. Of all the people outside the labour market, discouraged job seekers are seen as most likely to enter the labour market if conditions were to change. In September 2009 there were almost 58,200 older people classified as discouraged job seekers. Around two-thirds of older people in this situation felt that employers considered them too old (64%), while a further 15% said that there were no jobs in their locality or line of work.

Working arrangements and financial considerations are among the key factors that could encourage older people to join the labour force. Of those older people (aged 55–69 years) who wanted and were available to work, but were not actively looking for a job in 2008–09, more than three-quarters (76%) said that the ability to work part time hours would be important in determining whether they joined the labour force. Similarly, being able to work a set number of hours on set days was an important factor for 68% of older people. The majority also said being able to sit down (68%) and take breaks (61%) would be important factors.

## Incentives to join the labour force(a), people aged 55-69 years – 2008-09

	%
Being able to work part-time hours	76.1
Being able to sit down some of the time while at work	68.0
Being able to work a set number of hours on set days	67.7
Being able to take breaks	61.1
Being able to keep more of welfare benefits or allowances	43.9
	'000
<b>Total</b>	<b>176.1</b>

(a) Of people who wanted paid work, were available to start but not actively looking.

Source: ABS July 2008 to June 2009 Survey of Barriers and Incentives to Labour Force Participation

## Looking ahead

The decision people make about whether and when to retire will depend on a number of factors. These include consideration of health, financial security and other personal reasons, as well as the prevailing economic conditions and labour demands.

With the rebound in the Australian economy following the effects of the GFC, it is likely that the labour market will continue to strengthen for the foreseeable future.<sup>8</sup> As demand for workers picks up, it is likely to create even greater opportunities for those able to extend their working lives beyond the traditional retirement age. While the labour market may be recovering from the effects of the GFC, its impact on retirement savings may be felt for some time. The need to bolster retirement savings is another factor that is likely to see the trend toward greater labour force participation among older workers continue. Similarly, growing recognition of the value of older workers is likely to reduce some of the barriers that might previously have prevented some from participating in the labour force.

## Endnotes

- 1 The Treasury, [The 2010 Intergenerational Report, chapter 4](#), viewed 8 September 2010, <[www.treasury.gov.au](http://www.treasury.gov.au)>.
- 2 The Treasury, [The 2010 Intergenerational Report, chapter 2](#), viewed 22 September 2010, <[www.treasury.gov.au](http://www.treasury.gov.au)>.
- 3 Centrelink, [Age pension - Eligibility](#), viewed 22 September 2010, <[www.centrelink.gov.au](http://www.centrelink.gov.au)>.
- 4 de Vaus, D., Gray, M., Stanton, D., October 2003, [Measuring the value of unpaid household, caring and voluntary work of older Australians](#), Australian Institute of Family Studies, viewed 8 September 2010, <[www.aifs.gov.au](http://www.aifs.gov.au)>.
- 5 In order to link care provision to employment, the population of carers used in this article is limited to those who provided care in the week prior to the survey. It also excludes people who provided general child care, or cared for someone who had a short-term illness.
- 6 Department of Families, Housing, Community Services and Indigenous Affairs, 2008, [Women's Experiences of Paid Work and Planning for Retirement](#), viewed 8 September 2010, <[fhcsia.gov.au](http://fhcsia.gov.au)>.
- 7 Organisation for Economic Co-operation and Development, 2010, [OECD Factbook 2010: Economic, Environmental and Social Statistics](#), viewed 8 September 2010, <[www.oecd-ilibrary.org](http://www.oecd-ilibrary.org)>.
- 8 Reserve Bank of Australia, 2010, [Statement on Monetary Policy – August 2010](#), viewed 8 September 2010, <[www.rba.gov.au](http://www.rba.gov.au)>.

# Australian workers: Education and workplace training

Australia's long-term prosperity and the future shape of society are heavily dependent on investments in education and workforce development. Education levels and the ongoing training of workers are key in maximising people's capabilities and increasing productivity and workforce participation.<sup>1</sup>

Over recent decades, there has been a steady increase in the proportion of the working age population with higher education or vocational qualifications. While many people obtain formal qualifications before starting their career, others undertake study after joining the workforce to either advance in, or change, their career.

In addition, many employers provide training to their employees as they seek to develop and enhance the skills of their workforce. This article looks at the qualification levels of Australian workers and at the trends in study and workplace training, including characteristics and outcomes.

## Qualification trends

In 2009, two-thirds (66%) of all workers aged 15–64 years (or around 6.7 million people) had a non-school qualification, up from 59% in 2001. Over one-third (35%) of workers held a Certificate, and almost one-quarter (24%) held a Bachelor degree.

The proportion of workers with a Bachelor degree has risen five percentage points since 2001. This pattern is consistent with the increased accessibility and demand for higher education in recent decades.

## Data source and definitions

Data in this article come from the ABS Survey of Education and Training (SET), the main findings of which can be found in the ABS [Survey of Education and Training Experience, 2009](#) (cat. no. 6278.0) publication. Data in this article are for employed persons aged 15–64 years. Persons who were still at school are excluded from this analysis.

**Workers** in this article refers to workers, aged 15–64 years, who were not at school and who were employed full time or part time in the 12 months prior to the survey.

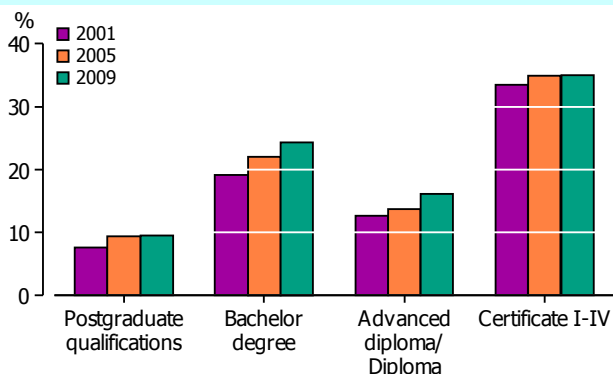
**Postgraduate qualifications** refers to qualifications above the Bachelor degree level, and includes Postgraduate degrees, Graduate diplomas and Graduate Certificates.

**With a non-school qualification** refers to persons with qualifications at the Postgraduate degree level, Master degree level, Graduate diploma and Graduate Certificate level, Bachelor degree level, Advanced diploma and Diploma level, and Certificates I, II, III and IV levels.

Many workers have more than one qualification. The proportion of workers with more than one non-school qualification has increased from 22% in 2001 to 28% in 2009. This shows that in addition to increasing qualification levels, there is likely to be a deepening and broadening of skills within Australia's workforce.

Nevertheless, in 2009, 34% of workers were without a non-school qualification.

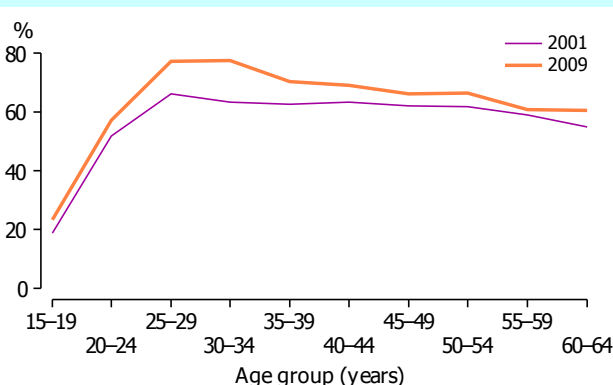
**Workers with non-school qualifications(a)  
– 2001, 2005 and 2009(b)**



- (a) People with qualifications at different levels are counted at each level, i.e. graph is not restricted to highest qualification.  
 (b) In 2009, data were collected for all qualifications completed (up to a maximum of 15), whereas in 2001 and 2005, the three highest qualifications were collected.

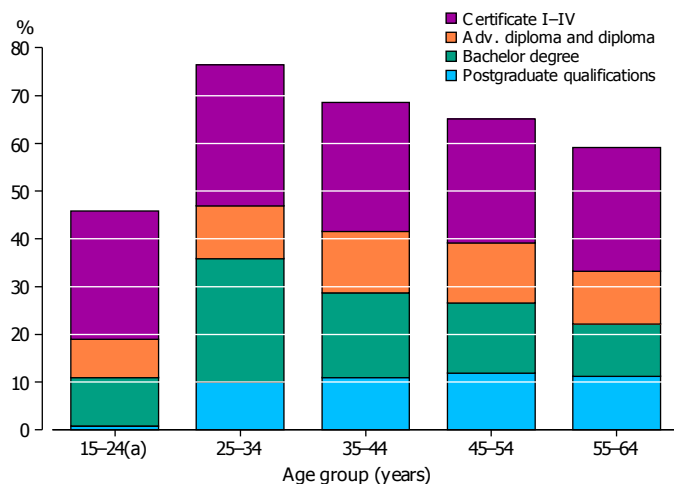
Source: ABS 2001, 2005 and 2009 Surveys of Education and Training

**Workers with a non-school qualification, by age  
– 2001 and 2009**



Source: ABS 2001 and 2009 Surveys of Education and Training

## Highest non-school qualification of workers, by age – 2009



(a) 'Postgraduate qualifications' estimate has a relative standard error of 25% to 50% and should be used with caution.

Source: ABS 2009 Survey of Education and Training

## ...by sex and age

During the last decade, the likelihood of women having a non-school qualification overtook that of men. The proportion of women with a qualification increased from 58% in 2001 to 67% in 2009, compared with men from 60% in 2001 to 65% in 2009.

In 2009, across the age groups, the highest proportion of workers with a non-school qualification were 25–34 years olds, with 77% having a non-school qualification, including over one-third (36%) whose highest qualification was a Bachelor degree or higher.

Workers in successively older age groups were less and less likely to have a qualification, and of those who did, their highest qualification

was more likely to be below Bachelor level. For example, 61% of employed people aged 55–64 years had a non-school qualification, with 22% reporting a Bachelor degree or higher.

## ...by occupation

As might be expected, there are major differences in the highest qualification levels of people working in different occupations. In 2009, nine in every ten (92%) professionals held a non-school qualification, with 44% of professionals holding a Bachelor degree and 28% holding a Postgraduate degree or Graduate diploma as their highest qualification. People in other occupations were less likely to have non-school qualifications, and of those who did have a qualification, they were less likely to be at the Bachelor degree level or higher. Among managers, 69% held a non-school qualification, with 29% holding a Bachelor degree or higher. For technicians and trade workers, 71% held a non-school qualification, with 54% reporting a Certificate level as their highest non-school qualification, and just 8% had a Bachelor degree or higher.

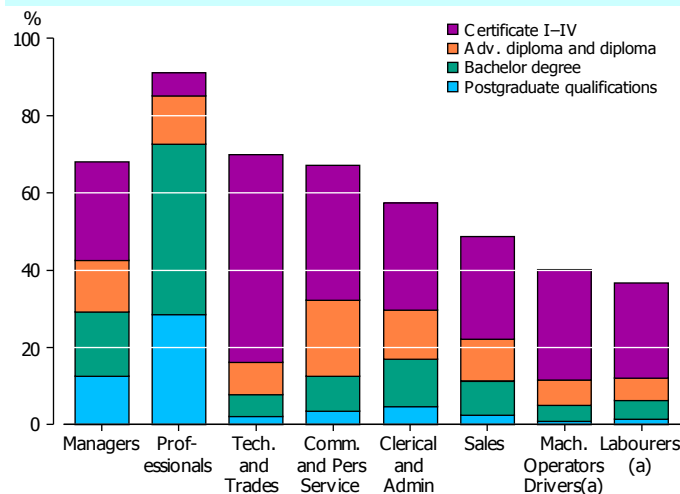
By contrast, the lower demand for non-school qualifications among labourers and machine operators and drivers is reflected in the fact that just 38% and 41% of people employed in these occupational groups had a non-school qualification.

## Workers currently studying for a non-school qualification

Many workers undertake study towards non-school qualifications in order to get and keep a job, to seek promotion within their chosen field, or just to keep pace with the changing work environment.

In 2009, 1.5 million workers (or 15% of all employed people) were studying for a formal non-school qualification. Young employed workers aged 15–19 and 20–24 years had the highest rates of participation in study (59% and

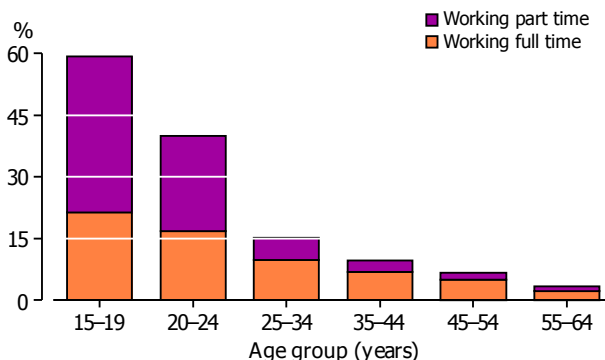
## Highest non-school qualification of workers, by occupation group – 2009



(a) 'Postgraduate qualifications' estimate has a relative standard error of 25% to 50% and should be used with caution.

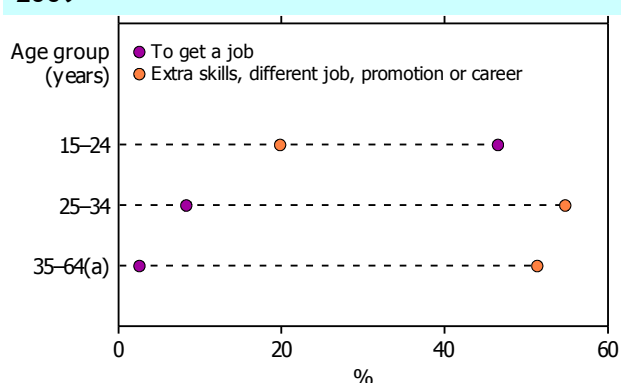
Source: ABS 2009 Survey of Education and Training

## Studying for a formal non-school qualification – 2009



Source: ABS 2009 Survey of Education and Training

## Selected main reason for formal study, by age – 2009



(a) 'To get a job' estimate has a relative standard error of 25% to 50% and should be used with caution.

Source: ABS 2009 Survey of Education and Training

40% respectively). In comparison, 7% of workers aged 45–54 years and 3% of workers aged 55–64 years were participating in formal study.

The majority of young employed people (aged 15–24 years) studying were employed part time (60%), with 43% of these part-time employed students working 11–20 hours per week. For older workers who were studying (aged 25–64 years), most were employed full time (69%). Over half (54%) of these older full-time employed workers were working 35–40 hours per week. This difference reflects the different life stages and priorities of younger and older workers. While it is common for young people who are studying to work part-time jobs (often in sales and hospitality), people aged 25 years and over who are working full time and studying part time may be doing so to help build on skills for their current career or to maintain their income while they re-skill for a career change.

These differences are also reflected in people's reasons for studying. Almost half (47%) of all workers aged 15–24 years who were currently studying reported that their main reason for study was 'to get a job'. On the other hand, older workers were more interested in furthering an existing career. Among workers aged 25–34 years who were currently studying, over half (55%) said they were studying for extra skills, a different job or promotion, or a change in career. Not surprisingly, the proportion of employed people who study for a career declines as they approach retirement age. For people aged 55–64 years, only 35% were studying for career reasons, while 22% were studying for personal interest or enjoyment.

## Level of current study

Of those workers who were currently studying, most were studying for qualifications at the Certificate level (36%) and Bachelor degree level (35%). Diplomas and Advanced diplomas were being studied for by 13% of workers, while 13% were doing Postgraduate courses.

Workers without a non-school qualification made up 40% of the 1.5 million people studying. Most (76%) workers currently studying who were without non-school qualifications were aged 15–24 years – many working part time and studying full time – with the intention of getting a job relating to their field of study. Over one-third (37%) of workers aged 15–24 years did not have a non-school qualification but were studying towards a Bachelor degree or higher qualification, and close to one-quarter (23%) were studying for a Certificate level qualification.

Many younger people worked in less skilled occupations as a way to support themselves while studying. In 2009, many young sales workers (54%) and hospitality workers (63%)

## Workers currently studying – 2009

Level of non-school qualification for which currently studying	Has non-school qualification	Does not have non-school qualification	Total studying	Total studying
	%	%	%	('000)
<b>WORKERS AGED 15-24 YEARS</b>				
Bachelor degree or higher	18.0	36.9	54.9	387.4
Advanced diploma and diploma	4.6	4.9	9.4	66.4
Certificate I-IV	11.0	23.1	34.1	240.1
<b>Total workers currently studying(a)</b>	<b>34.3</b>	<b>65.7</b>	<b>100.0</b>	<b>705.1</b>
<b>WORKERS AGED 25-64 YEARS</b>				
Bachelor degree or higher	38.1	2.7	40.8	325.1
Advanced diploma and diploma	14.5	2.4	16.9	134.7
Certificate I-IV	25.2	12.6	37.8	301.0
<b>Total workers currently studying(a)</b>	<b>82.0</b>	<b>18.0</b>	<b>100.0</b>	<b>797.3</b>

(a) Total includes 'Level not determined'.

Source: ABS 2009 Survey of Education and Training

were studying for a non-school qualification. Of workers who were studying for their first qualification, most sales workers (81%) and hospitality workers (77%) were studying for a Bachelor degree.

In contrast, around eight in every ten technicians and trade workers (83%) aged 15–24 years, who were studying for their first qualification, were studying towards a Certificate level qualification. Most (92%) of these workers were apprentices or trainees.

Conversely, current study by older workers aged 25–64 years, tended to be in order to benefit careers rather than to get a job. Many older workers who were studying already had a prior non-school qualification (82%). Half of these workers (who already had a non-school qualification) already had a Bachelor degree or higher qualification. Of these workers, 34% were studying for a Postgraduate degree, 12% were studying for a Graduate diploma/Graduate certificate and 17% were studying for another Bachelor degree. Nearly three-quarters (71%) of these older workers with Bachelor degrees or higher were professionals or managers.

Another 29% of workers aged 25–64 years who already had non-school qualifications had a Certificate as their highest qualification. Of these workers, over half (55%) were studying for another Certificate and 20% were studying for a Bachelor degree.

### ...fields of study

The most popular fields of study for formal qualifications were business and management, human welfare studies and services (which includes social work, youth work, and aged and residential care), teacher education, accounting, and nursing. However, the choice of fields of study was different for different age groups.

Younger workers tended to be studying across a broad range of fields. Business and management was the most popular field of study (8% of 15–24 year old workers), but building, communications and law were also amongst a range of fields that were widely studied.

Among 25–64 year old workers that were currently studying, almost one in five (19%) were studying towards a qualification in business and management. Many of these workers (80%) already had a qualification and were looking to add a management qualification to their skill set.

Younger people studying for a Bachelor degree level qualification were most likely to be studying teacher education (11%), while younger people studying for a qualification below Bachelor level were most likely to be studying qualifications that lead to careers in

### Learning definitions

**Formal learning** refers to learning which is structured, taught in institutions and organisations and leads to a recognised qualification issued by a relevant body. A learning activity is formal if it leads to a learning achievement that is possible to position within the Australian Qualifications Framework (AQF) and includes workplace training if such training results in a qualification.

**Non-formal learning** refers to structured, taught learning, but differs from formal learning in that it does not lead to a qualification within the AQF. It includes non-accredited workplace training, that is, training that does not lead to a recognised qualification. Non-formal learning includes adult education courses (such as introduction to computing), hobby and recreational courses, personal enrichment courses (such as public speaking), first aid courses, bridging courses, statements of attainment and work-related courses.

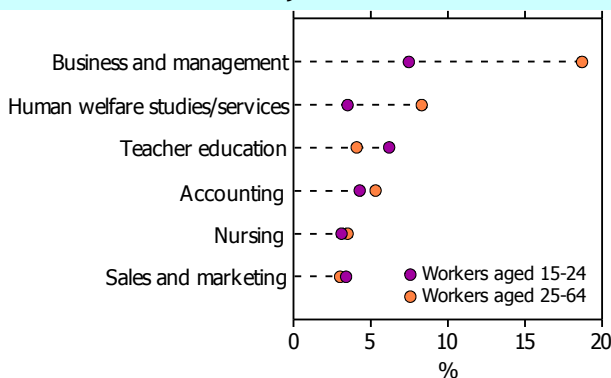
**Non-formal work-related learning** refers to a work-related course if the main purpose for participating in the learning is for one of the following: to get a job, to get a different job or promotion, it was a requirement of their job, wanted extra skills for their job, to start own business, to develop existing business or to try for a different career.

**Informal learning** refers to unstructured, non-institutionalised learning activities that are related to work, family, community or leisure. Activities may occur on a self-directed basis, but are excluded from scope if there is not a specific intention to learn.

trades and technical occupations, such as building (10%), electrical and electronic engineering and technology (9%) and mechanical and industrial engineering and technology (9%).

Of the workers who already had a non-school qualification and were studying in 2009, nearly half (47%) were studying for a qualification in the same broad field as their current qualification. The broad fields of study which had the highest proportions of workers studying in the same field were engineering and related technologies (55%), health (58%), and management and commerce (53%). Among

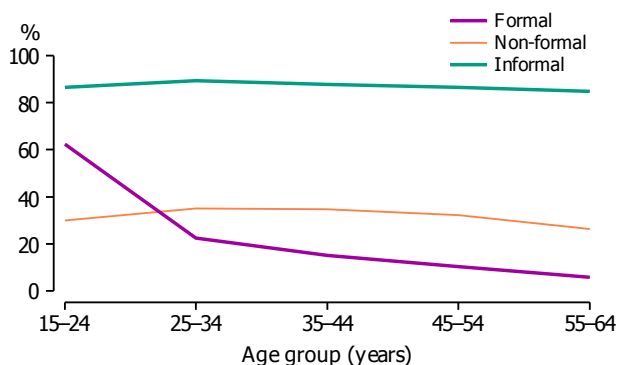
### Workers studying for non-school qualifications, selected fields of study – 2009



Source: ABS 2009 Survey of Education and Training



### Type of learning participated in during the 12 months prior to the survey – 2009



Source: ABS 2009 Survey of Education and Training

workers staying in the health field, many (59%) were studying a higher level qualification, while less than half (45%) of workers doing their study within the management and commerce field were studying for a higher level qualification than their previous qualification.

In contrast, almost three-quarters (72%) of workers studying teaching already with a qualification had their previous qualification in another field. This represents those workers studying teacher education after completing previous qualifications.

### Participation in learning

Aside from formal education, many workers participate in other forms of training that do not necessarily lead to a recognised qualification. In 2009, almost all workers (91%) aged 15–64 years, took part in some form of learning during the last 12 months prior to the survey.

Around one-third (32%) of workers aged 15–64 years took part in non-formal learning. Non-formal learning is structured and taught in educational institutions or other organisations and includes workplace training. Non-formal learning does not lead to a recognised qualification. In 2009, 24% of all employed workers aged 15–64 years, or 2.5 million people, participated in non-formal work-related learning.

Informal learning is by far the most commonly reported form of learning. Regardless of age, well over 80% of workers took part in this type of learning. Informal learning consists of unstructured learning such as on the job training or reading manuals, reference books, journals or other written materials.

### Work-related training

Work-related training refers to courses undertaken to obtain, maintain or improve employment-related skills or competencies. Deepening the skill set of workers across all occupations, and responding to Australia's labour market needs and future training requirements, is viewed as crucial for ensuring Australia's long-term productivity growth.<sup>1</sup>

Public sector workers were more likely to be involved in work-related courses than private sector workers (36% compared with 22%), and persons employed full time were more likely to participate in work-related learning than persons employed part time (27% compared with 19%).

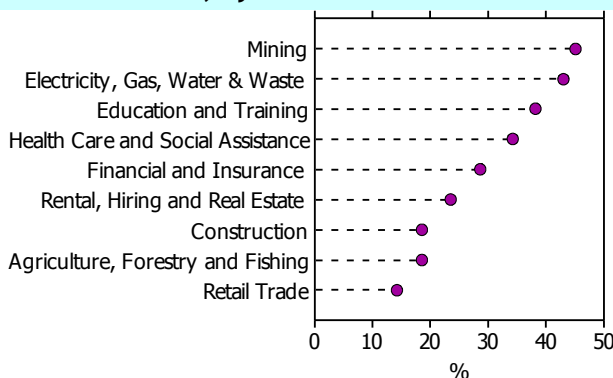
Workers in the mining industry (45%) and workers aged 25–44 years (27%) were more likely to have participated in work-related courses than workers in other industries and other age groups. Workers in the construction industry (19%), agriculture, forestry and fishing industry (19%) and retail trade industry (14%) were the least likely to be involved in work-related courses.

### ...outcomes

Of the workers who took part in work-related courses in the last 12 months, 85% reported gaining new skills or knowledge from at least one of the courses they undertook. However, there were varying degrees to which this knowledge was put to use. Workers reported that they applied the skills and knowledge learnt from 36% of courses 'a lot', 26% 'a fair amount', and 14% 'very little'. However, for nearly one in four courses that workers undertook, they either didn't learn any new skills or knowledge, or didn't use that knowledge.

Of those who participated in work-related training, less than one in five (18%) said that

### Workers who participated in non-formal work-related courses, by selected industries – 2009



Source: ABS 2009 Survey of Education and Training

they would like to participate in further courses. Many reported either a lack of time (22%) or heavy workloads (22%) as main reasons for not wanting to take part in more courses. A further 12% said that they were 'not interested in studying' and 11% reported that they had 'no need for study'. Workers at the very beginning and at the end of their careers (15–24 and 55–64 year olds) were least likely to want to participate in more work-related courses. Alternatively, workers looking to build careers – those aged 25–44 years – were more likely than others to want to seek further participation.

Proportionally more women (19%) than men (13%) had wanted to participate in more work-related courses, but had not participated in one in the last 12 months. Both women and men reported that a lack of time and workloads were the main barriers to participating in more work-related courses.

### Support from employers

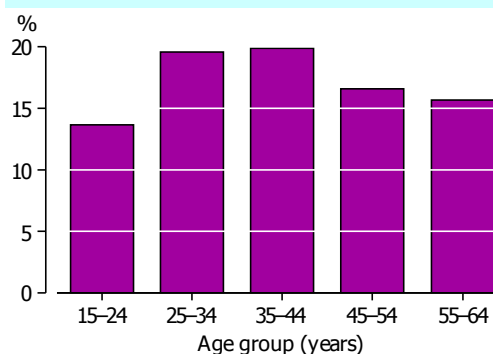
Many employers actively encourage workers to participate in further education or provide workplace training to keep workers up-to-date and informed about workplace changes or technological advances. Employers also recognise that workers who continue with education are more skilled and able to contribute to the workforce in the longer term.

In 2009, about 7 in 10 courses undertaken by employed people (71%) were delivered entirely within paid working hours, with 29% delivered, at least in part, outside paid hours. Workers employed in the private sector were more likely than those in the public sector to have attended a work-related course outside paid hours in the last 12 months, 39% compared with 31%.

Almost half (47%) of all workers who had participated in work-related courses in the 12 months prior to the survey, reported that they had attended courses that were organised by their employer. These workers attended courses that were delivered by hired or contracted consultants, rather than by existing staff members.

As well as providing work-related training internally, many employers also financially support their employee's participation in work-related learning conducted by external training providers. In the last 12 months, two-thirds (66%) of workers reported that their employer had financially supported their participation in a non-formal work-related training course run by an external provider. The most common forms of financial support by employers for external courses were paying the course fees (84%), providing paid time off or study leave (47%), and paying for study materials (25%).

### Workers who wanted to participate more in work-related courses, by age – 2009



Source: ABS 2009 Survey of Education and Training

### Looking ahead

According to projections by Skills Australia, over the next 15 years, the Australian workforce will grow by an average of 2.1% a year, reaching 15.3 million by 2025. It is also projected that around 4.6 million additional qualifications will be required over the next 15 years due to employment growth.<sup>1</sup>

Recent industry and government partnership agreements, such as the Enterprise Based Productivity Places Program (EBPPP) announced in November 2009, aim to respond to Australia's labour market needs and future training requirements. The EBPPP will provide up to 90% of the cost of training for workers wishing to increase their skills at the Certificate III to Advanced diploma level. This program forms part of the larger Productivity Places Program, and aims to deliver training and skills needs, create training pathways, recognise existing skills of workers and provide training places for Australian workers.<sup>2</sup>

### Endnotes

- 1 Skills Australia, *Australian Workforce Futures, A National Workforce Development Strategy*, Department of Education, Employment and Workplace Relations, viewed 2 August, 2010 [www.skillsaustralia.gov.au](http://www.skillsaustralia.gov.au)
- 2 Department of Education, Employment and Workplace Relations (DEEWR), media release, November 2009, *Government partners with industry to provide additional training places*, viewed 14 July 2010, [www.deewr.gov.au](http://www.deewr.gov.au)



## FOR MORE INFORMATION . . .

<i>INTERNET</i>	<b>www.abs.gov.au</b> the ABS website is the best place for data from our publications and information about the ABS.
<i>LIBRARY</i>	A range of ABS publications are available from public and tertiary libraries Australia wide. Contact your nearest library to determine whether it has the ABS statistics you require, or visit our website for a list of libraries.

## INFORMATION AND REFERRAL SERVICE

Our consultants can help you access the full range of information published by the ABS that is available free of charge from our website, or purchase a hard copy publication. Information tailored to your needs can also be requested as a 'user pays' service. Specialists are on hand to help you with analytical or methodological advice.

<i>PHONE</i>	1300 135 070
<i>EMAIL</i>	client.services@abs.gov.au
<i>FAX</i>	1300 135 211
<i>POST</i>	Client Services, ABS, GPO Box 796, Sydney NSW 2001

## FREE ACCESS TO STATISTICS

All statistics on the ABS website can be downloaded free of charge.

<i>WEB ADDRESS</i>	www.abs.gov.au
--------------------	----------------