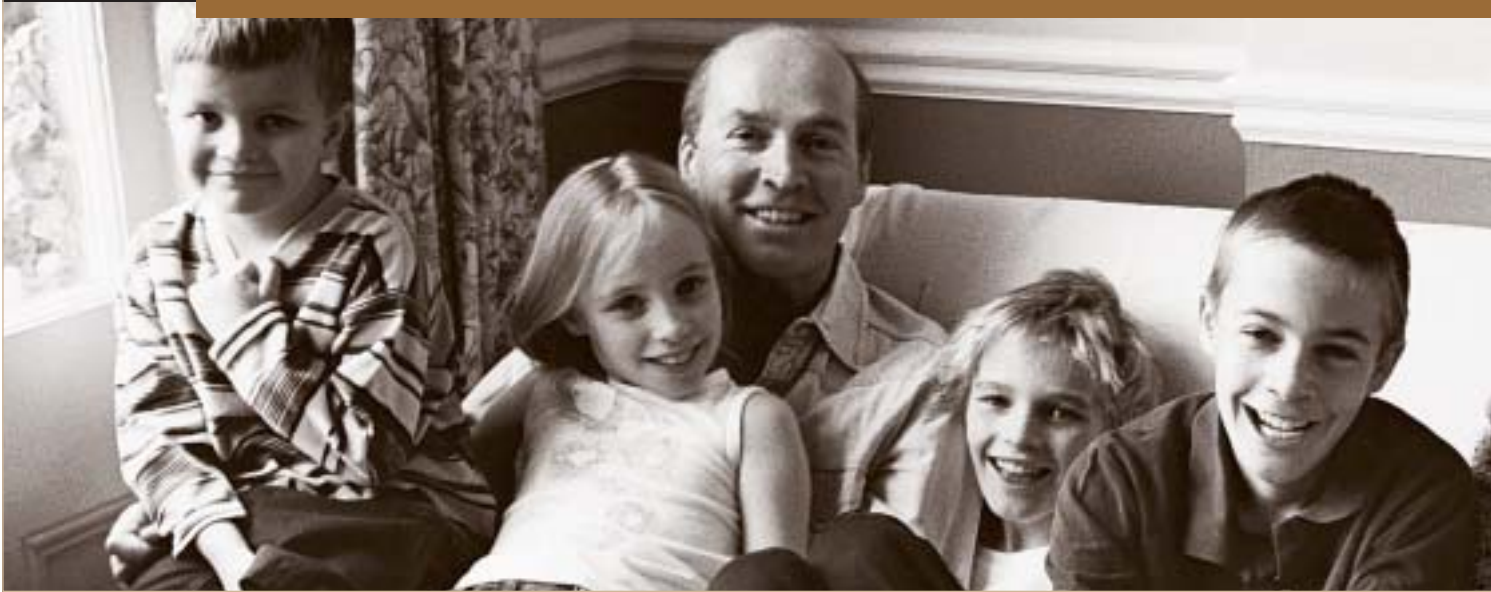


Polarisation of families according

Where does part-time employment



Over the last two decades there has been much discussion about changing employment patterns in Australia, and the effect such changes have on families. This article examines how the rapid growth in part-time employment has contributed to the growing polarisation of families into “work poor” and “work rich” categories.

One of the major trends in the Australian labour market over recent years has been an increase in the number of families with children in which no parent is employed (“work poor” or “jobless” families) and families in which two parents are employed (“work rich” families) (Gregory 1999).

At one end of the spectrum, the proportion of dependent children living in families with no employed parent has risen from 11 per cent in 1979 to 18 per cent in 1998 (Gregory 1999), leading to Australia having one of the highest rates of joblessness in households with dependent children amongst OECD countries (Dawkins et al. 2001). At the other end of the spectrum, the proportion of families with dependent children who have two parents employed increased from 40 per cent in 1983 to 48 per cent in 2002 (ABS various years).

The rise in the number of work poor families in Australia is partly due to lone-parent families becoming an increasingly common family type. Lone mothers have lower rates of employment than do couple mothers, resulting in high jobless rates for lone-parent families.

Joblessness has also increased in couple families. This is primarily due to a rise in the rates of unemployment and withdrawal from the labour market by fathers (Gregory 1999). While it might be assumed that the increased employment rates for women would have counterbalanced the growing unemployment for men and kept family jobless rates low, this has not been the case. Gregory (1999) found that 91 per cent of employment growth for women in the last two decades can be accounted to those with employed partners.

JENNIFER RENDA

The Australian literature has generally defined work rich and work poor families in terms of whether parents are in paid employment. The literature has not, on the whole, differentiated between full-time and part-time employment. Rapid growth in part-time employment over recent years makes the differentiation between full-time and part-time employment increasingly important when considering the distribution of work across families. The proportion of all new jobs created which were part-time increased from 43 per cent in the 1980s to 75 per cent in the 1990s (Borland et al. 2001).

Burbidge and Sheehan (2001) carried out one of the few Australian studies which examined how part-time employment has affected the distribution of work across families. Burbidge and Sheehan examined the distribution of employment within couple families as well as the full-time and part-time employment rates for lone-parent families. They identified increases between 1981 and 2000 in the number of couple families with no job, or only one part-time job; they also identified increases for the same period, but particularly in the 1990s, in the number of families with one full-time and one part-time job.

This paper expands on Burbidge and Sheehan’s work by identifying the gender breakdown in changing patterns of full-time and part-time employment within couple families, and by examining how changes to lone mothers’ employment patterns contribute to changes in overall employment trends for families with dependent children. It explores the value of expanding the conventional definition of work poor families to include not only

to work status

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jobless families, but also those with only one employed parent working short part-time hours (that is, fewer than 15 hours per week). These families are not likely to be much better off than those who are jobless, and are also likely to be in receipt of income support payments. Therefore, by the conventional definition of work poor, the true number of families who are struggling in the Australian labour market may be understated.

The figures presented are derived from the *Labour Force Survey* conducted by the Australian Bureau of Statistics (ABS). The time period examined is 1983 to 2002.¹ The analysis is restricted to families with dependent children.

Employment trends by family type 1983-2002

The analysis of employment within families is conducted for five categories of families: lone mothers; couple mothers with non-employed partners; couple mothers with employed partners; couple fathers with non-employed partners; and couple fathers with employed partners. Couple families are broken into these categories to allow the employment status of both partners to be considered separately. Men and women need to be examined separately given the gender differences in labour force status. Lone fathers are not considered because the numbers are too small for the Labour Force Survey to produce reliable estimates.

For each family type, figures on part-time employment and full-time employment are presented. Full-time employment is defined as working 35 or more hours per week.

Lone mothers

There has been an increase in the proportion of lone mothers in paid work over the period 1983 to 2002 (Figure 1). However, the majority of this increase has been in the part-time labour market. The proportion of

lone mothers employed part-time has more than doubled, increasing from 11.8 per cent in 1983 to 26.8 per cent in 2002.

Full-time employment for lone mothers appears to have been quite sensitive to the business cycle. The rate fell during the recession of the early 1980s, then increased to a maximum of 28.7 per cent in 1988, declined steadily to 20 per cent in 1998 before increasing slightly. The proportion of lone mothers in full-time employment in 1983 was very similar to the proportion in 2002, 20.3 per cent and 21.0 per cent respectively.

The proportion of lone mothers in full-time employment was greater than the proportion in part-time employment until 1998. The rapid growth in part-time employment and stability in rates of full-time employment meant that from 1998 onwards a higher proportion of lone mothers were in part-time employment.

Couple mothers with non-employed partner

The part-time employment rates for couple mothers whose partners were not employed rose from 8.0 per cent in 1983 to 16.9 per cent in 2002 (Figure 2). The proportion employed full-time also increased at a similar rate, from 8.4 per cent in 1983 to 16.7 per cent in 2002.

Regarding non-employment, 66.4 per cent of couple mothers with non-employed partners were not employed in 2002. This is higher than the average rate of joblessness for any other group of mothers with dependent children.

Couple mothers with employed partners

Couple mothers with employed partners showed high levels of full-time as well as part-time employment growth. As Figure 3 shows, between 1983 and 2002, the rate of full-time employment increased from 19.5 per cent to 26.5 per cent, and part-time employment grew from 25.6 per cent to 39.7 per cent.

A higher proportion of couple mothers with employed partners were in part-time employment than full-time employment for the whole period. The gap between part-time and full-time employment rates shows some evidence of increasing towards the end of the period.

Couple fathers with non-employed partner

Figure 4 shows that the part-time employment rate for couple fathers with non-employed partners increased between 1983 and 2002, from 2.2 per cent to 6.3 per cent. Full-time employment declined between 1983 and 1993, dropping from 82.5 per cent to 71.9 per cent, then rose a little to 74.3 per cent in 2002. This presumably indicates the effect of the recession in the early 1990s on employment for couple fathers with non-employed partners.

Overall employment for couple fathers with non-employed partners declined. In 1983, 15.2 per cent of couple fathers with non-employed partners were not employed themselves. This figure increased to 19.5 per cent in 2002.

Couple fathers with employed partners

As Figure 5 shows, the proportion of couple fathers with employed partners who were in full-time employment dropped from 93.3 per cent in 1983 to 87.6 per cent in 2002, and the proportion in part-time employment rose

from 2.6 to 6.6 per cent over the same period. This means that the overall rate of employment fell by 1.7 percentage points.

Differences between family types

Part-time employment rates have increased between 1983 and 2002 for all five family categories, though the rate of change varied greatly. Lone mothers had the greatest rise in part-time employment, with an increase of 15 percentage points between 1983 and 2002.

For couple families, greater increases in part-time employment were experienced by women than men. Of

couple mothers, those with employed partners experienced stronger growth in part-time employment than those with non-employed partners. Therefore, in terms of the polarisation of work, it appears that for couple mothers, growth in part-time employment resulted more in the creation of work rich families than in an increase in the proportion with low levels of employment. For couple fathers, the rate of growth in part-time employment was the same for both those with employed and non-employed partners.

The data presented in this paper do not provide any direct information on the reasons for these changes; however, a number of possibilities are canvassed below.

One possible explanation for the differing patterns for women from different family types relates to preferences for part-time versus full-time employment, and whether these preferences can be achieved. As outlined above, there was a majority of couple mothers with employed partners in part-time employment over the whole period. This is likely to reflect a preference for part-time employment due to the opportunity it provides for combining employment with child-rearing and household tasks.

For couple mothers with non-employed partners the rates of part-time and full-time employment fluctuated. Over some periods there was a higher rate of full-time than part-time and for others part-time was slightly higher than full-time. However, the rates of full-time and part-time employment were generally quite similar. In contrast, for lone mothers, while there was a higher proportion in full-time employment until 1998, strong growth in part-time employment, coupled with a decline in full-time employment, meant that from 1998 onwards part-time employment was more common.

Lone mothers and couple mothers with non-employed partners may also have preferred part-time work, but without the financial support of an employed partner, they may not have found it to be financially viable.

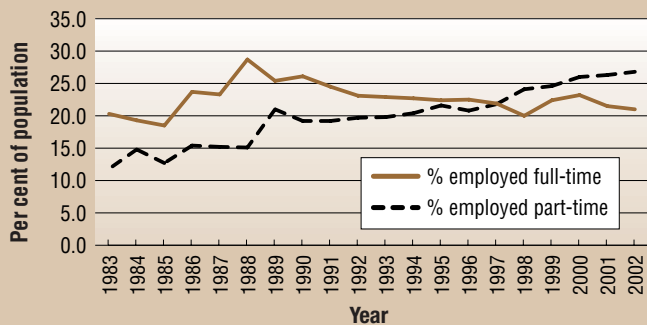
If this is the case, it appears that an increasing number of lone mothers have been able to actualise their preference for part-time work. This may be a result of changes to the welfare system which have made part-time work economically more viable for lone mothers. These changes have involved using earnings disregards and having a rate of withdrawal of benefits of substantially less than 100 per cent (Gray and Stanton 2002). Some support for this hypothesis is provided by the fact that the proportion of lone mothers who received both earnings and income support payments increased from 9 per cent in 1983 to 26.2 per cent in 2001 (FaCS 2001; Whiteford and Angenent 2001).

The increases in part-time employment may also have been the result of the availability of jobs. One of the most notable features of the Australian labour market is that a high and increasing proportion of new jobs created during the 1980s and 1990s were part-time (Borland, Gregory and Sheehan 2001).

Another feature of the trends was that overall employment growth was greatest for couple mothers with employed partners. This may indicate that those with links to the workforce provided by employed partners may be advantaged when competing in the labour market.

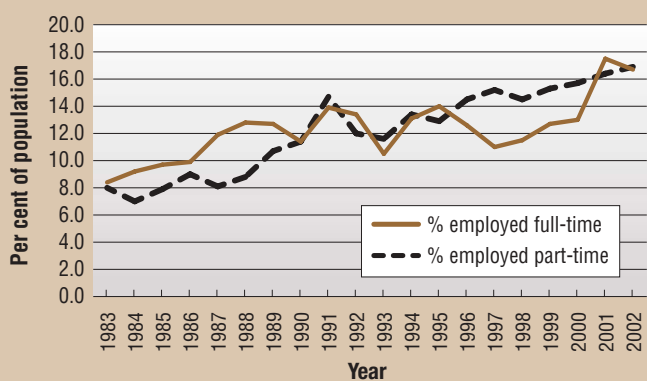
Alternatively, it may be related to partners having shared values about work, wealth and welfare receipt and thus both seeking similar levels of employment. Similarly, it may reflect the tendency for people to partner with those with comparable levels of educational

Figure 1 Employment rates, lone mothers, 1983-2002



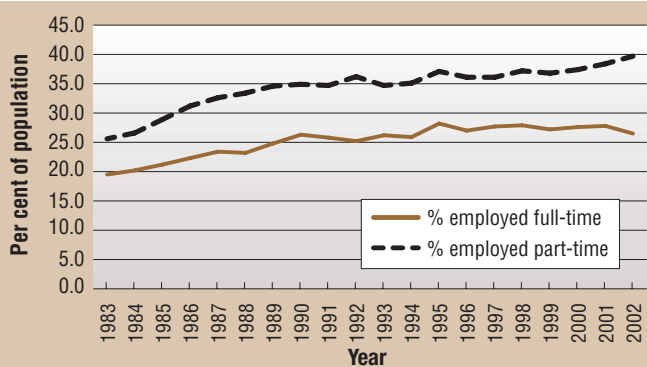
Sources: ABS (1983-2000), *Labour force status and other characteristics of families, Australia, Catalogue 6224.0*, ABS, Canberra. ABS (2001-2002), *Labour Force, Australia, June, Catalogue 6203.0*, ABS, Canberra.

Figure 2 Employment rates, couple mothers with non-employed partners, 1983-2002



Sources: ABS (1983-2000), *Labour force status and other characteristics of families, Australia, Catalogue 6224.0*, ABS, Canberra. ABS (2001-2002), *Data Cubes, June, Catalogue 6291.0.40.001, table fm1*, ABS, Canberra.

Figure 3 Employment rates, couple mothers with employed partners, 1983-2002



Sources: ABS (1983-2000), *Labour force status and other characteristics of families, Australia, Catalogue 6224.0*, ABS, Canberra. ABS (2001-2002), *Data Cubes, June, Catalogue 6291.0.40.001, table fm1*, ABS, Canberra.

attainment and marketable skills to their own (Miller 1997). That is, women with human capital and other characteristics which make them more likely to be employed tend to partner with men who are also more likely to be employed (that is, assortative mating). Consistent with this is the much smaller drop in full-time employment rates and the lesser rise in the proportion not employed for couple males with employed partners. The lesser employment growth amongst both men and women with non-employed partners may also be due, in part, to the work disincentives generated by the income support and tax systems (Dawkins et al. 2001).

Re-defining work poor families

This section explores the effect of redefining “work poor families” to include not only jobless families, but also those with only one part-time employed parent. However, “part-time” is a broad category which incorporates all employed people who work fewer than 35 hours per week. This is potentially important for interpretation of the data. For example, a reduction in working hours from 36 to 34 hours per week would result in a change from full-time to part-time employment, but clearly makes very little difference to either income or other issues such as work-life balance. The aim of redefining work poor families is to identify families who are likely to be struggling in the labour market and receiving no or very low earnings. Therefore, only those working short part-time hours (1-15 hours per week) are considered.

In order to examine the working hours of part-time employees, information is presented in Table 1 on the proportion working “short part-time hours” (1-14 hours per week) and “long part-time hours” (15-34 hours per week). This is presented for lone mothers, couple mothers and couple fathers.

Table 1 shows that of the groups being examined, lone mothers had the highest proportion of part-time employees working short hours (44 per cent in 2002). Both lone and couple mothers experienced a modest increase in the proportion of part-time employees working longer part-time hours. For lone mothers this increase was from 50.7 per cent in 1983 to 56.0 per cent in 2002. For couple mothers the increase was from 54.8 per cent in 1983 to 58.7 per cent in 2002. In contrast, for part-time employed couple fathers, there was a sizeable decline in the proportion working longer hours, from 72.2 per cent in 1983 to 63.6 per cent in 2002.

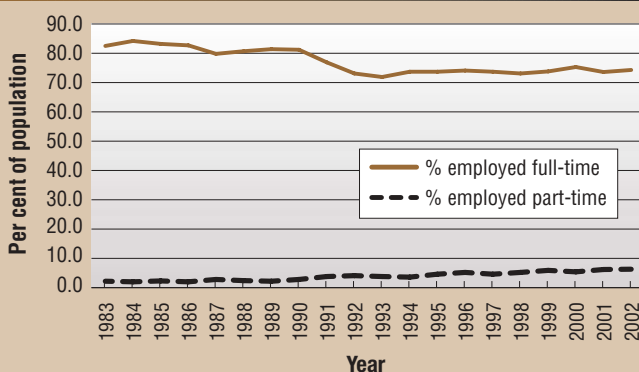
Unfortunately the figures on hours of part-time work could not be broken down according to partner’s employment status since this information is not available in the published ABS data. Therefore, using the published data, the number of couple families who have only one employed partner working short part-time hours cannot be ascertained. However, there is sufficient information on lone mothers to allow an exploration of the effect of extending the definition of “work poor” to include those working short part-time hours.

Using the conventional definition, the proportion of families headed by lone mothers who were work poor decreased by 15.7 percentage points, from 67.9 per cent in 1983 to 52.2 per cent in 2002. The proportion considered to be work poor is substantially higher when those who work short part-time hours are included (63.1 per cent in 2002). Also, the decline in the proportion of

families who are work poor is substantially reduced (to 8.3 per cent) when the definition is extended.

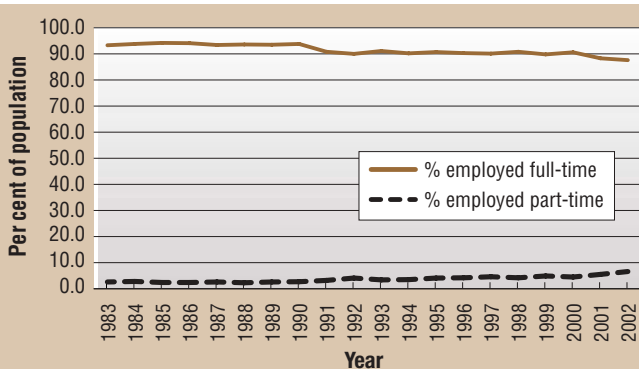
For couple fathers the likely effects of extending the definition of work poor can be deduced. Couple fathers with non-employed partners have experienced an increase in part-time employment. We also know that for all part-time employed couple fathers there has been a substantial increase in the proportion working short part-time hours. If this trend is consistent for both categories of fathers, not only would couple fathers with non-employed partners have experienced increasing rates of

Figure 4 Employment rates, couple fathers with non-employed partners, 1983-2002



Sources: ABS (1983-2000), *Labour force status and other characteristics of families, Australia*, Catalogue 6224.0, ABS, Canberra. ABS (2001-2002), *Data Cubes, June*, Catalogue 6291.0.40.001, table fm1, ABS, Canberra.

Figure 5 Employment rates, couple fathers with employed partners, 1983-2002



Sources: ABS (1983-2000), *Labour force status and other characteristics of families, Australia*, Catalogue 6224.0, ABS, Canberra. ABS (2001-2002), *Data Cubes, June*, Catalogue 6291.0.40.001, table fm1, ABS, Canberra.

Table 1 Distribution of number of hours work by gender and family type, part-time employees, 1983-2002

Year	Lone mothers		Couple mothers		Couple fathers	
	1-14 hours	15-34 hours	1-14 hours	15-34 hours	1-14 hours	15-34 hours
1983	49.3	50.7	45.2	54.8	27.8	72.2
1988	42.1	57.9	42.5	57.5	29.9	70.1
1993	45.9	54.1	37.9	62.1	33.6	66.4
1998	40.5	59.5	36.4	63.6	36.9	63.1
2002	44.0	56.0	41.3	58.7	36.4	63.6

Sources: ABS (various years), *Labour force status and other characteristics of families, Australia*, Catalogue 6224.0, ABS (2001-2002), *Data Cubes, June*, Catalogue 6291.0.40.001, table fm1, ABS, Canberra.
Notes: The 2002 figures are categorised as those working 0-15 hours and 16-34 hours. Those working no part-time hours have been excluded.

family joblessness but we could assume that there have also been substantial increases in the proportion working short part-time hours. This means that by extending the definition of work poor, with reference to couple fathers, a much higher number of families would be considered to be work poor and the rate of increase in the number of work poor families would also be substantially higher.

This has important implications. By using the conventional definition of work poor and focusing primarily on jobless families, many researchers and policy makers are likely to be understating the rate of increase and the number of families who are losing out in the Australian labour market and who are likely to experience poverty and reliance on the income support system.

Overview of family employment trends

The picture with respect to the distribution of employment for different family types (above) is complex. It is therefore of value to construct a simple summary measure of changes to employment within families. This measure needs to distinguish between part-time and full-time employment, something which is rarely done in the existing literature.

A summary measure can be constructed by numerically representing the total amount of employment within families. Full-time jobs are given the value of 1, part-time jobs the value of 0.5, and non-employment

the value of 0. This allows the amount of employment to be measured by summing the total number of jobs held by parents within the family.

To give an example, a couple consisting of a full-time employed father and a part-time employed mother, would have 1.5 jobs. Similarly, a couple family in which the father is employed part-time and the mother full-time would have 1.5 jobs. Couples with both parents employed part-time are represented with the number 1 and are not therefore distinguished from families with one parent in full-time work. It needs to be borne in mind that use of these measurements does not mean that part-time employees always work half the hours of full-time employees.

Initially, the focus is on employment in couple families, for whom a greater range of job values are possible. Figure 6 shows the summary measure of the number of jobs within couple families for the period 1983 to 2002. In 1983, 49.4 per cent of couples with dependent children had one job. In most cases this meant that the male was employed full-time and the female was not employed. However, by 2002 the proportion of couple families with one job fell to 31.7 per cent. This drop is mostly due to the increased employment rates of women, although an increase in joblessness also contributed somewhat. In other words, as previous studies have shown, employment has been polarised across families.

For those with both parents employed – that is, the work rich – it is more common to have one parent employed full-time and the other part-time than to have both parents employed full-time. The proportion of families with both parents employed full-time increased from 17.0 per cent to 21.9 per cent between 1983 and 2002. There was a greater increase for families with one parent employed full-time and the other part-time, from 22.6 per cent to 35.0 per cent. This is mainly the result of women taking on part-time positions while their partners are working full-time. By not considering part-time employment in definitions of work rich families, these different employment experiences and changing patterns of employment of those within this group are overlooked.

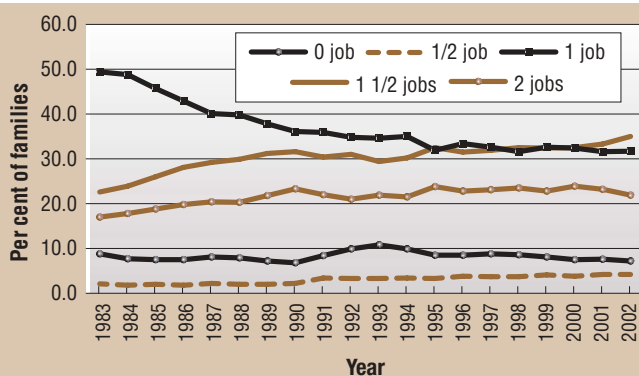
The rate of joblessness in couple families appears to have been quite sensitive to the business cycle. The rate fell from 8.8 per cent in 1983 as the economy recovered after the recession of the early 1980s. Joblessness in couple families then increased again to a maximum rate of 10.8 in 1993 during the recession of the early 1990s before dropping back to 7.2 per cent in 2002.

Only 2.1 per cent of couple families had only one parent employed part-time in 1983. This doubled to 4.2 per cent in 2002. Combined, families who were jobless or with only one parent employed part-time accounted for 10.9 per cent of couple families in 1983 and 11.4 per cent in 2002.

It seems that an overwhelming majority of couple families have increased rather than reduced their combined level of employment as a result of a greater availability of part-time work. There has been an increase in the number of couples with dependent children with only one part-time job between them, but these couples only represent a very small portion of the population and the increase is slight. Far more substantial is the increase in the number of families with one parent employed full-time and the other employed part-time.

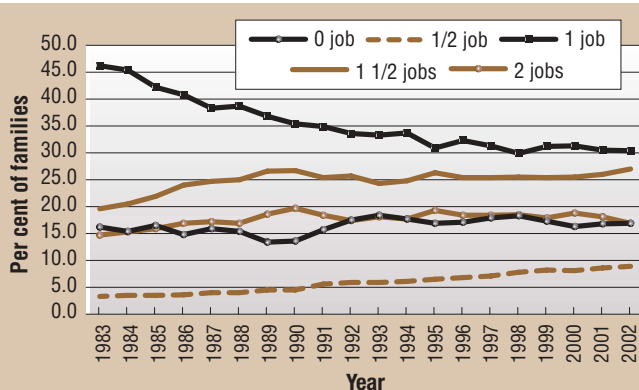
In accordance with previous research, these analyses show that the number of jobless families increases substantially when lone parents are considered. Figure 7 is

Figure 6 Number of jobs within families, couples with dependent children, 1983-2002



Sources: ABS (1983-2000), *Labour force status and other characteristics of families, Australia*, Catalogue 6224.0, ABS, Canberra. ABS (2001-2002), *Data Cubes, June*, Catalogue 6291.0.40.001, table fm1, ABS, Canberra.

Figure 7 Number of jobs within families with dependent children, 1983-2002



Sources: ABS (1983-2000), *Labour force status and other characteristics of families, Australia*, Catalogue 6224.0, ABS, Canberra. ABS (2001-2002), *Data Cubes, June*, Catalogue 6291.0.40.001, table fm1, ABS, Canberra.

similar to Figure 6 but includes lone mothers and lone fathers. As Figure 7 shows, in 1983, 16.2 per cent of families with dependent children had neither parent employed. After a decline, joblessness within families peaked again at 18.1 per cent in 1993. This is attributable to the severe recession in the early 1990s. However, with the inclusion of lone parents the rate of joblessness does not follow a downward trend from 1993 as it did for couple families. Instead it peaks again in 1998 at 18.5 per cent before dropping back to 16.9 per cent in 2002. Overall, the proportion of jobless families increased by only 0.7 percentage points between 1983 and 2002.

The proportion of families with only one part-time job increased steadily between 1983 and 2002. In 1983, 3.3 per cent of families had only one parent employed part-time compared to 8.9 per cent in 2002. The rate of increase is greater when lone parents are considered. This indicates that the increasing incidence of lone parent families not only plays a key role in the increasing rates of joblessness but also in the increasing number of families with low levels of employment.

Combining jobless families with those with only one part-time employee provides a somewhat concerning picture. In 1983, 19.5 per cent of families were either jobless or only had one parent employed part-time. This figure had increased to 25.8 per cent by 2002. That means that more than a quarter of Australian families with dependent children are either receiving no income from employment or only one part-time wage. This is particularly concerning when we consider that in 2002, 41 per cent of part-time employed parents worked less than 15 hours per week.

Conclusion

Part-time employment has grown rapidly over recent years. While many recent studies have focused on the polarisation of work across families, few have examined how part-time employment contributes to this polarisation. Findings from the above analysis indicate that increased take-up of part-time employment has contributed to a growth in both the number of work rich and work poor families in Australia.

Lone mothers, in particular, have contributed to the increased number of families with only one part-time job. Not only has there been an increase in the proportion of families which are headed by lone mothers, but of the family types examined, they experienced the highest rate of growth in part-time employment. Lone mothers also had the highest proportion of part-time employees working short hours. This highlights the importance of changes to the welfare system that have increased the amount of income support available to part-time employed lone mothers. Without the increasing generosity of earnings disregards and withdrawal rates of government benefits many lone parent families would be likely to have to rely on income from very few hours of work or be working more hours than they prefer.

Overall, couple families seemed to increase rather than decrease their combined level of employment by the uptake of part-time work. There was a much greater increase in the number of couple families with one part-time and one full-time job than in the number with only one part-time job between them. However, when couple

families are considered according to each partner's employment status, there is one group that appears to be falling behind. Couple fathers with non-employed partners have experienced increases in joblessness as well as in part-time employment. Looking at overall trends for couple fathers it also appears that the majority of the increase in part-time employment has been for those working less than 15 hours per week. This means that an increasing proportion families consisting of a couple father with a non employed partner appear to be receiving either limited or no earnings.



Increased take-up of part-time employment has contributed to a growth in both the number of work rich and work poor families in Australia.

Clear differences within the groups of families classified as work rich and work poor illustrate the necessity to differentiate between full-time and part-time employment in discussions of the polarisation of families according to work status.

Note

1. The validity of the comparison in labour force status over time depends upon consistent definitions being used in the data collection. The *Labour Force Survey* data presented in this paper is broadly comparable. The major definitional change is that prior to 1991, the lone mother category may have included a small number of mothers who were in a defacto relationship.

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