

Long Work Weeks in Australia

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Questions

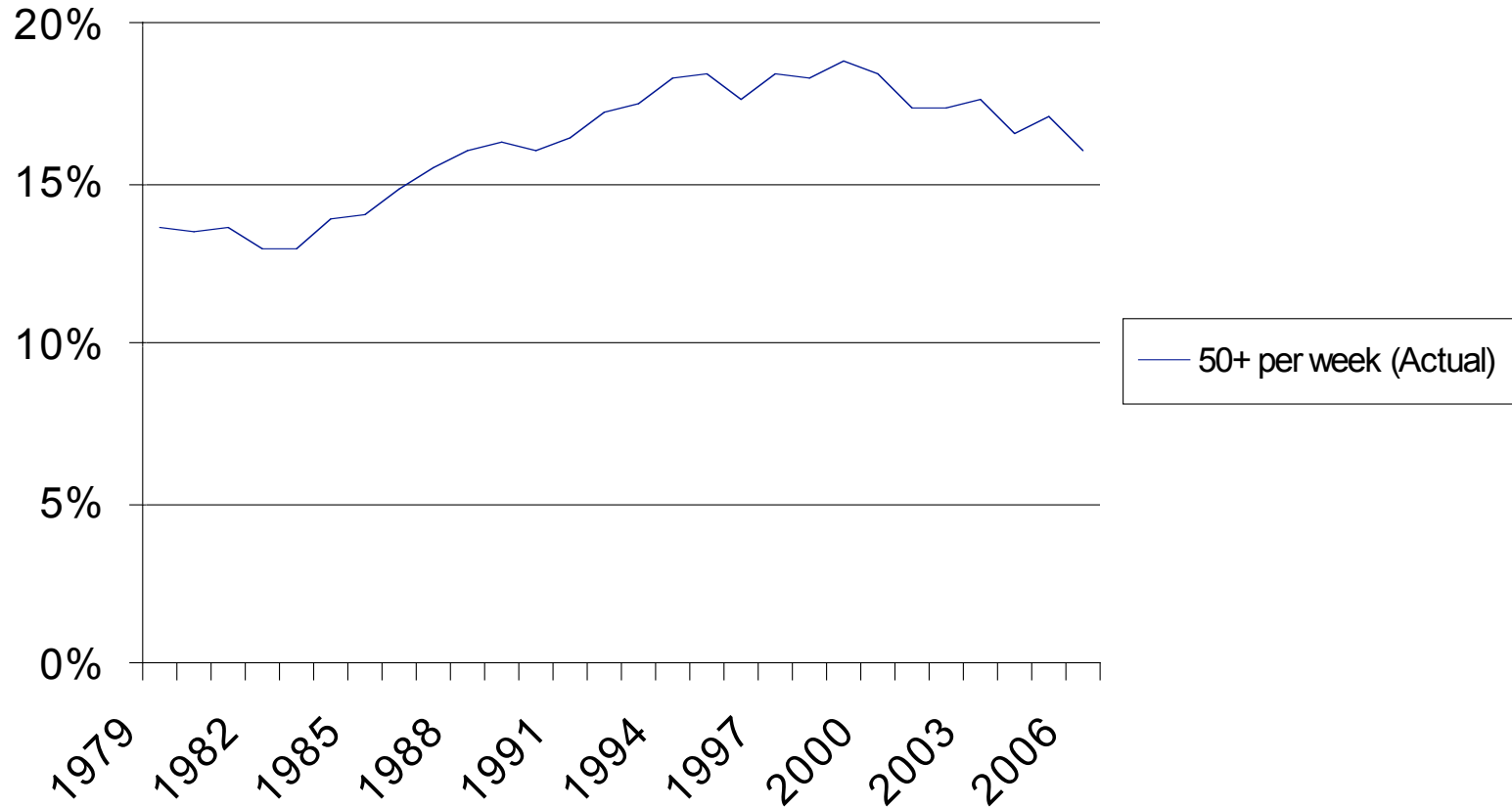
- How many work long hours?
- Is incidence growing or declining?
- How does Australia compare?
- Do actual work hours match preferences?
- How permanent / temporary are hours mismatches?
- What are the consequences of “overemployment”?

Measurement Issues

- What is an hour of work?
 - When does work start and finish?
 - Is on-call work?
- Reporting biases
 - Blurring between work time and non-work time
 - “Badge of courage”
 - Proxy responses
- How many hours is too many?

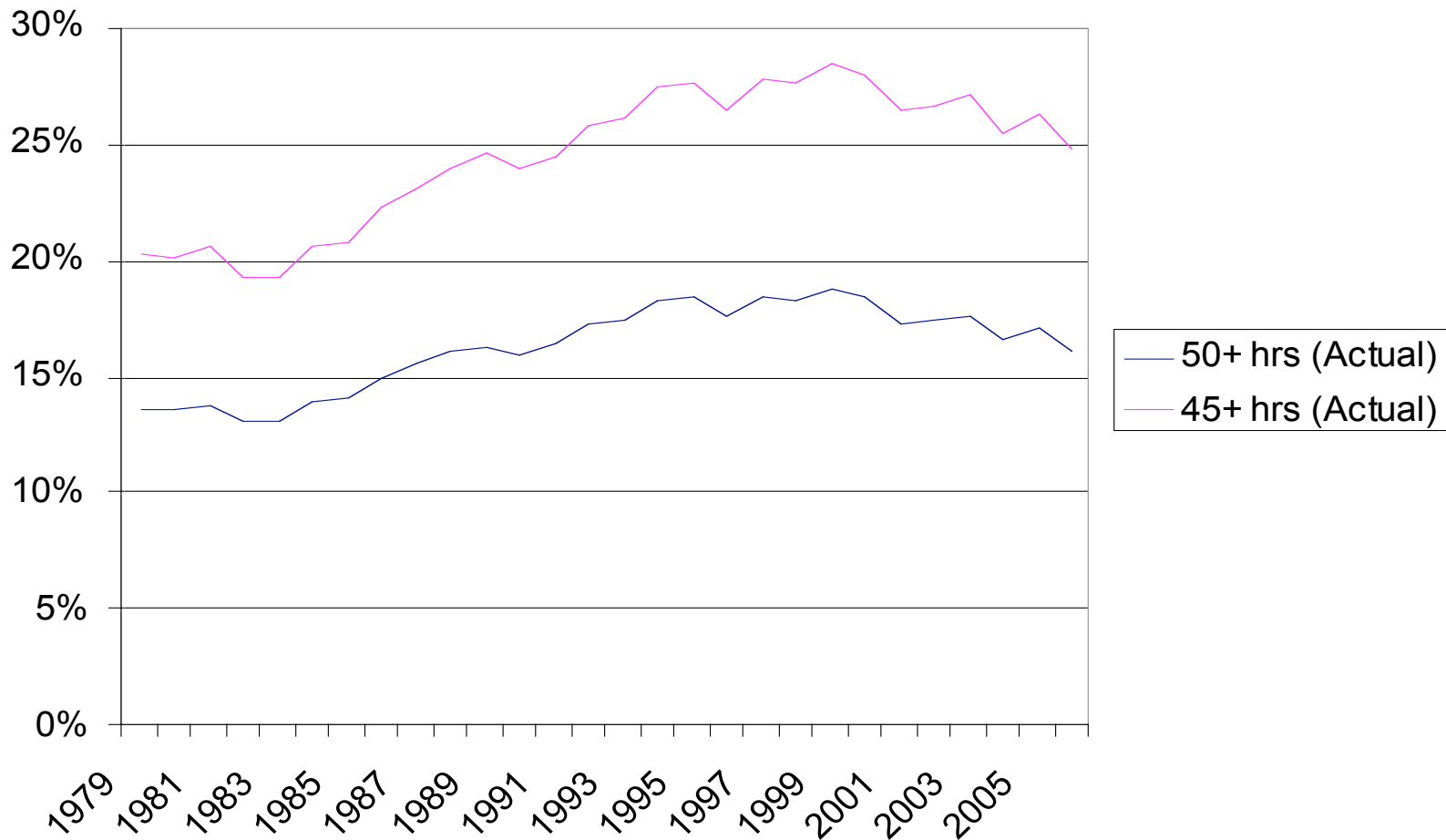
Long Hours of Work, 1979-2006

(12-month averages: ABS Labour Force Survey)



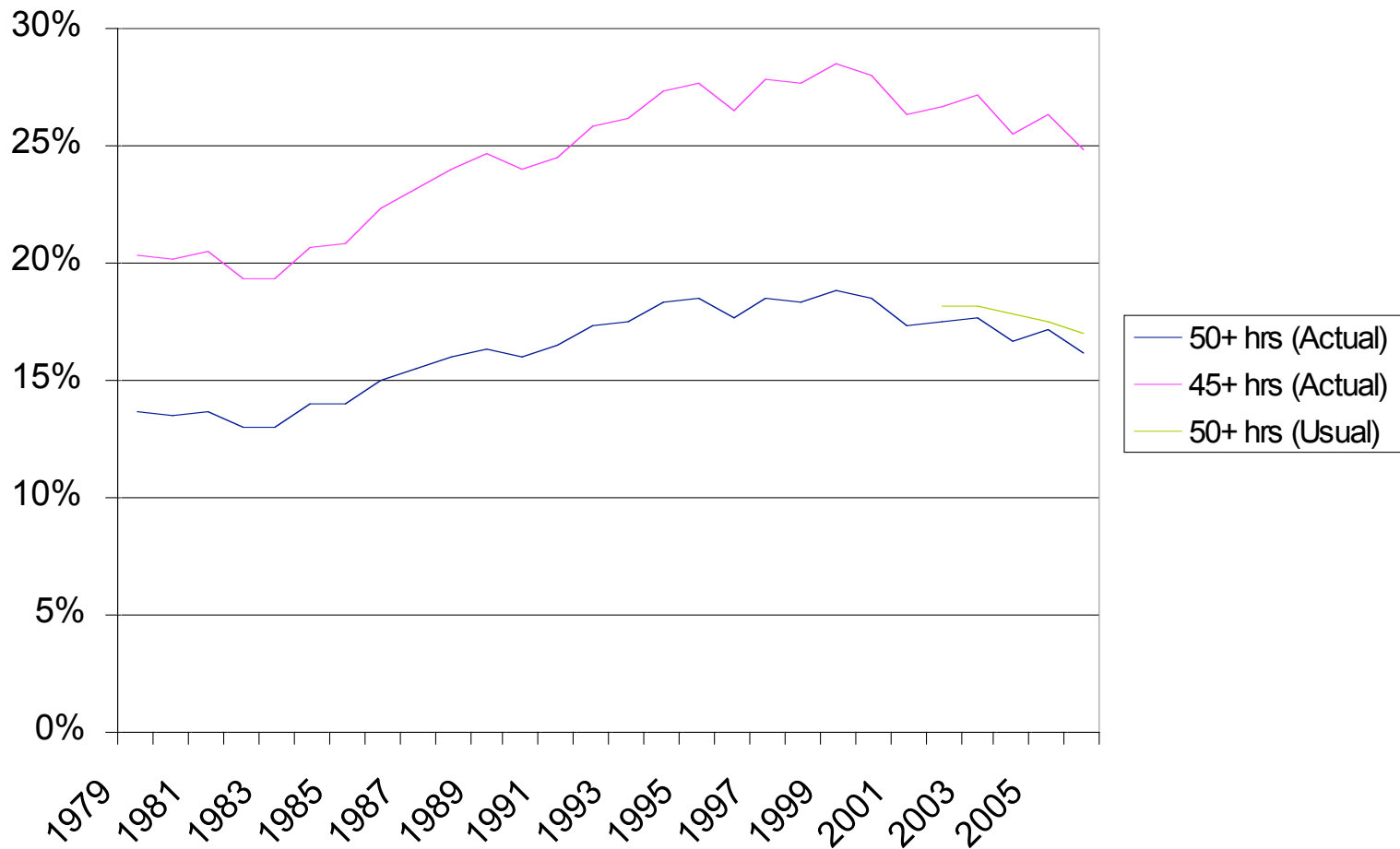
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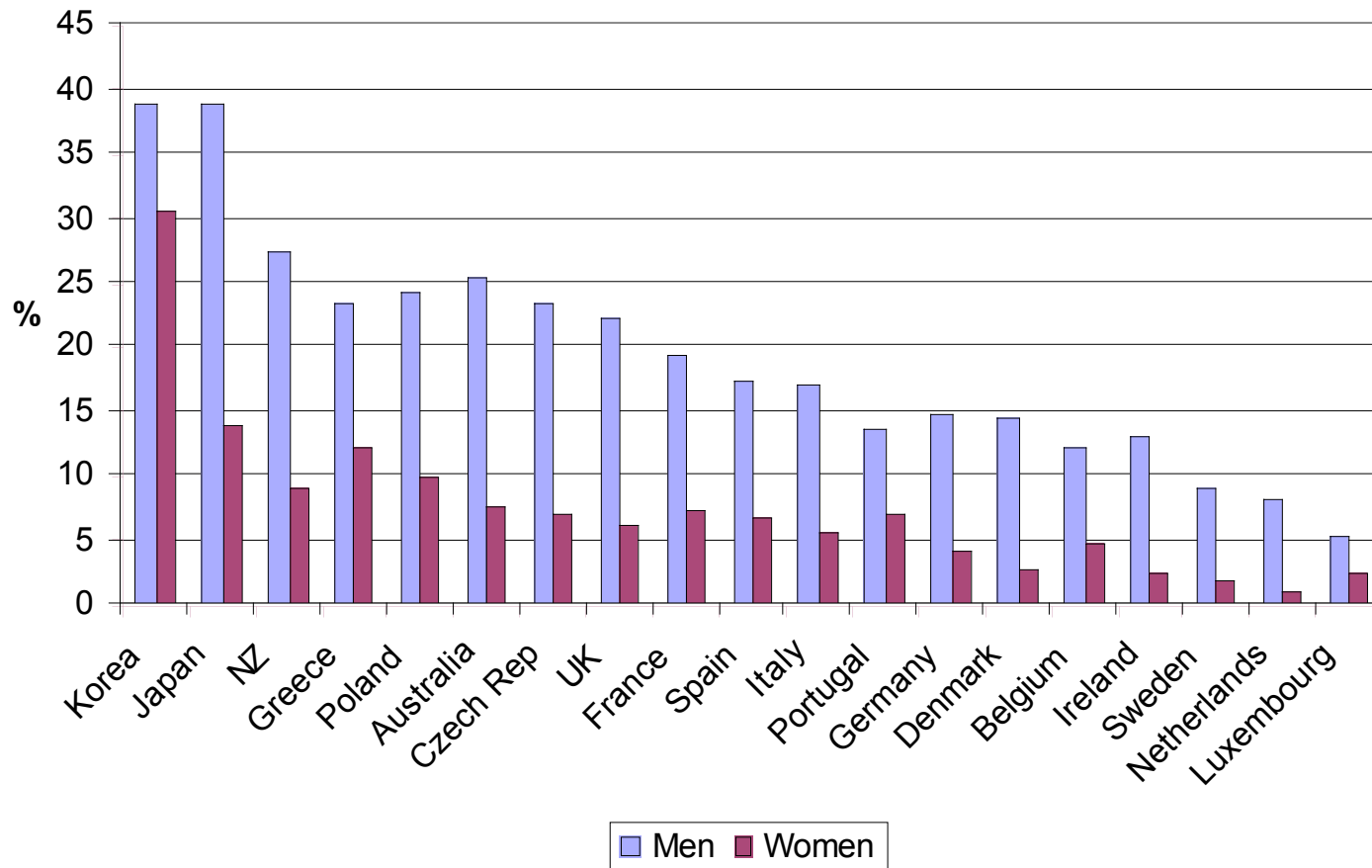
It's a Bloke Thing!

<i>Usual hours worked, 2006</i>	<i>Men (% of employed)</i>	<i>Women (% of employed)</i>
<35	15.9	47.1
35-40	45.3	38.1
41-44	3.8	2.4
45-49	10.4	4.7
50+	24.6	7.7

Source: ABS, *Labour Force, Australia, Detailed – Electronic Delivery*.

Long Work Weeks, 2005: OECD Comparisons

(% of employed who work 50+ hours: OECD database)



The HILDA Survey

- National household panel survey.
- Focus on: Family; Work; and Income.
- Started in 2001; annual interviewing.
- Personal interviewing (F2F) + SCQ.
- Interviews sought w all persons 15+ yrs
- Sample extended each wave to include new hh members.
- Almost 14,000 people interviewed W1.

Preferred Hours: Measurement

In total, how many hours a week, on average, would you choose to work?

Again, take into account how that would affect your income.

Hours Mismatch (%), Men: 2001-05

(5-year average)

<i>Hours usually worked each week</i>	<i>Fewer hours</i>	<i>About same</i>	<i>More hours</i>
<20	*	51.3	44.9
21-34	7.3	52.4	40.3
35-40	17.3	67.2	15.5
41-49	34.0	57.8	8.2
50+	54.3	42.5	3.1
TOTAL	29.5	55.4	15.0
Source: HILDA Survey Release 5.1.			

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50+	54.3	42.5	3.1
TOTAL	29.5	55.4	15.0
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Hours Mismatch (%), Women: 2001-05

(5-year average)

<i>Hours usually worked each week</i>	<i>Fewer hours</i>	<i>About same</i>	<i>More hours</i>
<20	3.9	59.0	37.1
21-34	13.6	61.9	24.5
35-40	31.7	61.7	6.5
41-49	49.7	47.9	*
50+	64.3	34.9	*
TOTAL	25.3	57.1	17.6
Source: HILDA Survey Release 5.1.			

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35-40	31.7	61.7	6.5
41-49	49.7	47.9	*
50+	64.3	34.9	*
TOTAL	25.3	57.1	17.6
Source: HILDA Survey Release 5.1.			

Magnitude of Mismatch: 2001-05

(5-year average)

Sample = Persons who usually work 50+ hours <u>and</u> prefer fewer hours		
<i>Gap</i>	<i>Men</i>	<i>Women</i>
20+ hours	41.9%	49.8%
10-19 hours	52.9%	46.0%
5-9 hours	5.1%	4.1%
1-4 hours	*	*
<i>Mean mismatch</i>	18.3 hrs	19.8 hrs

Source: HILDA Survey Release 5.1.

Factors Associated with Long Hours

(Static Results)

<i>Variable</i>	<i>V</i>	<i>C</i>	<i>Variable</i>	<i>V</i>	<i>C</i>
Debt / income	ns	+	Public sector	-	-
Ideal worker	ns	+	Self-employed	+	+
Promotion	+	+	Cost of job loss	-	ns
Female	-	-	Other income	ns	ns
Female parent	-	-	Union member	ns	ns
Age	∩	∩	<i>Key: V = Long Hours Volunteer C = Long Hours Conscript</i>		

Source: Drago, R., Wooden, M. and Black, D. "Long Work Hours: Volunteers and Conscripts".

Persistence of Overwork (I)

Sample = Persons usually working 50+ hours and prefer fewer hours at time t (and in work at $t+1$)

<i>Preferences at $t+1$</i>	<i>Men</i>	<i>Women</i>	<i>Persons</i>
Fewer	68.0	68.2	68.1
About the same	29.5	28.9	29.4
More	2.5	3.0	2.6
Total	100.0	100.0	100.0

Source: HILDA Survey Release 5.1.

Persistence of Overwork (II)

Sample = Persons usually working 50+ hours and prefer fewer hours at time t (and in work at $t+4$)

<i>Preferences at $t+4$</i>	<i>Men</i>	<i>Women</i>	<i>Persons</i>
Fewer	54.2	60.1	55.6
About the same	42.8	34.7	41.0
More	*	*	3.5
Total	100.0	100.0	100.0

Source: HILDA Survey Release 5.1.

Persistence of Overwork (III)

<i>Labour market state</i>	<i>Annual average (%)</i>	<i>% in state in:</i>	
		<i>at least 1 year</i>	<i>all 5 years</i>
<i>Employed at W1</i>			
≥50 hrs	20.9	39.5	8.3

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<i>Employed at W1</i>			
≥50 hrs	20.9	39.5	8.3
≥50 hrs + overemployed	12.0	27.8	2.3
<i>Employed in all 5 waves</i>			
≥50 hrs	24.4	43.7	10.5
≥50 hrs + overemployed	13.9	30.8	2.9

Hours Mismatch and Well-being

(5-year average)

<i>Employment status</i>	<i>Satisfaction (0-10) with:</i>		
PT – prefers more hours			
PT – other			
35-40 hrs – prefers less			
35-40 hrs – prefers same			
35-40 hrs – prefers more			
50+ hrs – prefers less			
50+ hrs – other			

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(5-year average)

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(5-year average)

<i>Employment status</i>	<i>Satisfaction (0-10) with:</i>		
	<i>Hours</i>	<i>Job</i>	
PT – prefers more hours	6.0	7.3	
PT – other	8.1	8.0	
35-40 hrs – prefers less	6.3	7.1	
35-40 hrs – prefers same	7.9	7.8	
35-40 hrs – prefers more	7.2	7.4	
50+ hrs – prefers less	5.3	7.2	
50+ hrs – other	7.3	8.0	

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(5-year average)

<i>Employment status</i>	<i>Satisfaction (0-10) with:</i>		
	<i>Hours</i>	<i>Job</i>	<i>Life</i>
PT – prefers more hours	6.0	7.3	7.7
PT – other	8.1	8.0	8.1
35-40 hrs – prefers less	6.3	7.1	7.7
35-40 hrs – prefers same	7.9	7.8	7.9
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50+ hrs – prefers less	5.3	7.2	7.6
50+ hrs – other	7.3	8.0	8.0

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(5-year average)

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PT – prefers more hours	6.0	7.3	7.7
PT – other	8.1	8.0	8.1
35-40 hrs – prefers less	6.3	7.1	7.7
35-40 hrs – prefers same	7.9	7.8	7.9
35-40 hrs – prefers more	7.2	7.4	7.6
50+ hrs – prefers less	5.3	7.2	7.6
50+ hrs – other	7.3	8.0	8.0

Do Long Hours Lead to Divorce? (I)

<i>Male employment status</i>	<i>Average annual separation rate (%)</i>
Not working	1.4
Part-time hours	2.7
35-49 hours	1.7
50+ hours	1.7
TOTAL	1.7

Notes: All data population weighted. Sample restricted to couples where both persons aged 15-64 years. Very large standard errors.
Source: HILDA Survey Release 5.1.

Do Long Hours Lead to Divorce? (II)

- *Model: $S_{t+1} | M_t = f(LH_t, X_t)$*
- Pooled sample restricted to women aged 15-64.
- Std errors adjusted for across wave correlation.
- Controls included for:
 - **Whether male usually works 50+ hours**
 - Equivalised household income
 - Duration of marriage
 - Age married
 - Education of self and spouse
 - Number of children by age
 - Whether previously married
 - Relationship satisfaction (level and within couple difference)

Long Hours and Marital Separation

(Logit estimates)

<i>Variable</i>	<i>Sign</i>	<i>Variable</i>	<i>Odds ratio</i>	<i>z</i>
HH income	-			
Age married	U			
Duration of marriage	-			
Ave. satisfaction	-			
Diff. in satisfaction	ns	N = 8620 Chi-squared = 324.1 Pseudo R-squared = .203		
Male prev. married	ns			
Female prev. married	+			

Long Hours and Marital Separation

(Logit estimates)

<i>Variable</i>	<i>Sign</i>	<i>Variable</i>	<i>Odds ratio</i>	<i>z</i>
HH income	-	Male = Long hours	0.91	.45
Age married	U			
Duration of marriage	-			
Ave. satisfaction	-			
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Male prev. married	ns			
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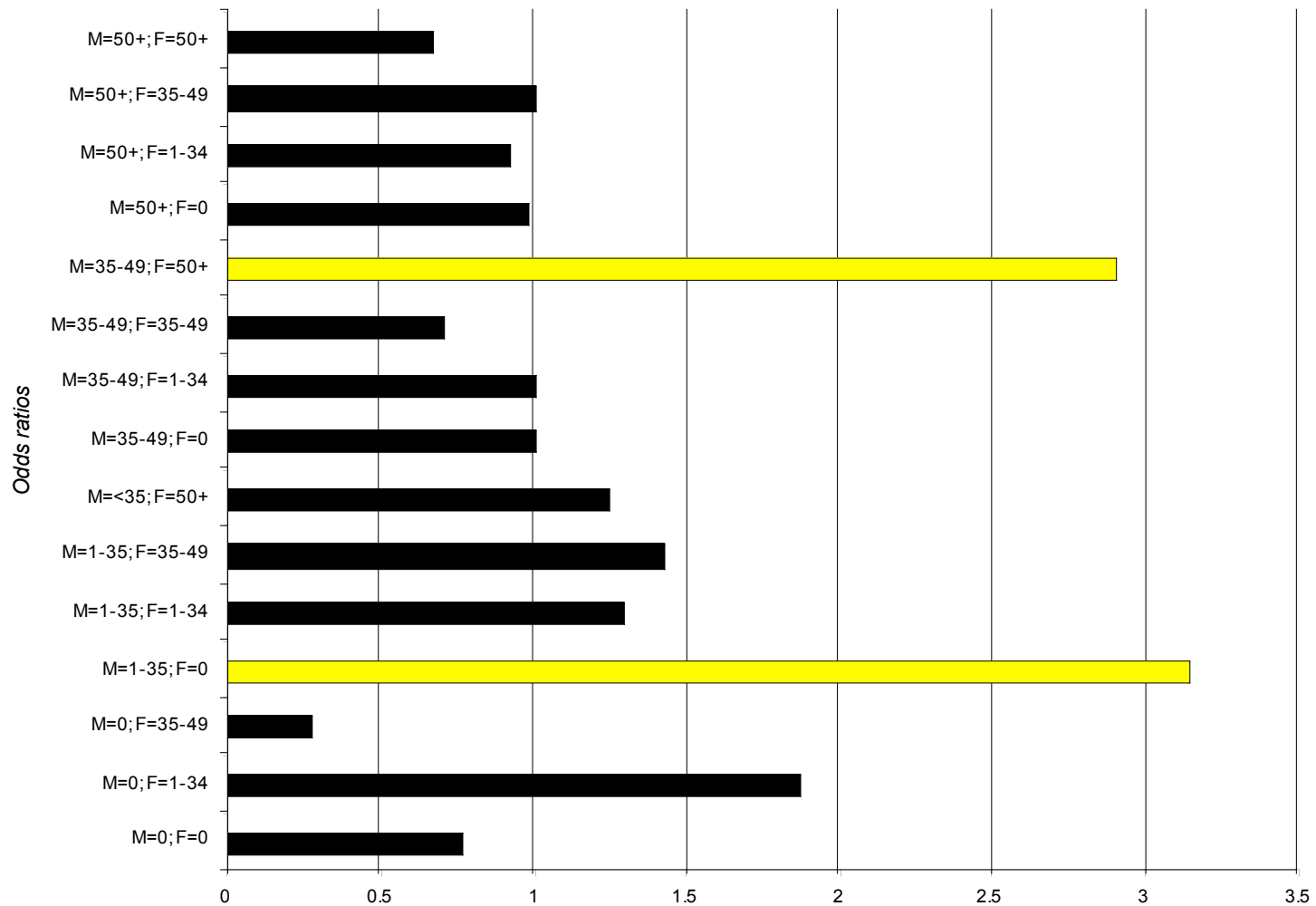
<i>Variable</i>	<i>Sign</i>	<i>Variable</i>	<i>Odds ratio</i>	<i>z</i>
HH income	-	Male = Long hours	0.91	.45
Age married	U	Male = Part-time work	1.83	2.22
Duration of marriage	-			
Ave. satisfaction	-			
Diff. in satisfaction	ns	N = 8620 Chi-squared = 324.1 Pseudo R-squared = .203		
Male prev. married	ns			
Female prev. married	+			

Long Hours and Marital Separation

(Logit estimates)

<i>Variable</i>	<i>Sign</i>	<i>Variable</i>	<i>Odds ratio</i>	<i>z</i>
HH income	-	Male = Long hours	0.91	.45
Age married	U	Male = Part-time work	1.83	2.22
Duration of marriage	-	Female = Long hours	1.80	1.55
Ave. satisfaction	-	Female = Part-time work	1.27	.97
Diff. in satisfaction	ns	N = 8620 Chi-squared = 324.1 Pseudo R-squared = .203		
Male prev. married	ns			
Female prev. married	+			

The Odds of Separation



Conclusions

- Incidence of LH workers ceased rising in the mid-1990s.
- Australia not as distinctive as widely believed.
- About 55% of LH workers prefer fewer hours.
- Of these, about two-thirds still have preferences for fewer hours one year later.
- LHs have small harmful effects on individual well-being.
- No evidence that LH work by men leads to marital separation.

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