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Australian Institute of Family Studies



Families in focus
for 40 years 1980-2020



MEDIA RELEASE

Families Then and Now: how income and employment changed for Australian households between 1980 and 2019

More working mums, a marginally narrowing gender pay gap, and increased household wealth are just a few of the economic shifts people in Australia have lived through over the last 40 years, according to new research released by the Australian Institute of Family Studies (AIFS).

Latest findings from the *Families Then and Now* series – mapping key changes in Australian households from 1980 to 2019 – reveal one of the most significant employment shifts since the 1980s has been the growing number of mothers in the workforce, with figures more than doubling since 1984.

For partnered mothers whose youngest child was under five, the employment rate increased from 30% in 1984 to 63% in 2019, while for single mothers with a youngest child the same age, the rate jumped from 19% to 39%.

AIFS Director, Anne Hollonds, said better access to part-time jobs and childcare, and also changes in social attitudes about working mothers, had seen more mums enter and stay in the workforce.

“Female participation in the workforce used to have an ‘M-shaped’ distribution, meaning labour force participation was quite high when women were in their teens and early twenties, then dropped off between 24 and 35 when they were having children, and jumped back up again after 35 when the kids were a bit older,” said Hollonds.

“Now, that M-shape has flattened significantly. We don’t have that same dip in the number of women in the workforce around childbearing age.”

But while there are more women working now than 40 years ago, they were still being paid significantly less than their male counterparts.

“In 1981, the gender pay gap was 23 per cent, compared to 17 per cent at the end of 2019. There’s been some progress towards equal pay for women, but not much,” said Hollonds.

While the number of families with both parents working has increased since the 1980s, the allocation of time spent in paid and unpaid work still remains heavily influenced by gender – with fathers usually in full-time employment, and mothers often working part-time, or not at all.

Similarly, while the percentage of stay-at-home dads increased between 1981 and 2001 (1.9% to 4.5%), the increase has since stagnated – with the percentage of stay-at-home dads just 4.6% in 2016.

“This suggests that while the number of mothers in the workforce has grown substantially in the last 40 years, household dynamics haven’t changed nearly as much. Mums are still much more likely to be the primary caregivers for children,” said Hollonds.

A significant increase to average household income, as well as surging property prices and increases in superannuation, have meant that the average household net worth in Australia has increased considerably since the 1980s – passing one million dollars in the 2017/18 financial year.

But as with income, there is still a big discrepancy between men and women when it comes to superannuation savings, Hollonds said.



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“In 1974, more than twice as many men, compared to women, had some form of superannuation savings. Latest data from 2018 shows that significant gender gap remains, with men aged 55-59 having an average balance of almost \$318,000, compared to \$207,000 for women the same age.”

AIFS’ latest *Families Then and Now* analysis has been released against the backdrop of COVID-19, which has seen a surge in unemployment, underemployment and home-based work.

“AIFS research conducted during the pandemic found that, even though more dads were utilising flexible work arrangements, the way household duties were being shared hadn’t yet changed much.

“As we look forward to the 2020s, it will be interesting to see whether COVID-19 has a lasting effect on how parents go about their work, and how significantly – if at all – those changes might begin to impact some of these long-running trends around income and superannuation,” Hollonds said.

Read the full reports at: [Income and wealth](#) and [How we worked](#).

Other key research findings:

Income

- In 1981, average weekly earnings for a man working full-time was \$311 (the equivalent of \$1,238 today) compared to \$241 (\$959 today) for a woman who worked full-time. This equates to a gender pay gap of 23%. In 2019, men who worked full-time earned \$1842 per week, on average, compared to \$1,529 for women who worked full-time, leaving a gender pay gap of 17%.
- Changes to employment patterns, including a larger female workforce, have resulted in significant increases to household income, with the 2017/18 financial year average weekly household income at \$2,242 before tax, up from \$1,361 in 1995/96.

Workforce participation

- In 1979, more women worked full-time in their teens and early twenties than they do today, with more women now participating in further education before moving to full-time work in their mid twenties.
- Part-time employment is more common for women now than it was 40 years ago (14% of all women over 15 in 1979, compared to 27% in 2019), and more women are remaining in the workforce after the age of 65 (11% in 2019, compared to 3% in 1979). The latter is partly due to changes in the qualifying age for the age pension.
- The percentage of men in part-time employment also grew significantly between 1979 and 2019 (from 4% of men over 15 in 1979, compared to 13% in 2019), though women were still more than twice as likely to be engaged in part-time employment than men in both years.
- Census data show relatively little change in the employment patterns of fathers over the last 25 years. In two-parent households, the majority of fathers worked full-time, with the percentage in part-time work increasing only slightly, from 6% in 1991 to 10% in 2016.

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AIFS conducts original research to increase understanding of Australian families and the issues that affect them. See aifs.gov.au for more.