



# Australian Social Trends

USING STATISTICS TO PAINT A PICTURE OF AUSTRALIAN SOCIETY



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**Australian Statistician**

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# Introduction

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*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 ABS [Measuring Wellbeing: Frameworks for Australian Social Statistics, 2001](#) – 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.





# Components of household wealth

The economic wellbeing of individuals is largely determined by their command over economic resources. People's income and wealth provide access to many of the goods and services consumed in daily life. Reserves of wealth can be used to support current consumption and to smooth consumption over people's lifetimes.

Over recent decades, successive Australian governments have actively encouraged the accumulation of superannuation wealth, maintained negative gearing tax incentives for investment, maintained the tax free status of capital gains on the family home, and financially assisted first home buyers.

Such policies aim to smooth levels of consumption over the life course, build wealth during pre-retirement years and help people fund their retirement living.

## Levels of household wealth

In 2009–10, on average, households in Australia held assets valued at \$839,000, partially offset by average household liabilities of \$120,000. After adjusting for changes in the CPI, the average household net worth of \$720,000 in 2009–10 was 14% higher than in 2005–06, and 30% higher than in 2003–04.

Net equity in home ownership in 2009–10 averaged \$297,000 across all households in Australia, and accounted for 41% of total household wealth. Superannuation was the next largest component of household wealth, averaging \$116,000, followed by property other than the family home (\$100,000).

## Data sources and definitions

Most of the data presented in this article are from the ABS Survey of Income and Housing (SIH). The estimates of household wealth for a particular financial year represent the average level of household wealth during that financial year.

A household's *net worth* or *wealth* is the value of its assets less the value of its liabilities.

All 2003–04 and 2005–06 dollar values have been converted into 2009–10 dollar values using the All Groups Consumer Price Index (CPI). Differences between the 2009–10 values and the adjusted values for earlier years are referred to as *real* changes.

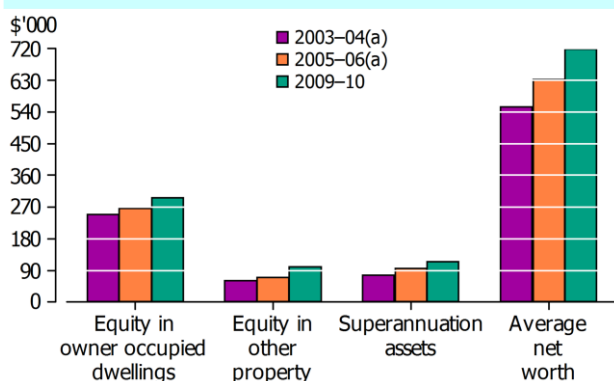
In this article, the term *average* refers to mean values. Because wealth accumulates over the life course, it is generally concentrated in older Australians. The wealthiest 20% of households, with an average household wealth of \$2.2 million, held 62% of all household wealth. Therefore mean wealth values tend to be considerably higher than corresponding median wealth values in many of the comparisons made across the population.

An *unincorporated business* is a business in which the owners (including 'silent' partners) and the business are the same legal entity. The owners are personally liable for any business debts that are incurred.

An *incorporated business* is a company that has a registered business name with the Australian Securities and Investment Commission (ASIC) and a legal status which is separate to that of the owners of the business.

A '*share*' in a company does not provide the right to a predetermined income. Shares are instruments or records acknowledging claims to the residual value of incorporated enterprises after the claims of all creditors have been met. However, in this article, the value of shares held by individuals in their own incorporated business is reported separately in the category 'value of own incorporated businesses'.

## Average household net worth and average value of selected items



(a) In 2009-10 dollars, adjusted using changes in the Consumer Price Index  
Source: ABS Survey of Income and Housing; ABS [Consumer Price Index, Australia, June Quarter 2011](#) (cat. no. 6401.0)

## Home ownership

The increased value of households' equity in their own homes accounted for nearly a third of the 30% real increase in average household wealth between 2003–04 and 2009–10. The contribution that rising home equity values made to wealth increases in that six year period were similar for homeowners living in capital cities and homeowners living outside the capital cities, with the net equity in their homes increasing, on average in real terms, by \$78,000 and \$75,000 respectively.

Most Australians aspire to own their home, and home ownership rates are relatively high. In 2009–10, one third (33%) of Australian households owned their home without a

mortgage, and 36% owned their home with a mortgage. For these home owners, the average value in 2009–10 was \$531,000, up 15% on the CPI adjusted average in 2005–06, and up 26% on the value in 2003–04.

## Superannuation

After the family home, superannuation is the largest component of household wealth in Australia. In 2009–10, 75% of households had some superannuation assets. The average value of superannuation assets held by those households with superannuation was \$154,000, up 50% in real terms on the average value held by the 73% of households who held some superannuation assets in 2003–04. However, just under half (49%) of the households with superannuation in 2009–10 had less than \$60,000 worth of superannuation assets.

## Other property

In 2009–10, 21% of households owned property other than their own home, up from 19% in 2003–04. For these households, their equity in other property (\$473,000) accounted for 31% of their average net worth in 2009–10 (\$1,544,000). When averaged across all Australian households, other property wealth (\$100,000) represented 14% of average household wealth.

**Compared with 2003-04, Australian households in 2009-10 were more likely to have some superannuation assets, and to own land and buildings other than their home. However, they were less likely to own shares directly.**

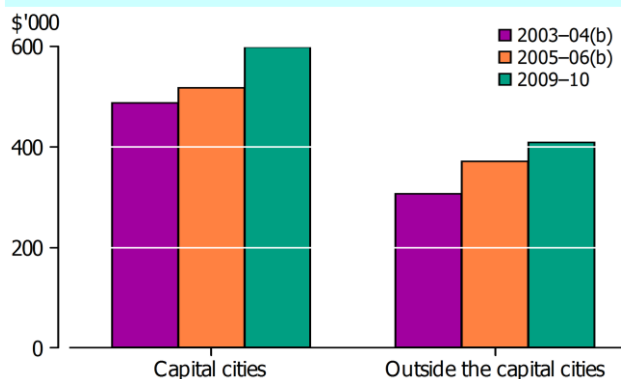
## Contents of dwellings

Home contents are the most commonly held household asset with almost every household reporting some items of value. In 2009–10, the average value of a household's home contents (e.g. clothing, jewellery, hobby collections, furniture, appliances, paintings, works of art) was \$61,000.

## Own incorporated businesses

In 2009–10, the value of own incorporated business wealth averaged \$39,000 across all households. For the 5% of Australian households having some own incorporated business wealth, the average value was \$812,000.

## Average estimated sale price of owner occupied dwellings(a) by location



(a) Limited to 'owners with a mortgage' and 'owners without a mortgage'.  
(b) In 2009-10 dollars, adjusted using changes in the CPI.

Source: ABS Survey of Income and Housing; ABS [Consumer Price Index, Australia, June Quarter 2011](#) (cat. no. 6401.0)

## Accounts held with financial institutions

In 2009–10, the vast majority (95%) of Australian households had some money in accounts such as passbook, cheque or term deposit accounts held with banks or other financial institutions such as credit unions, building societies, insurance companies and finance companies. The average balance value across all households was \$33,000 in 2009–10.

## Own unincorporated businesses

In 2009–10, the value of own unincorporated business wealth averaged \$23,000 across all households. For the 7% of Australian households with some own unincorporated business wealth, the average value was \$338,000. However, some wealth related to unincorporated businesses is held through private trusts.

## Shares

Direct share ownership became more widespread during the 1990s, partly in response to numerous well-subscribed public floats (e.g. Telstra). In 2009–10, 27% of households owned shares, with the average value of the shareholdings of these households being \$82,000 and averaging \$22,000 across all households.

## Trusts

In 2009–10, the value of trusts averaged \$22,000 across all households. Most of this was held in private trusts (\$18,000), and much of that is likely to relate to unincorporated businesses held through private trusts.

While only 3% of Australian households held private trust assets, for those households the average value of the holdings was \$572,000.

## Average value of the components of household wealth

Components of household wealth	Average value among households with the particular component(a)		Proportion of households with the particular component(a)		Average value among all Australian households	
	2003-04(b)	2009-10	2003-04	2009-10	2003-04(b)	2009-10
	\$'000	\$'000	%	%	\$'000	\$'000
<b>Assets(c)</b>					<b>637.4</b>	<b>839.4</b>
Accounts held with financial institutions	36.8	34.5	68.1	95.3	25.1	32.9
Shares (excl. own incorporated businesses)	69.7	82.3	31.0	27.1	21.6	22.3
Public unit trusts(d)	n.a.	90.7	n.a.	4.1	n.a.	3.7
Private trusts(d)	150.7	572.2	7.2	3.1	10.9	17.8
Debentures and bonds	65.1	54.5	1.7	0.8	1.1	0.4
Own incorporated businesses (net of liabilities)	678.4	811.8	4.0	4.9	27.1	39.5
Superannuation	103.1	154.2	73.0	75.2	75.3	115.9
Owner occupied dwelling(e)	421.5	530.3	70.1	68.8	295.5	364.9
Other property	445.3	660.7	18.9	20.6	84.0	136.4
Own unincorporated businesses (net of liabilities)	265.4	338.1	7.0	6.7	18.5	22.7
Contents of dwelling	56.2	60.8	100.0	100.0	56.2	60.8
Private vehicles	23.1	22.7	88.5	90.1	20.4	20.5
<b>Liabilities</b>					<b>82.4</b>	<b>119.8</b>
Loans for owner occupied dwelling(e)	144.8	204.6	32.8	33.4	47.5	68.4
Other property loans	226.3	312.3	10.4	11.7	23.6	36.6
Study loans	13.2	16.4	10.9	12.2	1.4	2.0
Credit card debt	3.2	3.8	70.0	70.3	2.2	2.6
Loans for private vehicle purchases	17.8	17.3	17.8	13.2	3.2	2.3
Investment loans (excl. business and rental property loans)	121.2	222.4	2.3	3.1	2.8	6.9
Loans for other purposes (excl. business and investment loans)	14.4	14.9	11.9	6.8	1.7	1.0
<b>Net worth</b>					<b>555.0</b>	<b>719.6</b>

n.a. not available

(a) Comprises households with a non-zero value for either the listed component of household wealth or any of its sub-components. For credit card debt, averages and proportions describe households with at least one credit card.

(b) In 2009-10 dollars, adjusted using changes in the Consumer Price Index.

(c) Includes the value of other financial investments, children's assets, loans to persons not in the same household, and the value of assets not elsewhere classified.

(d) Public unit trusts are not separately available for 2003-04 and are included with private trust values.

(e) Includes tenure types other than owners with a mortgage and owners without a mortgage.

Source: ABS Survey of Income and Housing; ABS [Consumer Price Index, Australia, June Quarter 2011](#) (cat. no. 6401.0)

### Vehicles

Most households (90%) held some equity in their private vehicles in 2009-10. Although, a small proportion (3%) owed more than their vehicles were worth. Across all Australian households, private vehicle net worth was \$18,000, on average.

### Liabilities

In 2009-10, the largest liability owed by Australian households was the principal outstanding on loans for their homes. Averaged across all households, this liability amounted to \$68,000 per household.

Of the 2.8 million mortgagor households with some home loan debt, the average amount of principal outstanding on such loans was \$206,000.

The next largest household debt category (at \$37,000 per household on average in 2009-10) was the principal owing on loans used for property other than the family home. For the 12% of all households that had this type of liability in 2009-10, the average amount owing on was \$312,000.

In 2009-10, outstanding loan balances to finance investments other than for business or property averaged \$7,000 across all households. For the 3% of all households that had this type of liability in 2009-10, the average amount owing was \$222,000.

Most households (70%) had at least one credit card in 2009-10, and average credit card debt among these households was \$3,800.

In 2009–10, study loans accounted for \$2,000 of average household debt. For the 12% of all households with study loans, the average size of the debt was \$16,000.

Private vehicle finance debt accounted for \$2,300 of average household debt in 2009–10, while the average amount owing by those households with such debt was \$17,000.

## Distribution of household wealth

While national averages are useful summary measures, they give little indication of the distribution of wealth among households. Looking at low wealth households (the bottom 20% in terms of net worth), high wealth households (the top 20%), and those in the

middle 20% of household wealth provides one picture of the distribution of wealth in Australia.

In 2009–10, low wealth households held an average of \$56,000 in assets, middle wealth households held \$556,000, and the top 20% held \$2.4 million in assets on average. Although own incorporated and own unincorporated businesses are a net worth value they have been included as an asset in this section, and thus not accounted for in total liabilities.

Low wealth households had a debt to asset ratio of 43%, for middle wealth households the ratio was 23%, and for the top 20% the ratio was 8%. Low wealth households on average owed \$24,000, middle wealth households owed \$128,000 and high wealth households owed \$180,000.

### Average value of the components of household wealth for selected household net worth quintiles – 2009-10

Components of household wealth	<i>Selected household net worth quintiles</i>		
	<i>Low(a)</i> <i>wealth</i>	<i>Middle(a)</i> <i>wealth</i>	<i>High(a)</i> <i>wealth</i>
	\$'000	\$'000	\$'000
<b>Assets(b)</b>	<b>56.2</b>	<b>555.6</b>	<b>2,403.3</b>
Accounts held with financial institutions	4.6	19.8	90.1
Shares (excl. own incorporated businesses)	0.4	3.7	93.5
Public unit trusts	*0.1	1.9	13.0
Private trusts	–	*0.8	83.8
Debentures and bonds		*0.1	*1.4
Own incorporated businesses (net of liabilities)	–	2.0	188.9
Superannuation	9.4	53.8	370.3
Owner occupied dwelling	9.5	340.3	812.5
Other property	*5.6	49.7	508.0
Own unincorporated businesses (net of liabilities)	0.3	4.1	100.2
Contents of dwelling	18.9	60.1	100.0
Private vehicles	7.2	18.7	36.5
<b>Liabilities</b>	<b>24.4</b>	<b>128.5</b>	<b>180.3</b>
Loans for owner occupied dwelling	9.7	90.7	60.5
Other property loans	*6.0	28.0	87.5
Study loans	3.2	1.4	1.8
Credit card debt	1.8	2.5	3.5
Loans for private vehicle purchases	2.3	2.3	1.5
Investment loans (excl. business and rental property loans)	**0.2	2.4	*24.6
Loans for other purposes (excl. business and investment loans)	1.1	1.1	0.9
<b>Net worth</b>	<b>31.8</b>	<b>427.2</b>	<b>2,223.0</b>

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

\*\* estimate has a relative standard error greater than 50% and is considered too unreliable for general use

– nil or rounded to zero

(a) Low wealth households are represented by the lowest net worth quintile, middle wealth households by the third net worth quintile, and high wealth households by the highest net worth quintile.

(b) Includes the value of other financial investments, children's assets, loans to persons not in the same household, and the value of assets not elsewhere classified.

Source: ABS [Household Wealth and Wealth Distribution, Australia, 2009-10](#) (cat. no. 6554.0)

The net worth of low, middle and high wealth household groups in 2009–10 averaged \$32,000, \$427,000 and \$2.2 million respectively. However, 77,000 Australian households (i.e. 1% of all Australian households) owed more than they owned.

Between 2003–04 and 2009–10, the share of total household net worth owned by the poorest 20% of households remained at around 1%. In contrast, the share owned by the wealthiest 20% of households increased from 59% in 2003–04 to 62% in 2009–10.

For high and middle wealth households, the primary residence was a very valuable and widely held asset. The average value of the family home for high wealth households was \$813,000 (a third of their assets). With only \$60,000 owing on these homes on average, equity in the family home accounted for 34% of the net worth of high wealth households, 95% of which owned their family home. For middle wealth households, slightly fewer (91%) owned the family home, but it was a more significant component of their wealth. With an average home value of \$340,000 (61% of their assets) and \$91,000 owing on average, home ownership accounted for 58% of the net worth of middle wealth households.

Low wealth households on average held only \$10,000 (17%) of their assets in their own home, offset by a similar average debt on the home. Only 4% of low wealth households owned their family home, and 90% of those households owed money on the home.

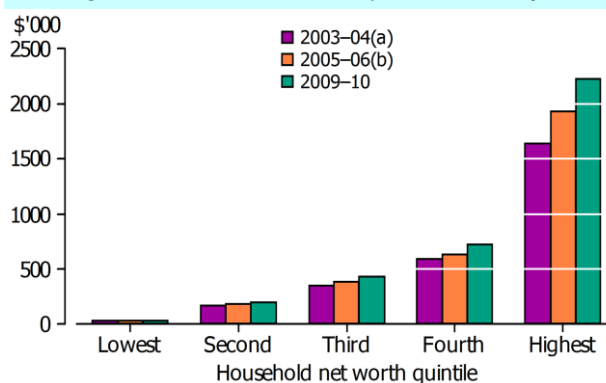
After the family home, other property was the next largest contributor (19%) to the net worth of the wealthiest 20% of households. With their net holdings averaging \$420,000, these households accounted for 84% of all household wealth held in such assets.

Superannuation was the third largest component (17%) of the asset portfolio of the richest 20% of households. At \$370,000 on average in superannuation, these households held 64% of all superannuation assets.

Wealth in business assets was highly concentrated in high wealth households. In 2009–10, 93% of the net value of incorporated and unincorporated businesses were held by the richest 20% of households, with \$289,000 on average held by these households and accounting for 13% of their wealth.

In low wealth households, the contents of the dwelling accounted for the largest proportion (34%) of their assets, and for more than half of their net wealth. Vehicles accounted for 15% of all assets in low wealth households, but only 3% of middle wealth and 2% of the assets of high wealth households.

### Average household wealth, by net worth quintile



(a) In 2009-10 dollars, adjusted using changes in the CPI.

Source: ABS *Household Wealth and Wealth Distribution, Australia, 2009–10* (cat. no. 6554.0)

The uneven distribution of wealth partly reflects the tendency for wealth to be gradually accumulated during a person's working life and then utilised during retirement. For more information on the distribution of household wealth in Australian, see *Household Wealth and Wealth Distribution, Australia, 2009–10* (ABS cat. no. 6554.0).

### Looking ahead

Household wealth is likely to remain concentrated in real estate and superannuation into the foreseeable future for several reasons. The exemption of the family home from both capital gains tax, and means testing for determining eligibility for the receipt of government pensions and benefits, will favour investment in the family home. The ready availability of mortgage finance for negatively geared investments will favour investment in rental property. The concessional taxation treatment of superannuation contributions, fund earnings and retirement income streams will favour investment in superannuation. The Federal Parliament is also presently considering the Australian Government's proposal to gradually raise the current 9% Superannuation Guarantee to 12% between 2013–14 and 2019–20.<sup>2</sup>

### Endnotes

- 1 Parliament of Australia Parliamentary Library 2008, *Chronology of superannuation and retirement income in Australia* <[www.aph.gov.au](http://www.aph.gov.au)>
- 2 Australian Government 2011 *Superannuation – Increasing the Superannuation Guarantee rate to 12 per cent*, viewed 1 November 2011 <[www.futuretax.gov.au](http://www.futuretax.gov.au)>

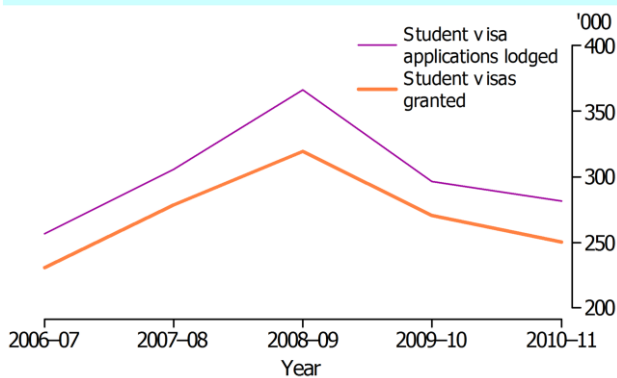
# International Students

International students make a significant contribution to Australian society, diversifying and enriching communities, and strengthening Australia's global networks. The decision to study in Australia also offers many benefits to international students, allowing them to gain a high quality, internationally recognised education, as well as the opportunity to experience life in Australia.

The international education sector is important not only to Australian society, but also the country's economy. International education activity contributed \$16.3 billion in export income to the Australian economy in 2010–11.<sup>1</sup> Furthermore, many educational institutions rely on the income from full-fee paying international students to assist in the provision of quality education to all students, both international and domestic.

In 2009, over one in five (22%) tertiary students studying in Australia were international students.<sup>2</sup> While the size of the international student population is considerable both in tertiary and other sectors, Australia's international education sector is undergoing a period of change. This change is driven by adjustments to Australia's migration policy, as well as changing perceptions of the Australian education market, the increased value of the Australian dollar, and the growth of Australia's overseas competitors.

## Student visa applications lodged and granted



Source: Department of Immigration and Citizenship, [Student visa program trends, 2004-05 to 2010-11](#), accessed 11 October 2011

## Data sources and definitions

This article draws on several sources to present data about international students in Australia. Data on student visa applications lodged and granted are from the Department of Immigration and Citizenship. Overseas student enrolment and commencement data are from Australian Education International's (AEI) International Student Data and include data presented in the AEI Research Snapshot Series.

Unless otherwise stated, data in this article relate to students studying onshore in Australia.

*Student visas lodged* refers to the count of paper applications received in a departmental office or submitted electronically.

*Student visas granted* refers to the number of visas granted including primary and review grants.

*International students* as defined by the Australian Education International are full-fee paying students studying in Australia on a student visa. This definition does not include New Zealand citizens as they do not require a student visa to study in Australia.

The process of becoming an international student in Australia involves a number of steps, the most significant of which are enrolling in the student's course of interest, and applying for a student visa through the Department of Immigration and Citizenship (DIAC). Student visa data obtained from DIAC can be examined to gain an understanding of trends in the international student sector.

There are numerous ways to measure the size of the international student sector,<sup>3</sup> with different data sources offering alternative perspectives. To examine recent changes in the sector, this article will investigate both student visa and student enrolments data in Australia.

## Trends in student visa applications

To be eligible for an Australian student visa, applicants must be accepted for full-time study with a registered institution, as well as meet various financial, health and character conditions.<sup>4</sup> The visa covers the duration of the course applied for.

Over the four years to 2010–11, applications for Australian student visas increased sharply to 2008–09, followed in turn by an almost equally sharp decline in the subsequent two years. In 2010–11, there were 282,000 student visa applications lodged in Australia, including both onshore and offshore applications. This is a decline of 5.1% from 2009–10 and 23% less than

the peak of 2008–09. Despite this decline, the number of student visa applications in 2010–11 is still higher than the number recorded in 2006–07.

Almost half (43%) of international student visa applications in 2010–11 were within the higher education sector, and more than a quarter (30%) were for the Vocational Education and Training (VET) sector.

Declines in student visa applications were most prominent in the VET sector, which after considerable growth between 2006–07 and 2008–09 (up 150%), declined by more than a third (37%) between 2008–09 and 2010–11.

These recent declines in student visa applications can be attributed to a number of factors, including changes to student visa regulations (for example, requiring international students to demonstrate their financial resources), and changes to the General Skilled Migration program, which have made the transition from international student to permanent residency more difficult.<sup>5</sup>

International media attention regarding incidents of violence against international students has had damaging effects on Australia's reputation as a safe destination for study, particularly among Indian nationals.<sup>5</sup> Furthermore, the rise of the Australian dollar, which has a direct effect on the cost of living in Australia compared with alternative destinations, and increased competition from other countries in the international education market, may have had some effect on decreasing levels of visa applications.<sup>5</sup>

### ...applications granted

Not all student visa applications made were granted. While there is no limit on the number of student visas issued each year, applicants must meet all necessary requirements to be granted a student visa.

In 2010–11, there were 250,000 student visa applications granted. This is a decline of 22%

from a peak in 2008–09, but still higher than the 231,000 applications granted in 2006–07. This decline follows a similar pattern to applications lodged.

The proportion of applications granted to each sector mirrors applications lodged, with almost half (45%) granted to Higher Education applicants, and over a quarter (27%) to VET applicants in 2010–11. Similarly, declines in applications granted were largest in the VET sector, down 35% from the 2008–09 peak of 104,000 student visa applications granted.

### Where are student visa applications coming from?

Recent years have seen China continue as the largest single nation contributor to the international student population in Australia. In 2010–11, one fifth of all student visa applications lodged and granted were from China (18% and 20% respectively), followed by India (14% and 12% respectively) and South Korea (both 5%).

Between 2008–09 and 2010–11, declines in student visa applications lodged and granted have been seen amongst all of the top five contributor nations. The most prominent declines were from Indian nationals, where the number of applications lodged and granted halved (51% and 56% respectively). In 2008–09, India had accounted for one in five of all student visa applications lodged (22%) and granted (20%), but in 2010–11 this had reduced to 14% and 12% respectively.

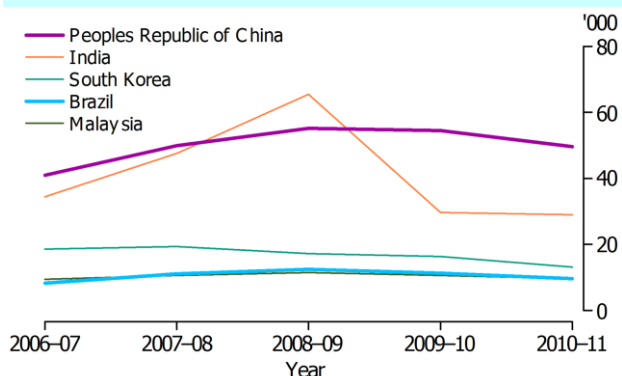
***In 2010-11, one fifth (20%) of all student visa applications granted were to Chinese nationals.***

### Enrolments and commencements

Prior to gaining a student visa, international students must have a confirmation of enrolment from their selected education institution. Recent trends in student visa data were mirrored in student enrolment and commencement data, compiled by Australian Education International (AEI). Many international students enrol in and commence more than one course of study in one year, and this creates a discrepancy between the number of enrolments and the number of student visas granted.

In 2010, there were 617,000 overseas student enrolments in various courses across all international education sectors. This was down from the 631,000 student enrolments in 2009, representing a decline of 2.2%, according to AEI student enrolment data. This was still 14% higher than the 542,000 enrolments in 2008.

#### Student visa applications granted by top five countries of origin



Source: Department of Immigration and Citizenship, [Student visa program trends, 2004-05 to 2010-11](#), accessed 11 October 2011

Australian Education International classifies international students into five *sectors*. These are:

- Higher Education - undergraduate and postgraduate university students
- Vocational Education and Training (VET) - Technical and Further Education (TAFE) and related institute students
- School - kindergarten, primary, secondary (junior and senior) students
- English Language Intensive Courses for Overseas Students (ELICOS) - English language intensive students.
- Other - courses outside the above categories, e.g. foundation courses, non-award and enabling courses.

*Enrolments* are the total number of course enrolments in the given reference period, including continuing enrolments from the previous period and new enrolments.<sup>14</sup>

*Commencements* are the number of new course enrolments in the reference period.<sup>14</sup>

The number of international student commencements also declined between 2009 and 2010. In 2010, there were 327,000 commencements, down 37,000 on 2009 figures and representing a decline of 10%.

Between 2009 and 2010, enrolments declined in all sectors except Higher Education, which increased to 242,000, a growth of 7.3%. In 2010, two in every five (39%) overseas student enrolments were for an undergraduate or postgraduate qualification. Commencements declined in all sectors including Higher Education, with the largest fall in the ELICOS sector, down 21%.

### Where are enrolments coming from?

The decline in enrolments varied according to which country students were from, and this decline was not consistent across all sectors. Student enrolments from China, the largest contributor country of international students, increased by 6.0% between 2009 and 2010, due

to increases in the Higher Education sector (up 18%) and the 'Other' sector (up 17%). In total over one quarter (27%) of all international student enrolments came from China.

### ...and commencements?

Commencements from China were similar between 2009 and 2010, though in the Higher Education sector commencements rose 14%, suggesting that unlike other countries, the international student market from China, particularly for higher education, has remained strong, though perhaps not completely untouched by recent movements in the Australian international student sector.

International student enrolments and commencements from India decreased between 2009 and 2010, down 17% and 38% respectively. These declines were apparent across all sectors, though Indian nationals were still the second highest contributor to international student enrolments (16%) and commencements (13%) in 2010.

### Who is studying?

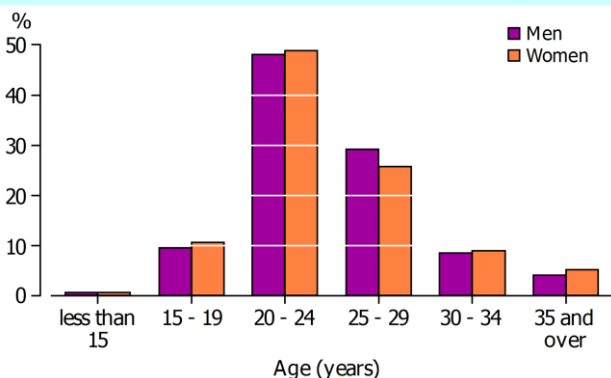
In 2010, there were 470,000 international students studying in Australia.<sup>6</sup> Over three quarters (76%) of these students were aged 20-29 years, reflecting the fact that most international students were studying in the Higher Education and VET sectors.

International students studying in Australia in 2010 were more likely to be men (54%) than women (46%), though the gender distribution of international students varies according to nationality. For example, according to Australian Education International,<sup>7</sup> almost two-thirds (63%) of international students who commenced study in the first half of 2011 from India and Nepal were men. In contrast, almost two thirds of those from Thailand (63%) and the United States of America (62%) were women. China, Korea, Vietnam and Malaysia also had more female than male students commencing study in the first half of 2011.

In 2010, there were more male than female international students in all education sectors with the exception of the 'Other' sector (52% female), which includes Study Abroad commencements from the US (short term study programs) and enabling courses (designed to prepare students for further study).

Men were particularly more likely to be studying in the VET sector (59%) than women (41%).

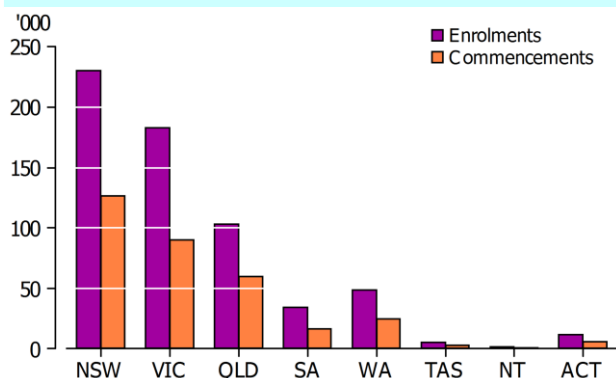
### Age distribution of international students studying in Australia – 2010



Source: Australian Education International data, 2010



## International student enrolments and commencements by state and territory – 2010



Source: Australian Education International, [2010 Pivot Tables](#), accessed 17 October 2011

## What do international students study?

International students study a range of different courses in Australia. While a small proportion study in schools and other post-secondary courses, most international students (80%) were engaged in Higher Education and VET courses in 2010, with some of these students having also studied English through an ELICOS provider.

Of international enrolments and commencements in Higher Education in 2010, 'Management and Commerce', which includes study fields such as accounting, business and management, and sales and marketing, was the largest broad field of education, with about half of enrolments (52%) and commencements (54%) in this field. No other individual broad field of education contributed more than 10% of enrolments or commencements in the higher education sector.<sup>8</sup>

## International students as a proportion of all students by selected university – 2010(a)

University	International		Total	International proportion
	'000	'000		
University of Ballarat	5.1	5.6	10.7	47.7
Bond University	2.7	3.9	6.6	40.5
Central Queensland University	7.8	11.7	19.5	39.9
Macquarie University	12.2	24.1	36.4	33.6
Swinburne University of Technology	6.6	13.6	20.2	32.8
Total all universities	233.1	813.7	1,046.8	22.3

(a) Includes onshore students only.

Source: Australian Education International, October 2011 [Research Snapshot: Onshore international students as a proportion of all onshore students by university, 2010](#)

In 2010, 'Management and Commerce' was also the largest broad field of education for the VET sector, with over two fifths (43%) of enrolments and almost half (48%) of commencements in this field.<sup>8</sup>

## Where do international students study?

More international students studied in New South Wales than any other state or territory in 2010, with over one-third of all international student enrolments (37%) and commencements (39%) taking place in NSW, followed by Victoria (30% and 28% respectively).

A recent report by Australian Education International reveals that the distribution of international students is not equal among universities,<sup>9</sup> with certain institutions having higher proportions of onshore international students than others. For example, in 2010 almost half (48%) of students at the University of Ballarat in Victoria were international students. In comparison, 6.7% of students studying at The University of New England in NSW were international students.<sup>9</sup> The high proportion of international students in some universities may make these institutions more sensitive to fluctuations in the industry as a whole.

A similar report into public VET institutions<sup>10</sup> shows that the dispersal of international students studying in these institutions in 2010 was considerably more even than at universities, with no single public VET institution having an international student population greater than 16% (Holmesglen Institute of TAFE in Victoria).

These differences are most likely due to the types of courses offered at different universities and VET institutions, with some catering for the needs of international students with specific international student programs.

While some universities have larger proportions of international tertiary students, the actual number of international students is more evenly dispersed. Larger numbers of international students can be found in Australia's largest universities, with Monash University having both the highest number of domestic (40,300) and onshore international students in Australia (13,400), followed by the University of New South Wales (36,300 and 13,200 respectively).

Along with quality education and course options, it is likely that international students consider other factors such as proximity to major cities and infrastructure when deciding where to study.

### Universities with the highest number of international students – 2010(a)

University	Inter-national '000	Domestic '000	Total '000	Inter-national proportion %
Monash University	13.4	40.3	53.6	24.9
The University of New South Wales	13.2	36.3	49.5	26.7
Macquarie University	12.2	24.1	36.4	33.6
The University of Melbourne(b)	12.0	33.4	45.4	26.4
Griffith University	11.0	30.8	41.8	26.2
Total all universities	233.1	813.7	1,046.8	22.3

(a) Includes onshore students only.

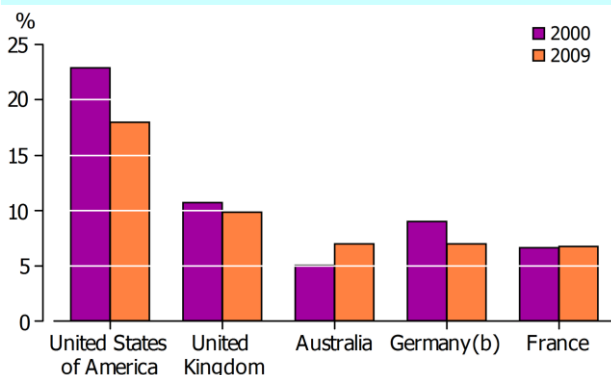
(b) 2010 data has not been published for this institution, 2009 data has been shown.

Source: Australian Education International, October 2011 [Research Snapshot: Onshore international students as a proportion of all onshore students by university, 2010](#)

### International student experience in Australia

The experience of studying abroad can vary from student to student, dependent on factors such as the quality of the chosen course and institution, support, and friendships they develop in their chosen country.

### Market share of international tertiary students – 2000, 2009(a)



(a) The proportion of students abroad is based only on the total of students^ enrolled in countries reporting data to the OECD and UNESCO Institute ^for Statistics.

(b) Excludes advanced research programmes.

Source: Organisation for Economic Co-operation and Development, [Education at a Glance, 2011](#)

The International Student Survey (2010)<sup>11</sup> indicates how satisfied international students were with their Australian education experience. Overall, most international students studying in Australia were satisfied with their study and living experience in 2009–10. Nearly nine in ten of those studying in the VET sector (88%) and the Higher Education and ELICOS sectors (both 86%) were satisfied with their living experience in Australia.

Overall satisfaction with study experience was equally high, with almost nine in ten students in the ELICOS (86%), VET (85%) and Higher Education (84%) sectors reporting that they were satisfied with their studies.

### ...safety

The International Student Survey (2010)<sup>11</sup> also found that in 2009–10 almost nine in ten international students in the VET (88%) and Higher Education (86%) sectors and eight in ten (80%) ELICOS students were satisfied with their safety while studying in Australia. In comparison, 94% of domestic Higher Education students recorded high satisfaction levels for safety. Familiarity with language, culture and geography may explain some of the difference between domestic and international students in this respect.

### How does Australia compare internationally?

Despite recent declines in the Australian international education sector, it continues to be an important sector, both in Australia and internationally.

The growth of transnational education in recent decades has not been limited to Australia. In 2009, almost 3.7 million tertiary students were enrolled to study outside their country of citizenship, increasing four fold from 0.8 million in 1975.<sup>2</sup>

In 2009, over one in five (22%) tertiary education students in Australia were international students.<sup>2</sup> This is the highest proportion of international students in all OECD countries followed by the United Kingdom (15%) and Austria (15%).

Australia's share of the international student market increased from 5.1% in 2000 to 7.0% in 2009,<sup>2</sup> making Australia the third largest provider of international education services in 2009, behind the United States (18%), and the United Kingdom (10%). Considering the relative size of Australia's population, such high representation amongst the international student market is indicative of the ongoing importance of this sector to Australia, both economically and for communities.

## Looking ahead

Given the important contribution the international student sector makes to Australia's economy and society, ensuring the future strength of the industry is an ongoing priority for government.

Initiatives intended to further improve the experience of international students and the quality and integrity of the international student education sector in Australia are underway. These include the Council of Australian Government's (COAG) International Students Strategy for Australia (2010–2014),<sup>12</sup> and changes to the Education Services for Overseas Students (ESOS) Act 2000.<sup>13</sup> Furthermore, following the Knight Review of the student visa program, numerous reforms have recently been announced, including the streamlining of visa processing for some international students, and reducing the financial requirements for some student visa applicants.<sup>15</sup>

## Endnotes

- 1 Australian Education International, 2011, [Research Snapshot : Export Income to Australia from Education Services in 201-110](#), AEI, accessed 16 November 2011, <[www.aei.gov.au](http://www.aei.gov.au)>
- 2 Organisation for Economic Co-operation and Development, [Education at a Glance 2011: OECD Indicators](#), 2011, Paris, accessed 24 October 2011, <[www.oecd.org](http://www.oecd.org)>
- 3 Australian Bureau of Statistics, 2007, [Perspectives on Migrants](#), cat. no. 3416.0, Australia.
- 4 Department of Immigration and Citizenship, [Student visa program trends, 2004-05 to 2010-11](#), accessed 11 October 2011, <[www.immi.gov.au](http://www.immi.gov.au)>
- 5 Deloitte Access Economics (commissioned by Universities Australia), [Broader implications from a downturn in international students](#), 30 June 2011, accessed 24 October 2011.
- 6 Australian Education International, 2011, [Research Snapshot: International student numbers 2010](#), AEI, viewed 18 October 2011 <[www.aei.gov.au](http://www.aei.gov.au)>
- 7 Australian Education International, August 2011, [Research Snapshot: Gender distribution of international students commencing in 2011](#), AEI, accessed 18 October 2011, <[www.aei.gov.au](http://www.aei.gov.au)>
- 8 Austrade, Australian Education International, [International Student Enrolments for 2010](#), accessed 18 October 2011, <[www.austrade.gov.au](http://www.austrade.gov.au)>
- 9 Australian Education International, October 2011, [Research Snapshot: Onshore international students as a proportion of all onshore students by university, 2010](#), AEI, accessed 18 October 2011 <[www.aei.gov.au](http://www.aei.gov.au)>
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- 13 Australian Government, [Education Services for Overseas Students \(ESOS\) Act 2000 Amendments](#), accessed 18 October 2011, <[www.comlaw.gov.au](http://www.comlaw.gov.au)>
- 14 Australian Education International, 2006, [Research Snapshot : Enrolments, commencements and student numbers – explanatory note](#), AEI, accessed 1 November 2011, <[www.aei.gov.au](http://www.aei.gov.au)>
- 15 Department of Immigration and Citizenship, 2011, [Fact sheet – Government Response to the Knight Review of the Student Visa Program](#), accessed 7 November 2011, [www.immi.gov.au](http://www.immi.gov.au)

## Australia's outbound mobility

The opportunity to study overseas has significant value for Australian students, and Australian society. The ability to immerse in a different culture provides unique knowledge and cultural understanding, whilst strengthening Australia's global networks. Despite this, few Australian tertiary students undertake international study experiences. Of those who do, most chose to study in other English speaking countries.

In 2009, there were 11,000 Australian tertiary students studying overseas, 1.3% of all Australian tertiary students. Of these students, 30% were studying in the United States of America and a further 29% in New Zealand.

### Australian tertiary students studying overseas – 2009

Destination Country	'000	%
United States of America	3.1	29.9
New Zealand	3.0	28.5
United Kingdom	1.6	15.6
Canada(a)(b)	0.5	4.6
Germany(c)	0.4	3.4
Other	1.9	8.0
Total	10.5	100.0

(a) Year of reference 2008.

(b) Excludes private institutions.

(c) Excludes advanced research programmes.

Source: Organisation for Economic Co-operation and Development, [Education at a Glance](#), 2011

# 50 YEARS OF LABOUR FORCE NOW and THEN

Information on people's experience in the labour market – about when and whether they work, in what sort of jobs and for how many hours a week – is a window into life in Australia. It highlights changes in both our economy and society and the interactions between them. The Australian Bureau of Statistics (ABS) collects this information through its Labour Force Survey (LFS).

The LFS is the Bureau's longest running household survey and has provided the basis on which the ABS has built an extensive program of labour and social surveys of the Australian population. The LFS provides official statistics about the number of employed and unemployed Australians and their working arrangements. Labour statistics are used by government and business analysts, academics, employee and employer organisations, and the community, and they help in the development, monitoring and evaluation of policy.

November 2011 marked the 50th anniversary of the ABS Labour Force and Supplementary Survey Program. A lot has changed since its humble beginnings when the LFS first started, not only in the way the data are collected and disseminated, but – more importantly – in the numbers themselves. Australia in 2011 is a very different place to the Australia of 1961. This article compares then and now and pays particular attention to a number of important trends over the past half century: the increase of women working, the rise of part-time employment, and changes within industry and occupation.

## Data source and definitions

This article is based on an article that was first published in *Australian Labour Market Statistics, Oct 2011* (cat. no. 6105.0). The data presented in this article are sourced from *Labour Force Historical Timeseries, Australia* (cat. no. 6204.0.55.001) and *Labour Force, Australia, Detailed, Quarterly* (cat. no. 6291.0.55.003).

The *labour force* consists of people who are employed or unemployed.

The *participation rate* is the number of people in the labour force, expressed as a percentage of the civilian population aged 15 years and over.

The *unemployment rate* is the number of unemployed people, expressed as a percentage of the labour force.

For technical definitions of *employed* persons and *unemployed* see the Explanatory Notes of *Australian Labour Market Statistics, Oct 2011* (cat. no. 6105.0).

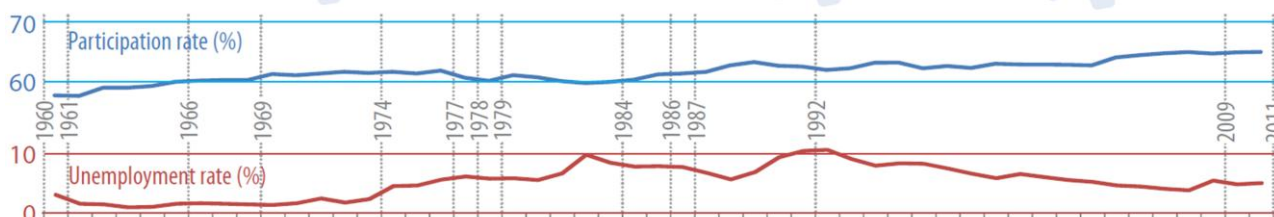
## A note on data comparability over time

Although LFS data are available as far back as November 1960, the majority of historical comparisons in the article between now and then are from 1966. This is mainly because prior to 1966 the LFS was run only in six state capital cities. Also, data between 1960 and 1965 are fairly limited; there is no breakdown between full-time or part-time work; the age groupings are very broad; nor are there data available on industry or occupation.

Although there have been some key changes to the LFS, it's important to note that the Labour Force Framework, on which the key concepts in the LFS are based, has conceptually remained the same since it was first developed (though there have been some minor amendments made in accordance with International Labour Organisation guidelines). Any changes made to the LFS since 1966 have had minimal impact to the time series.

## Timeline of major events impacting upon Australia's labour force

1960	First Labour Force Survey	1979	12 months maternity leave for women
1961	The Pill - oral contraceptives go on sale	1984	Sex Discrimination Act
1966	Ban on married women in the Public Service lifted	1986	Universal superannuation for Australian workers
1969	ACTU wins Equal Pay Case for women	1987	Female students outnumber male students in university
1974	Four weeks annual leave becomes standard	1992	Unemployment peaks at 10.9%.
1977	First work related child care centre opens since WWII	2009	Fair Work Act
1978	Labour Force Survey goes monthly	2011	National paid parental leave scheme



Source: ABS *Labour Force Historical Timeseries, Australia* (cat. no. 6204.0.55.001), ABS *Labour Force, Australia, Detailed – Electronic Delivery* (cat. no. 6291.0.55.001).

## 1960s – The tea lady, smoking and the introduction of the Pill

In the 1960s, tea ladies still did the rounds, smoking in the workplace was the norm, and the standard working week was Monday to Friday – nine to five. Three weeks annual leave became the standard across Australia in 1963, and it wasn't until more recent decades that the Australian Council of Trade Unions (ACTU) secured personal carer's leave and maternity/paternity/adoption leave for Australian workers.<sup>1</sup>

**The average Australian workplace was very different 50 years ago.**

The labour force was characterised by a marked division of the sexes and their expected roles in society. For men, the traditional role was to be the breadwinner and support a wife and young family. Consequentially, part-time work was uncommon and childcare was rare, leaving women the option of either starting a family, or working full time, but not in the public service – it wasn't until 1966 that married women were allowed to work for the Commonwealth Public Service! In 1961 it was common for women to marry young. The median age for first brides was 21 years,<sup>2</sup> and it was common for women to have their first baby in their early 20s. The fertility rate was 3.5 babies per woman.<sup>3</sup>

In the late 1960s, Australian women began to question the restrictive roles society had placed on them. Many women felt there was more to life than raising children and 'keeping house'. Women marched, protested and pressured governments in a bid to gain equal rights in all aspects of life including the workplace, education, politics and sport. The introduction of the contraceptive pill in 1961 granted women greater sexual freedom, and allowed them to control whether and when they had children. The role of women in society began to be challenged and to change.

## 2011 – Flexible hours, access to family friendly leave and child care

Fast forward to August 2011, and the tea lady has been replaced by handwritten notes at the coffee point warning staff to clean up after themselves, and smoking is no longer permitted in, or outside, many offices. Women are starting a family much later in life, having fewer children (the fertility rate has fallen to 1.8 births per woman) and they are often having children without marrying first. In 2009, 35% of the babies born were to unmarried parents.<sup>4</sup> The crude marriage rate was 5.5 marriages per 1,000 estimated resident population in 2009,<sup>5</sup>

compared with 9.2 marriages per 1,000 estimated resident population in 1969.<sup>3</sup>

The nature of the labour force has changed remarkably over the last 50 years. Today, people are working an increasingly diverse range of hours and patterns, often related to their stage of life or family circumstances. Flexible hours of work are important, as are access to family friendly leave provisions and affordable child care. As women's labour force participation has increased, there has been a corresponding increase in the demand for child care places.<sup>6</sup>

Over the last 50 years there has been significant growth in overall employment, and this partly reflects population growth over that time. There has also been increased participation in the labour force, particularly for women.<sup>6</sup> This is largely due to the increased proportion of women returning to work after having children. There is also considerable diversity in how families participate in the labour force. The traditional male breadwinner arrangements have declined since the 1960s, and now both partners of couple families are likely to be employed (55% in 2011).

People have access to more paid leave entitlements and types of leave than those of 50 years ago; personal carer's leave, and maternity/paternity/adoption leave all form part of the family friendly leave provisions which help parents juggle paid work and family responsibilities, the latest being the national Paid Parental Leave scheme which was introduced in January 2011. Other recent changes include the Fair Work Act, 2009, which effectively gives parents and other people caring for young children the right to make formal requests for flexible work arrangements. Finding ways to balance work and family life is a constant challenge, especially for families with young children. Achieving this balance is important for the wellbeing of parents and their children.<sup>7</sup>

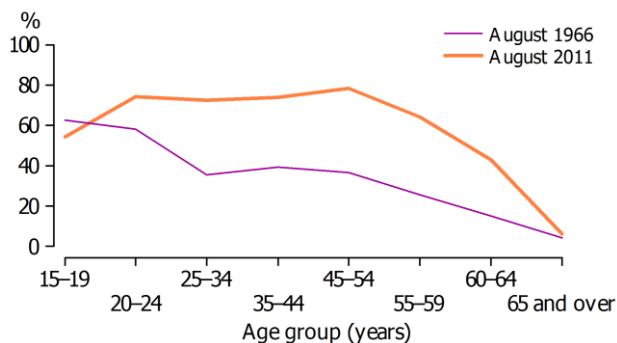
## Changing role of women

There has been significant growth in employment, and increased participation in the labour force over the last 50 years, particularly for women. Women's participation in the labour force in August 2011 was 59%, almost double that of August 1961 (34%). Changing social attitudes, the availability of safe contraception and planned parenting, as well as adequate child care facilities have all helped to allow women to continue their careers. The growth in availability of part-time work has helped too.

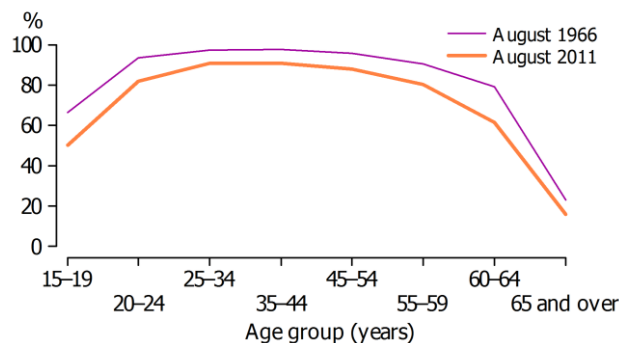
In August 1966, labour force participation for women reduced dramatically during the prime child raising years (20–24 and 25–34 year age groups), with the majority of women never to return to the labour force. In August 2011, the

## Age specific labour force participation rates

### WOMEN



### MEN



Source: ABS [Labour Force Historical Timeseries, Australia](#) (cat. no. 6204.0.55.001), ABS [Labour Force, Australia, Detailed – Electronic Delivery](#) (cat. no. 6291.0.55.001).

‘nappy valley’ was no longer evident and labour force participation was a lot higher for women than it had been in 1966.

At the same time that women’s participation in the labour force has increased, there has been a noticeable decline in the labour force participation of men (82% in August 1961 to 72% in August 2011). This may be due to greater retention in school and further education, as well as earlier retirement.

Although the number of employed only tells part of the story, it’s important to note the proportion of men employed full time declined substantially in recent decades. In August 1966, 80% of men aged 15 years and over were employed full time. By August 2011, this proportion had fallen to 57%. It’s difficult to determine the main factors responsible for the decline. One working paper from the Melbourne Institute of Applied Economic and Social Research suggests the decline in male employment may be attributable to a combination of factors including changes in patterns in partnering and in the educational attainment and employment status of partners.<sup>8</sup> That said, even though the participation rates for women have experienced large gains over the last 50 years, participation rates for men still remain higher, except in the 15–19 year age group.

## Part-time trends

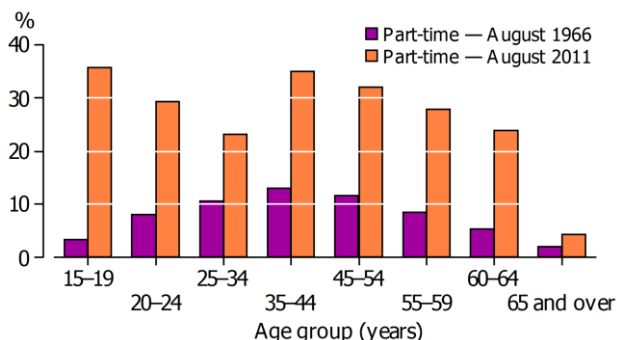
One of the most noticeable developments in the labour market over the past 50 years has been the substantial growth in part-time work. Part-time workers are defined by the ABS as employed people who usually work fewer than 35 hours per week in all jobs (and did so in the survey’s reference week). Part-time work enables people to combine work with other activities and commitments. This is especially important for women with young children and those, primarily young people, who are studying.

Having young children has a large influence on women’s labour force participation. Nowadays many women reduce their working hours while their children are young, rather than leave the labour force altogether as was previously the case. In August 2011, the proportion of women working part time in the 25–34 year age group (24%), although lower than for women in the younger or older age groups, was still twice as high as it was in August 1966 (11%).

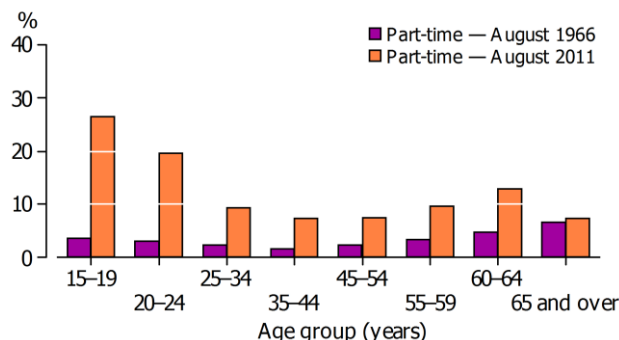
Part-time work has always been dominated by women: close to three-quarters of part-timers were women in August 2011. However, in recent years there has been an increase in the proportion of men working part time. In contrast to the pattern for women, for men

## Employed persons as a percentage of the population

### WOMEN



### MEN



Source: ABS [Labour Force Historical Timeseries, Australia](#) (cat. no. 6204.0.55.001), ABS [Labour Force, Australia, Detailed – Electronic Delivery](#) (cat. no. 6291.0.55.001).

## A brief history of the Labour Force Survey 1960-1978

The first Labour Force Survey was run in November 1960, with the first supplementary survey in November 1961. Initially, it was known as the Survey of Employment and Unemployment or the Work Force Survey, and it was the first household survey ever run by the ABS. It was made possible by the integration of the state and federal statistical agencies into a single bureau and major advances in survey methods and technology. It was driven by keen interest from the Commonwealth Treasury for a reliable economic indicator of the health of the labour force. The survey was originally run quarterly. It only covered the six state capital cities, and excluded Australian Aboriginal and Torres Strait Islander peoples, but by 1966 the survey had expanded to include regional and Indigenous Australians.

The original survey form was a card about half the size of an A4 sheet, and contained only 23 questions. It wasn't long before the value of interviewing 38,000 households four times a year captured the imagination and the survey began to expand. Initially the program of household surveys comprised only the LFS, however in November 1961 the first supplementary survey topic 'Internal Migration' was included. By the end of the 1960s, 25 different supplementary surveys had been run, tagged onto the back of the Labour Force Survey form. They covered a broad range of economic and social topics, including education, work experience, travel, chronic illness, superannuation, child care, income and ex-servicemen. One of the most unusual was run on behalf of the Victorian Egg Board on the number of hens kept – and eggs produced – at home. Additional questions were also added to the main Labour Force Survey, including family relationship which led to the first issue of family-based Labour statistics in 1974. As the survey expanded and more data were collected, interviewers in the 1960s and 70s had to cope with more and more questions being squeezed onto the form, so font sizes became increasingly small. By 1978, common-sense prevailed and the size of the form was doubled to A4.

there is a clear U shaped graph: men at the start or end of their working lives are more likely to be part-time than those in the prime working years. Many younger men combine work with study, while those in their late 50s or older may be in a transition to retirement. In 2008–09, a quarter of men in the 55–59 year age bracket intended to retire from working full time and were working part time.<sup>9</sup>

### Change in industries

In the 1960s, Australia was evolving from a nation of largely primary industries – of sheep, cattle and wheat – to one of manufacturing. By the late 1960s refrigerators, washing machines, vacuum cleaners and cars had become increasingly available to Australians. This is reflected in the industries which employed most people in August 1966; Manufacturing (26%) and Wholesale and retail trade (21%).

In August 2011, manufacturing was a relatively much smaller component of the economy than it was in the past (accounting for just 8% of

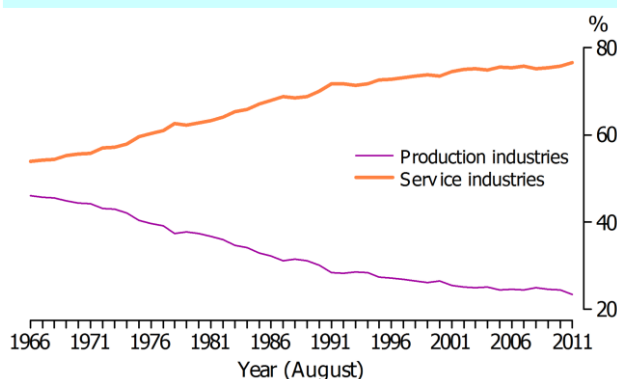
## A brief history of the Labour Force Survey 1978-current

In February 1978, the survey frequency changed from quarterly to monthly, and was adopted as the official source of national measures of employment and unemployment. The ABS has carefully maintained the monthly series from this point onwards, managing the introduction of new classifications and survey changes with a minimum of disruption to the consistency of the data. The content has also expanded, including the introduction of regional estimates in October 1982 and annual Indigenous estimates in 1994. In November 1989, the survey form was updated to make use of new optical scanning technology – very much like the current Census form today. Since then the ABS has introduced telephone interviewing (1996) and computer assisted interviewing (2003) which have done away with pen and paper. Data are now input directly into ABS systems. Back in the 1960s, it took about 3 years to publish the first survey results. The time between the last interview of the month and the published results is now less than 3 weeks!

The data are now easier and cheaper to access. The ABS has moved on from providing books retailing from \$30–\$40, to diskettes and CD-ROMs and teletext and the 0055-dial-a-statistic services (75c per min), to taking advantage of the world wide web to publish free electronic publications, Excel spreadsheets, and SuperTABLE datacubes. Recent developments in technology and data manipulation have allowed the ABS to provide new ways of looking at Labour Force Survey data, such as the Aggregate monthly hours worked series released in 2009.

employed people). The Health care and social assistance industry was the largest industry (employing 12%), followed by Retail trade (11%) and Construction (9%), while Agriculture and Mining only accounted for 3% and 2% respectively of all employed people. The growth in some service industries also reflected a changing Australia; some 77% more people worked in the child care industry compared with just 10 years ago.

### Proportion of all employed people in the production and services industries – 1966-2011



Note: Refer to 'Industry and occupation definitions' box for information regarding production and service industries.

Source: ABS [Labour Force Historical Timeseries, Australia](#) (cat. no. 6204.0.55.001), ABS [Labour Force, Australia, Detailed, Quarterly](#) (cat. no. 6291.0.55.003).

## ...production and service industries

In August 1966, nearly half (46%) of all employed people in Australia worked in production industries. Fast forward to 45 years later, and that proportion has halved to 23%.

### Industry and occupation definitions

**Production industries** refer to:

1966 to 1984: Agriculture, forestry and hunting, Mining, Manufacturing, Electricity, gas and water, Construction.

1985 to 1993: Agriculture, forestry and fishing, Mining, Manufacturing, Electricity, gas and water supply, Construction.

1994 to 2011: Agriculture, forestry and fishing, Mining, Manufacturing, Electricity, gas, water and waste services, Construction.

**Service industries** refer to:

1966 to 1984: Wholesale and retail trade, Transport and storage, Communication, Finance, property and business services, Public administration and defence, Community services, Recreation, personal and other services.

1985 to 1993: Wholesale trade, Retail trade, Accommodation, cafes and restaurants, Transport and storage, Communication services, Finance and insurance, Property and business services, Government administration and defence, Education, Health and community services, Cultural and recreational services, Personal and other services.

1994 to 2011: Wholesale trade, Retail trade, Accommodation and food services, Transport, postal and warehousing, Information media and telecommunications, Financial and insurance services, Rental, hiring and real estate services, Professional, scientific and technical services, Administrative and support services, Public administration and safety, Education and training, Health care and social assistance, Arts and recreation services and Other services.

**Blue collar occupations** refer to:

1966 to 1985: Farmers, fisherman, timber-getters etc, Miners, quarrymen and related workers, Transport and communication, Tradesmen, production-process workers and labourers, Service, sport and recreation workers.

1986 to 1995: Tradespersons, Plant and machine operators, and drivers, Labourers and related workers.

1996 to 2011: Technicians and trades workers, Machinery operators and drivers, Labourers.

**White collar occupations** refer to:

1966 to 1985: Professional, technical etc, Administrative, executive and managerial, Clerical, Sales, Service, sport and recreation.

1986 to 1995: Managers and administrators, Professionals, Para-professionals, Clerks, Salespersons and personal service workers.

1996 to 2011: Managers, Professionals, Community and personal service workers, Clerical and administrative workers, Sales workers.

During that 45 year period, almost all employment growth has been in the service sector, the workforce of which has more than tripled from 2.6 million to 8.7 million, a rise from 54% of all employed people in August 1966, to 77% in August 2011. Meanwhile the number of people working in production industries remained steady at between 2.2 and 2.7 million.

## Change in jobs

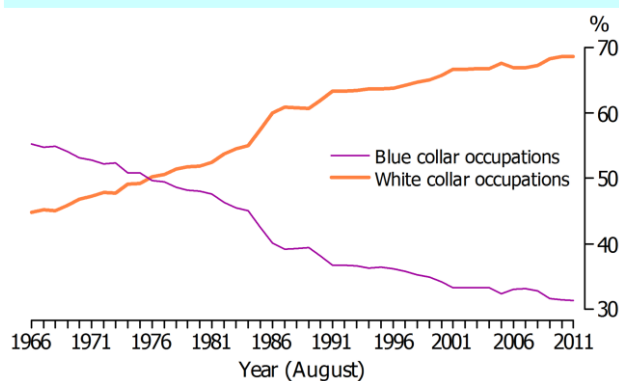
The type of jobs occupied in the 1960s reflected the more hands on and physical work, predominantly associated with trades and lower skilled jobs, often referred to as blue collar work. The most common occupations in August 1966 were Tradesmen, production process workers and labourers (44%); Farmers, fishermen, timber getters (12%); and Clerical (9%).

The broad patterns of industrial change over the last 45 years can be seen in the occupations in which Australians work today. The shift away from production to service industries has reduced the opportunities for blue collar workers, and increased the opportunities for white collar workers.<sup>10</sup> The most common occupations in August 2011 were Professionals (22%); Clerical and administrative workers (15%); and Technicians and trades workers (14%).

## Looking ahead

Over the last 50 years, the LFS and Supplementary Survey Program has provided a window into life in Australia in order to help Australians monitor and understand what is happening in the labour market. While the LFS will continue to offer its perspective into Australian life, the future will hold its own challenges.

**Proportion of all employed people in the blue and white collar occupations – 1966-2011**



Note: Refer to 'Industry and occupation definitions' box for information regarding blue and white collar occupations.

Source: ABS [Labour Force Historical Timeseries, Australia](#) (cat. no. 6204.0.55.001), ABS [Labour Force, Australia, Detailed, Quarterly](#) (cat. no. 6291.0.55.003).



As society changes, what we need to know also changes. Future innovations within the LFS such as on-going enhancements to the sample design, a longitudinal Confidentialised Unit Record File (CURF), improvements in the way the ABS disseminates microdata, as well as work to enable respondents to respond via the web, are all well underway. The ABS is also close to finalising a review of the content of the LFS and Supplementary Survey Program, as well as the current LFS product set.

Maintaining a relevant LFS which reflects changes in the Australian labour market is a constant challenge – but it's one the ABS has been meeting for 50 years, and one that we will continue to meet in the future.

## Endnotes

- 1 Australian Council of Trade Unions, [About Trade Unions](#), viewed 28 September, 2011, <[www.actu.org.au](http://www.actu.org.au)>.
- 2 Australian Bureau of Statistics, Marriages, Australia, 1977, cat. no. 3306.0, ABS, Canberra, <[www.abs.gov.au](http://www.abs.gov.au)>.
- 3 Australian Bureau of Statistics, [Australian Historical Population Statistics, 2008](#), cat. no. 3105.0.65.001, ABS, Canberra, <[www.abs.gov.au](http://www.abs.gov.au)>.
- 4 Australian Bureau of Statistics, [Births, Australia, 2009](#), cat. no. 3301.0, ABS, Canberra, <[www.abs.gov.au](http://www.abs.gov.au)>.
- 5 Australian Bureau of Statistics, [Marriages and Divorces, Australia, 2009](#), cat. no. 3310.0, ABS, Canberra, <[www.abs.gov.au](http://www.abs.gov.au)>.
- 6 Department of the Prime Minister and Cabinet, [Families in Australia Report: 2008](#), Chapter 7: Balancing Work and Family, DPMC, Canberra, <[www.dpmc.gov.au](http://www.dpmc.gov.au)>.
- 7 Australian Bureau of Statistics, 2009, 'Work, Life and Family Balance', [Australian Social Trends](#), cat. no. 4102.0, ABS, Canberra, <[www.abs.gov.au](http://www.abs.gov.au)>.
- 8 Black, D. and Tseng, Y. and Wilkins, R. 2009, 'Examining the Role of Demographic Change in the Decline in Male Employment in Australia: A Propensity Score Re-weighting Decomposition Approach', Melbourne Institute Working Paper Series No. 24/09, Melbourne Institute of Applied Economic and Social Research, Melbourne, <[www.melbourneinstitute.com](http://www.melbourneinstitute.com)>.
- 9 Australian Bureau of Statistics, [Retirement and Retirement Intentions, Australia, Jul 2008 to Jun 2009](#), cat. no. 6238.0, ABS, Canberra, <[www.abs.gov.au](http://www.abs.gov.au)>.
- 10 Australian Bureau of Statistics, 1997, 'Paid Work: Changing industries, changing jobs', [Australian Social Trends](#), cat. no 4102.0, ABS, Canberra, <[www.abs.gov.au](http://www.abs.gov.au)>.





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