

# Social Change in Australian Families

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## 1 Purpose

This chapter examines and compares the contemporary demographic, education, labour market and economic situation to the 1980s when the Child Support Scheme (CSS) was implemented. The data demonstrate that while many of today's trends were evident in the 1980s, there have been substantial shifts.

## 2 Comparison between 1980s and contemporary data

### 2.1 Introduction

The CSS arose from a government decision in October 1986 to enforce maintenance collection administratively through the Australian Taxation Office by the development of a maintenance formula. It was implemented in two stages. From 1 June 1988, the first stage set up the Child Support Agency (CSA) and enabled it to oversee the registration, collection and enforcement of court orders and court-registered agreements for child support and spousal maintenance. The second commenced on 1 October 1989 and enables the CSA to assess child support payments according to the formula contained in the *Child Support (Assessment) Act 1989*.<sup>1</sup>

### 2.2 Demographic Shifts

#### 2.2.1 Lower rates of marriage

Today, more than at any time in the last 100 years, marriage is becoming a matter of choice. Alternatives to marriage, such as cohabitation, have become increasingly popular since the mid-to-late 1980s. After reaching a post-WWII peak in 1970 of 9.3 marriages per 1000 population per year, the crude marriage rate has steadily declined. It declined to 7.0 in the mid 1980s before declining further to 5.3 marriages per 1000 population per year in 2001. The crude marriage rate today is at an all-time low.<sup>2</sup>

#### 2.2.2 Higher divorce rates

The *Family Law Act 1975* came into operation at the beginning of 1976. It provided for 'no fault' divorce. This saw a dramatic increase in the number of divorces. The crude divorce rate peaked at 4.5 divorces per 1000 population in 1976 stabilising at around 2.5 divorces per 1000 population per year from 1985. From around 1991, the crude divorce rate has gradually risen. It reached a post-1976 peak of 2.9 in 2001 before falling slightly to 2.7 divorces per 1000 population in 2002. Overall,

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<sup>1</sup> Child Support Agency, *The Guide, Background, Two Systems for Child Support*, issued 1 October 2002, Commonwealth of Australia 2003, retrieved 18 January 2005 from <[www.csa.gov.au/guide/1\\_1\\_3.htm](http://www.csa.gov.au/guide/1_1_3.htm)>.

<sup>2</sup> Australian Bureau of Statistics, *Australian Historical Population Statistics – 7. Marriages and divorces, Crude marriage rates, States and Territories, 1860 onwards*, Table 92, data cube, 2004, Cat. No. 3105.0.65.001.

contemporary rates of divorce are a little higher than divorce rates in the mid-to-late 1980s.<sup>3</sup>

### 2.2.3 Higher rates of cohabitation

While fewer people are getting married now, many are forming de facto relationships. Cohabiting de facto relationships were increasing in the late 1980s but today these relationships are much more common. Since 1986, the proportion of couples cohabiting has more than doubled from 5.7 per cent to 12.4 per cent in 2001.<sup>4</sup>

### 2.2.4 Cohabiting relationships more unstable than marriage

There is evidence to demonstrate that cohabiting de facto relationships are more likely than marriages to break up within five years of commencement. This has been the case for relationships starting in the early-to-mid 1970s until today. (The data do not distinguish between relationships in which there are and are not children.) This is important because it may lead to growing numbers of children being brought up in sole-parent, blended or step families, with more complex financial and shared care arrangements. However, data are not yet available on the relative incidence of separation and divorced in cohabiting and married couples that have children.

de Vaus uses data from the Household, Income and Labour Dynamics in Australia (HILDA) survey to show that cohabiting relationships are more likely than marriages to break up. Of those whose relationships began in the years 1980 to 1984, around 38 per cent of men and 29 per cent of women reported that their cohabiting relationships had broken up within five years. However, only around eight per cent of men and 13 per cent of women reported their marriages as breaking up within five years. For both men and women who commenced a relationship between 1990 and 1994, cohabiting relationships were around three times as likely as marriages to have broken up within five years.<sup>5</sup>

### 2.2.5 More sole parents in contemporary Australia

Between 1974 and June 1986 there was a marked increase in the number of sole parents. The number was estimated to have increased by around three-quarters, from 183,200 to 316,400, while the number of two-parent families with dependent children remained fairly stable, rising a little over four per cent from 1,805,400 to 1,884,400.<sup>6</sup> These demographic changes were consistent with broader changes to family composition that were evident throughout almost all Western and Northern European countries, including the UK, USA, Canada, New Zealand and Australia.<sup>7</sup>

These trends were manifest at the time of implementation of the CSS.

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<sup>3</sup> Australian Bureau of Statistics, *Australian Historical Population Statistics - 7. Marriages and divorces, Crude divorce rates, States and Territories, 1901 onwards*, Table 97, data cube, 2004, Cat. No. 3105.0.65.001.

<sup>4</sup> de Vaus, D., *Diversity and change in Australian Families, Statistical Profiles*, Australian Institute of Family Studies, Commonwealth of Australia, 2004, p.115.

<sup>5</sup> de Vaus, D., *op. cit.*, p.122.

<sup>6</sup> Department of Social Security, *Social Security Review, Issues Paper No. 3, Bringing up Children Alone: Policies for Sole Parents*, Australian Government Printing Service, Canberra, 1987, p.31.

<sup>7</sup> Department of Social Security, *Social Security Review, Issues Paper No. 1, A Case for Review of Aspects of the Australian Social Security System*, Australian Government Printing Service, Canberra, 1987, p.5, quoting Millar, J, *Lone Parents: Income Support and Living Standards: A Review of the Comparative Literature*, unpublished, Social Policy Research Unit: University of York, 1985.

In contemporary Australia, the growth in sole-parent families continues to outstrip the growth in couple families. In June 2003, the number of couple families with dependent children was 2,068,800: a rise of nearly ten per cent since June 1986. The number of sole parent families with dependent children in June 2003 was 560,800, a rise of over three-quarters since June 1986.<sup>8</sup>

### 2.2.6 Routes to sole parenthood have changed

Consistent with the trend in the 1980s, the proportion of sole parents is continuing to climb rapidly. It is the route to sole parenthood that has changed. Compared to the 1980s, a larger proportion of contemporary sole parents are becoming sole parents by way of births to lone mothers or the break-up of de facto cohabiting relationships rather than divorce, formal separation or widowhood. In 1986, 20.6 per cent of sole parents with dependent children were never married, 69 per cent were separated or divorced and 10.3 per cent were widowed. By 2001, 30.5 per cent of sole parents with dependent children were never married, 63.4 per cent were separated or divorced and 6.1 per cent were widowed.<sup>9</sup> In other words, the proportion of sole parents who have never married increased by around ten percentage points between 1986 and 2001. However, most contemporary births are still to couples in relationships, rather than to lone mothers.

As mentioned above, the increasing proportion of the never married group of sole parents is due to an increasing number of cohabiting relationships breaking down and an increasing number of births to lone mothers. de Vaus and Gray use HILDA data to show that in 1985, 85.6 per cent of births were to married parents, 6.1 per cent were to cohabiting parents and 8.3 per cent were to a lone mother. In contrast in 2000, the births to married parents had fallen to 72.2 per cent, had increased to 16.2 per cent to cohabiting parents and had increased to 11.6 per cent to lone mothers.<sup>10</sup>

Consistent with these data, the total proportion of births whose paternity is not acknowledged has decreased in the last two decades by 1.5 percentage points. In 1983, 5.2 per cent of total births did not have acknowledged paternity. This contrasts with 3.7 per cent in 2003.<sup>11</sup>

Overall, now, as in the mid 1980s, most births in Australia occur in circumstances where the mother and father are in a marriage or cohabiting relationship. Essentially, it is the type of relationship between the parents that has changed. Many more parents today are in de facto relationships (and, consequently, more unstable relationships) than two decades ago when a greater proportion than now were married.

### 2.2.7 Gender of contemporary sole parents

The vast majority of children in sole parent families live with their mothers. This was the case in the 1980s and continues to be the case. In 1985, 88.2 per cent of sole parents were female.<sup>12</sup> The figure today is 85.9 per cent.<sup>13</sup>

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<sup>8</sup> Australian Bureau of Statistics, *Family Characteristics, Australia*, June 2003, Cat. No. 4442.0, p.3.

<sup>9</sup> de Vaus, D., op. cit., p.44.

<sup>10</sup> de Vaus, D. and Gray, M. 2004, in 'Transitions in childhood', D. de Vaus, *Diversity and change in Australian Families, Statistical Profiles*, Australian Institute of Family Studies, Melbourne, p.135.

<sup>11</sup> Australian Bureau of Statistics, *Births, Australia*, 2003, Cat. No. 3301.0, p.34.

<sup>12</sup> Department of Social Security, *Social Security Review, Background Paper No. 8, Labour force status and other characteristics of sole parents; 1974-1985*, Australian Government Printing Service, Canberra, 1986, p.3

### 2.2.8 More blended and step-families now

Another trend increasing since the 1980s is the proportion of blended and step-families. In 1986, 2.5 per cent of couple families with dependent children were blended families. Contemporary HILDA data from 2001 show 4.4 per cent of couple families with children aged less than 18 years were blended families and a further 5.5 per cent were step-families.<sup>14</sup>

Cohabitation is now the most common relationship in step- and blended families. HILDA from 2001 data show that more than half of step-family couples (53 per cent) and more than one-third (39 per cent) of blended couple families were cohabiting. The rates of cohabitation in step- and blended families are increasing.<sup>15</sup>

### 2.2.9 Lower fertility and smaller families

Today, more than ever women are delaying or forgoing having children. This is corroborated by the median age of mothers increasing from 26.9 years in 1983 to 30.5 years in 2003.<sup>16</sup> It is also confirmed by the proportion of births to women aged 35 and over having increased from 7.1 per cent in 1984 to 19.1 per cent in 2003. Also, there has been a decline in the proportion of all births that are to teenagers from 7.2 per cent in 1982 to 4.3 per cent in 2003.<sup>17</sup>

From 1971 until the 1980s, the Total Fertility Rate (TFR) plummeted. In 1983, the TFR was 1.93 births per woman. The TFR stabilised during the 1980s before declining more gradually during the 1990s. Since 1998 the TFR has been relatively stable, varying between 1.73 to 1.76 babies per woman. In 2003 the TFR declined to 1.75.<sup>18</sup>

Consistent with the declining TFR and changing patterns of childbirth, there appears to be a trend to smaller families. The most usual completed family size of a woman aged 45 to 49 years in 2001 was 53.7 per cent with one or two children, while only 33.6 per cent had three or more children. For a woman aged 60 to 64 years in 2001 (i.e., 45 to 49 years in 1986), her most usual completed family size was much higher, with 54.8 per cent having three or more children and only 33.8 per cent having one or two children.<sup>19</sup>

## 2.3 Changes in education

The late 1960s to the late 1980s saw a marked rise in women's participation in higher education. From 1949 to 1967, the proportion of women in higher education grew slowly from around one-fifth to one-quarter of students. Over the next two decades, the proportion of women increased rapidly to one-half by 1987. By 2000, the proportion of women had reached 55.2 per cent.<sup>20</sup> In earlier decades, growth in women's participation was in parallel with the development of tertiary education from

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<sup>13</sup> Australian Bureau of Statistics, *Family Characteristics*, June 2003, Cat. No. 4442.0, p. 18.

<sup>14</sup> de Vaus, D., *Diversity and change in Australian Families*, *Statistical Profiles*, op. cit., p.60.

<sup>15</sup> de Vaus, D., op. cit., p.61.

<sup>16</sup> Australian Bureau of Statistics, *Births, Australia*, 2003, Cat. No. 3301.0, p. 11.

<sup>17</sup> de Vaus, D., op. cit., p196; Australian Bureau of Statistics, op. cit., p.36.

<sup>18</sup> Australian Bureau of Statistics, op. cit., p. 7.

<sup>19</sup> de Vaus, D., op. cit., p187.

<sup>20</sup> Department of Education, Science and Technology, *Higher Education Students Time Series Tables, Selected Higher Education Statistics, 2000*, p 5, retrieved 14 February 2005 from <[www.dest.gov.au/highered/statistics/timeseries/timeseries00.pdf](http://www.dest.gov.au/highered/statistics/timeseries/timeseries00.pdf)>.

the mid-1960s with the introduction of the so-called “binary system” of the new colleges of advanced education and the existing universities.<sup>21</sup> Overall numbers in tertiary education rose from 110,250 in 1965 to 393,730 in 1987 to a high of 695,500 in 2000.<sup>22</sup>

In 1987 around two-thirds of students were male in fields of: Agriculture and Animal Husbandry; Architecture and Building; Business, Administration and Economics; and Science and over 90 per cent were male in Engineering and Surveying. In contrast, the fields of study including Arts, Humanities and Social Sciences, Education, and Health had around two-thirds female students. Only Law and Legal Studies and Veterinary Science had a relative balance of male and female students. By 2000, the gender balance had improved in most of these fields but was still evident. The exceptions were the fields of Education where the gender imbalance was reversed (three-quarters female) and Veterinary Science where a gender imbalance emerged (two-thirds female).<sup>23</sup>

Today, women and men are now participating in higher education in record numbers. Between 1987 and 2000, the rate of participation in higher education for women has nearly doubled, increasing by a multiple of 1.9 (and increasing by 1.6 for men).<sup>24</sup> There remains a gender imbalance across fields of study, although it has lessened a little since 1987.

School retention rates have also increased markedly since the 1980s. In 1984, the apparent retention rates from year 7/8 to year 12 for females was 48 per cent and for males, 42.1 per cent. In 2004, this has risen to 81.2 for females and 70.4 for males.<sup>25</sup>

Today, formal education levels are generally higher for the whole population. In particular, fewer women today are held back from participation in the workforce because of an inferior education.

## 2.4 Labour market changes

Labour force participation rates for men declined between 1983 and 2004 from 76.7 per cent to 71.5 per cent. Rates for women grew by one-quarter from 44.8 per cent to 55.9 per cent.<sup>26</sup>

de Vaus attributes high rates of unemployment in the 1980s and the strong growth in part-time employment as contributing to increasing labour force participation for women.<sup>27</sup> Other factors, such as the advent of women’s capacity to control their fertility through the pill in the early 1960s, increasing levels of education, changing social attitudes and a number of landmark legal and administrative changes that

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<sup>21</sup> Abbott, M., Doucouliagos, C., *The Changing Structure of Higher Education in Australia, 1949-2003*, School Working Papers – Series 2003, School of Accounting and Finance, Faculty of Business and Law, Deakin University, retrieved 14 February 2005 from <[www.deakin.edu.au/fac\\_buslaw/sch\\_aef/publications/default.htm](http://www.deakin.edu.au/fac_buslaw/sch_aef/publications/default.htm)>.

<sup>22</sup> Department of Education, Science and Technology, op.cit., p.5.

<sup>23</sup> Department of Education, Science and Technology, op.cit., p.17.

<sup>24</sup> *ibid.*

<sup>25</sup> Australian Bureau of Statistics, *Schools*, Australia, 2004, Cat. No. 4221.0, p. 18.

<sup>26</sup> Australian Bureau of Statistics, *Labour Force*, Australia, Spreadsheets, Table 01. Labour force status by Sex – Trend, 6202.0.55.001, released 10/02/2005

<sup>27</sup> de Vaus, D., op. cit., p. 303; Australian Bureau of Statistics, *Family Characteristics, Australia*, June 2003, Cat. No. 4442.0, pp25-28.

promoted gender equity in the workplace in the late 1960s, 1970s and mid 1980s, also paved the way for greater levels of participation in the labour force by women.

#### *2.4.1 Proportion of labour force in part-time work has increased*

As mentioned above, over the two decades to 2004, the proportion of the labour force in part-time employment increased markedly. For females, the proportion of the labour force in part-time work increased from 31.8 per cent to in August 2003 to 42.5 per cent in August 2004. For males, the proportion of the labour force employed part-time increased from 5.4 per cent to 14 per cent. For both males and females, the proportion of the labour force in full-time work fell. For females the proportion fell from 57.6 per cent in August 1983 to 51.9 per cent in 2004 and for males, the proportion went from 84.6 to 80.6 per cent in 2004.<sup>28</sup>

#### *2.4.2 Population groups where participation rate has increased the most*

There were particular groups of women whose rate of employment increased markedly – partnered mothers with dependent children and sole mothers.<sup>29</sup>

- The proportion of partnered mothers with dependent children in employment rose by one-half (or 21.7 percentage points) from 42.1 per cent in 1983 to 63.8 per cent in 2003.
- The proportion of sole mothers in employment rose by 56.1 per cent (or 18 percentage points) from 32.1 per cent in 1983 to 50.1 per cent in 2003.

#### *2.4.3 Women with children and different patterns of employment*

Women with children tend to have different patterns of employment from the average. Between 1983 and 2003, part-time employment increased from:

- 22.3 per cent of all couple mothers with dependent children to 37.8 per cent.
- 11.8 per cent of all sole mothers to 27.1 per cent.

The rate of full-time employment for couple mothers also increased from 1983 to 2003 but not as much as the rate of part-time work. It rose from 18.3 per cent in 1983 by 7.6 percentage points to 25.9 per cent in 2003. In contrast, the rate of full-time employment of sole mothers fluctuated within a small range of between 20.3 per cent in 1983, up to 28.7 per cent in 1988, falling to around 23 per cent in 2003.<sup>30</sup>

Now, as in the 1980s, as her children grow older, a woman is more likely to participate in the workforce.<sup>31</sup> However, contemporary participation rates are much higher, particularly in part-time work as discussed above.

- In 1986, nearly two-thirds (62.8 per cent) of couple mothers with their youngest child a pre-schooler (aged under five) were not employed, compared to one-half (49.3 per cent in 2003). Of these employed mothers, in 1986, two-thirds were employed part-time and one-third were employed full-time.

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<sup>28</sup> Australian Bureau of Statistics, *Labour Force*, Australia, Spreadsheets, Table 01. Labour force status by Sex – Trend, 6202.0.55.001, released 10/02/2005

<sup>29</sup> de Vaus, D., op. cit., p. 303; Australian Bureau of Statistics, *Family Characteristics, Australia*, June 2003, Cat. No. 4442.0, pp25-28.

<sup>30</sup> de Vaus, D., op. cit., p. 303; Australian Bureau of Statistics, op. cit., pp.25-28.

<sup>31</sup> de Vaus, D., op. cit., p. 301; Australian Bureau of Statistics, op. cit., p.27.

Although participation rates are greater, in 2003, the preference for part-time work has continued with two-thirds of employed couple mothers of a pre-schooler continuing to work part-time.

- In 1986, couple mothers of a primary school aged child (aged five to nine years) were more likely to be in part-time work (35 per cent), with 23.5 per cent being employed full-time. By the time their youngest child is of primary school age, couple mothers in 2002 were likely to be in the labour force (67.1 per cent), with 41.3 working part-time and 25.8 working full-time.

Although sole mothers participate more in the labour force as their children get older, their participation rates remain much lower than couple mothers. This trend has persisted since the 1980s.<sup>32</sup>

- In 1986, 21.8 per cent of sole mothers with pre-schoolers were working (11.8 per cent full-time and 10 per cent part-time). In 2003, the employment rate of sole mothers with a pre-school aged child had risen to 32.9 per cent (9.8 per cent full-time and 23.1 per cent part-time).
- Sole mothers of primary aged children also tend to participate more as their youngest reaches primary age, however, not as much as couple mothers. In 2003, 20.3 per cent were working full-time, while 32.9 per cent were working part-time. This is an employment rate of just over one-half.

#### *2.4.4 Decreased labour force participation rates for men*

Since the 1980s men's labour force participation levels have dropped. Although the part-time rate of employment for men, as for women, has increased markedly, lower participation rates indicated that while women have entered the labour force in record numbers, in contrast, a number of men have dropped out of the labour force.

Full-time employment among couple fathers declined a little from 86.7 per cent in 1983 to 83.4 per cent in 2003. Full-time employment has also declined markedly for sole fathers from 66.6 per cent in 1983 to 50.2 per cent in 2003.<sup>33</sup>

## **2.5 Economic changes**

On the whole, high unemployment and higher inflation characterised much of the 1980s. In contrast, now, there is record low unemployment and much lower inflation creating a more favourable economic climate and different economic pressures.

### *2.5.1 Unemployment rates have fallen*

The 1980s was characterised by higher average unemployment levels than today. In 1983, trend unemployment rate peaked at 10.3 per cent. After that, it undulated, peaking again at 10.7 per cent in 1992 and 1993, before following a gradual overall downward trajectory, reaching 5.1 per cent in January 2005.<sup>34</sup> Clearly, with very high levels of employment, there is a much greater chance of being able to participate in the labour force than in times of lower employment.

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<sup>32</sup> de Vaus, D., op. cit., p. 301; Australian Bureau of Statistics, op. cit., p.28.

<sup>33</sup> de Vaus, D., op. cit., p. 301; Australian Bureau of Statistics, op. cit., pp.27–28.

<sup>34</sup> Australian Bureau of Statistics, *Labour Force*, Australia, Spreadsheets, Table 01. Labour force status by Sex – Trend, 6202.0.55.001, released 10/02/2005

### 2.5.2 *Inflation has fallen*

Inflation in the 1980s was, on average, higher than today. The Consumer Price Index (CPI) rose an average of 9.6 per cent per year from June 1980 to June 1984 and by 3.4 per cent on average per year from June 2000 to 2004.<sup>35</sup>

### 2.5.3 *Economic growth is higher*

Economic growth as measured in real Gross Domestic Product (GDP) was, on average growth, lower in the early 1980s than today. Measured in 2002–03 prices, average GDP per year from 1980 to 1984 was 2.4 per cent, while from 2000 to 2004, average growth per year measured 3.4 per cent.<sup>36</sup>

## **3 Conclusion**

The demographic, social, labour market and economic circumstances are changed from the mid to late 1980s when the CSS was introduced.

First, as in the 1980s, most children today are born into families where the parents are married or have a cohabiting relationship. Although marriage remains the most common relationship between parents, contemporary parents are more likely to be cohabiting than in the 1980s. There is evidence to suggest that cohabiting relationships are more likely than marriages to break down within five years of commencement, leading to sole parenthood for a period of time in a child's life depending on whether or not the parent re-partners.

The proportion of blended families and step-families has increased since the 1980s. Children, now, have more probability of being cared for in a blended or step-family than they did in the 1980s. The circumstances are the same for sole-parent families. Although couple families continue to be the most usual family type, the incidence of sole parenthood as a proportion of all families has continued to rise since the 1980s. The increasing proportion of family types where two natural parents do not necessarily both live with their child(ren), clearly, can lead to more complex financial and shared caring arrangements between the different families and their children.

Today, the total fertility rate is lower and the age-specific fertility rates have shifted to older age groups than in the 1980s. This means that families tend to be smaller. The effect of smaller family size is to reduce caring responsibilities and lessen barriers to women's continuing participation in the work force.

Participation in higher education has nearly doubled since 1987. Today, women are participating in higher education at record levels. Although a gender imbalance remains in a number of fields of study, overall, there are now more women than men participating in higher education. Higher levels of education are linked to better workforce outcomes and participation.

In addition, the present-day economy displays low levels of inflation, high employment and solid growth levels. There is more employment available now than in the 1980s as it was a period characterised by high unemployment levels and high inflation.

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<sup>35</sup> Australian Bureau of Statistics, *Consumer Price Index*, Australia, Cat. No. 6401.0, Spreadsheets, Table 2A. CPI: All Groups, Percentage Changes (Financial Year), released 27/10/2004

<sup>36</sup> Australian Bureau of Statistics, *Australian System of National Accounts*, Australia, 2003-04, Cat. No. 5204.0, Spreadsheets, Table 1, Key National Accounts Aggregates, released 10/11/2004

Among other things, good economic conditions, better education levels, lower fertility and changing attitudes to gender equity have led to one of the most marked shifts in the last two decades, where women have moved into the labour force in record numbers. Even women with children now participate at much greater levels than in the 1980s. Although their rates of participation remain lower than the average, both couple mothers and sole mothers have moved into the labour force, particularly into part-time work. As in the 1980s, but at much higher levels now, as their children get older, mothers are more likely to increase their labour force participation.

Although many of the social, demographic and labour force trends were in evidence in the 1980s, contemporary trends entail different policy settings with an emphasis on encouraging the following:

- self-support of both parents through participation in the labour force; and
- shared care of children, both financial and physical, where natural parents are separated or divorced.