

Have changes in the Australian labour market this century contributed to rising voter disaffection?

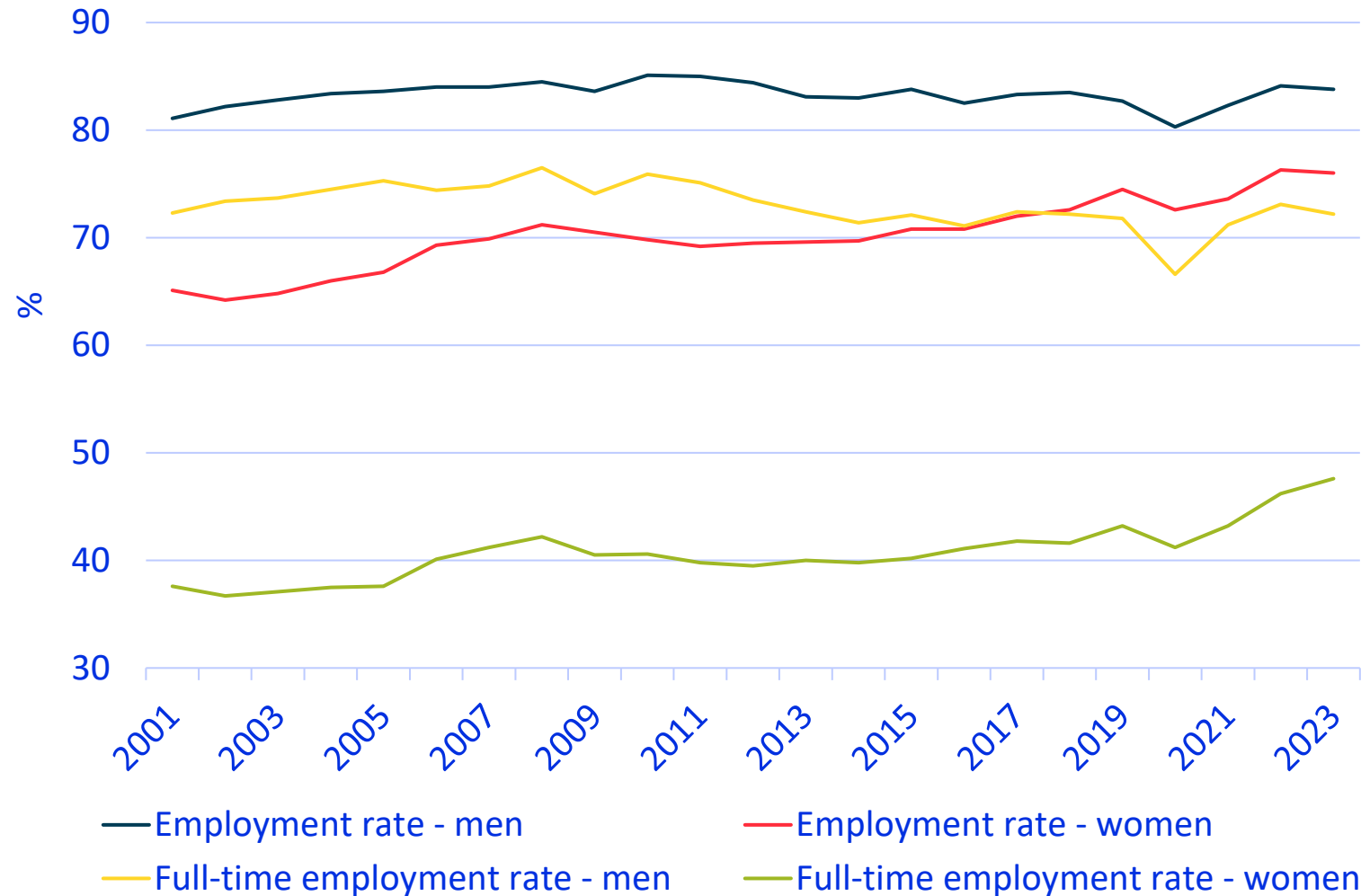
Roger Wilkins

Melbourne Economic forum
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Employment-population rates

Persons aged 18 to 64 not engaged in full-time study

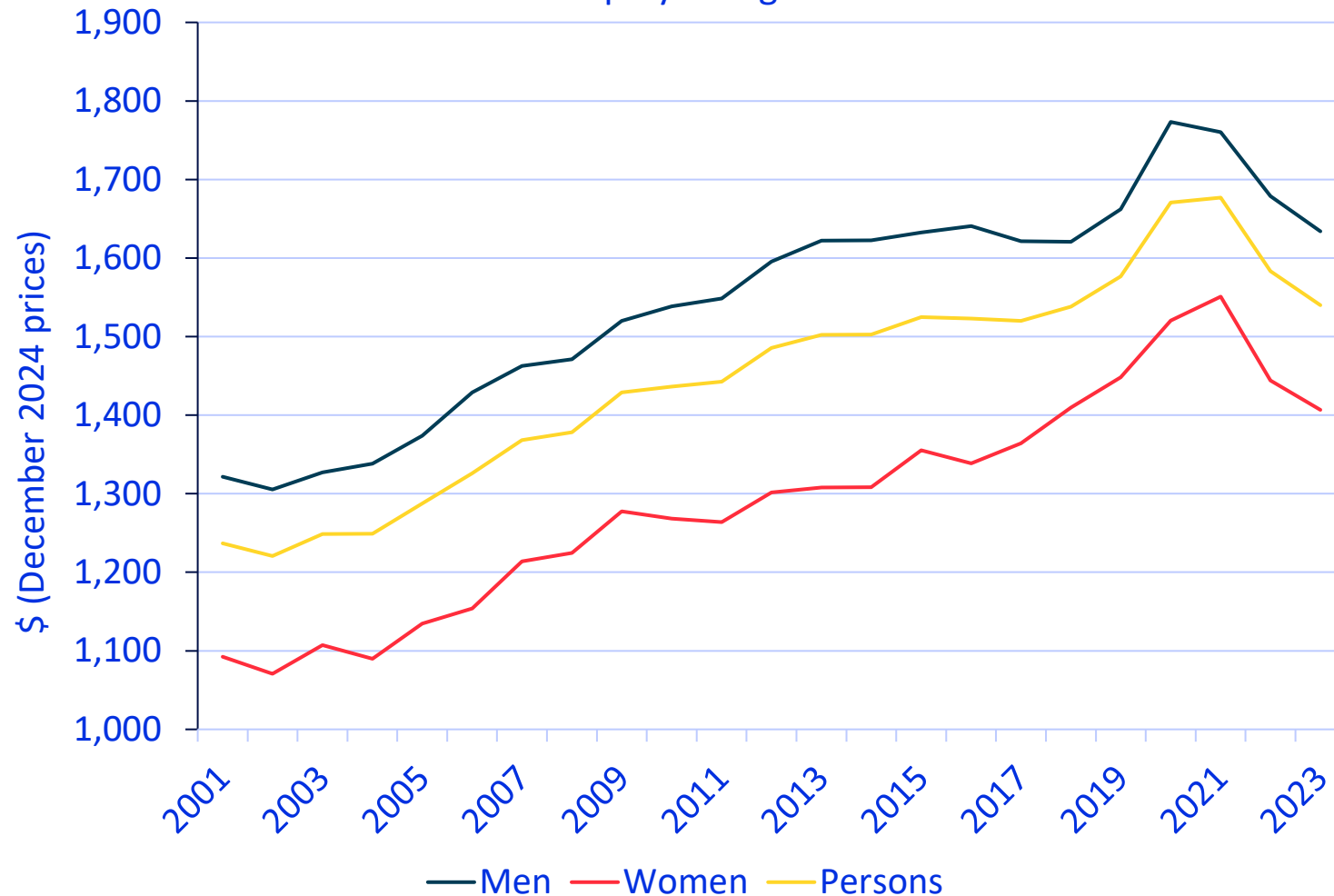


Among men, decline in full-time employment largest for the young (under 35) and less educated. Large gains for men aged 55-64.

Growth in female employment quite broad-based (age, education, region)

Mean real disposable weekly wages

Full-time employees aged 18 to 64



Wage growth to 2021, and decline 2021 to 2023, broadly experienced across the wage distribution.

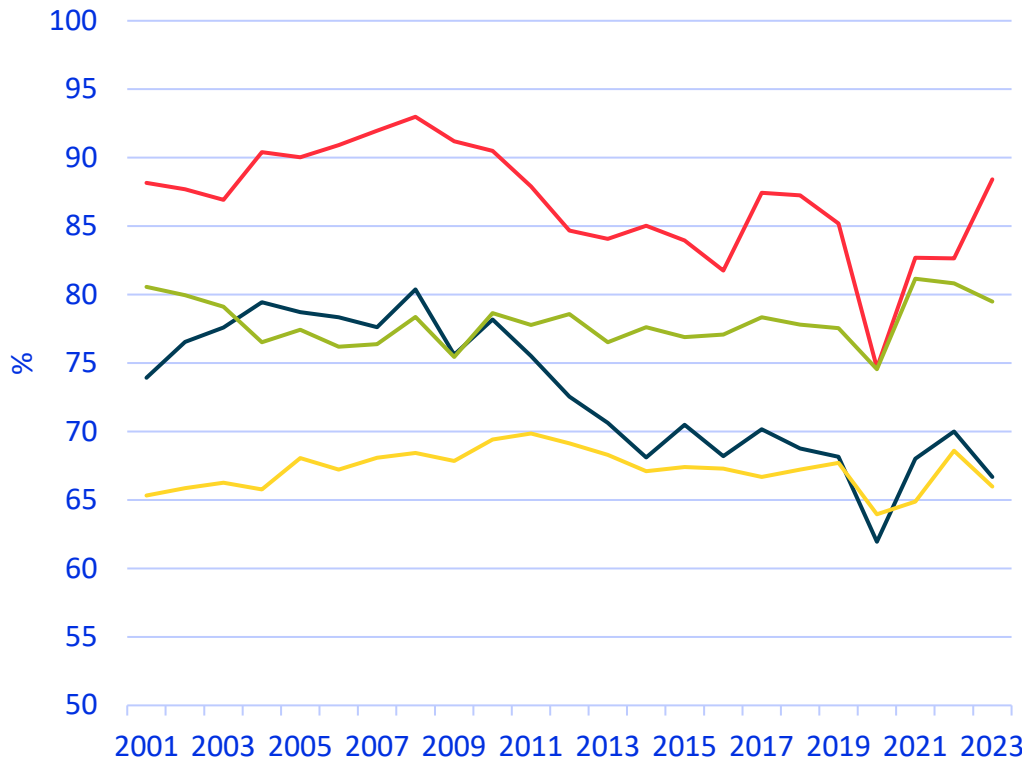
Wage growth greater for women than men (29% vs 24%).

Findings by age, education:

- For both men and women, wage growth weaker for those aged 18 to 34 than older age groups.
- Men with university qualifications had low wage growth.

Labour market outcomes of men by age group and educational attainment

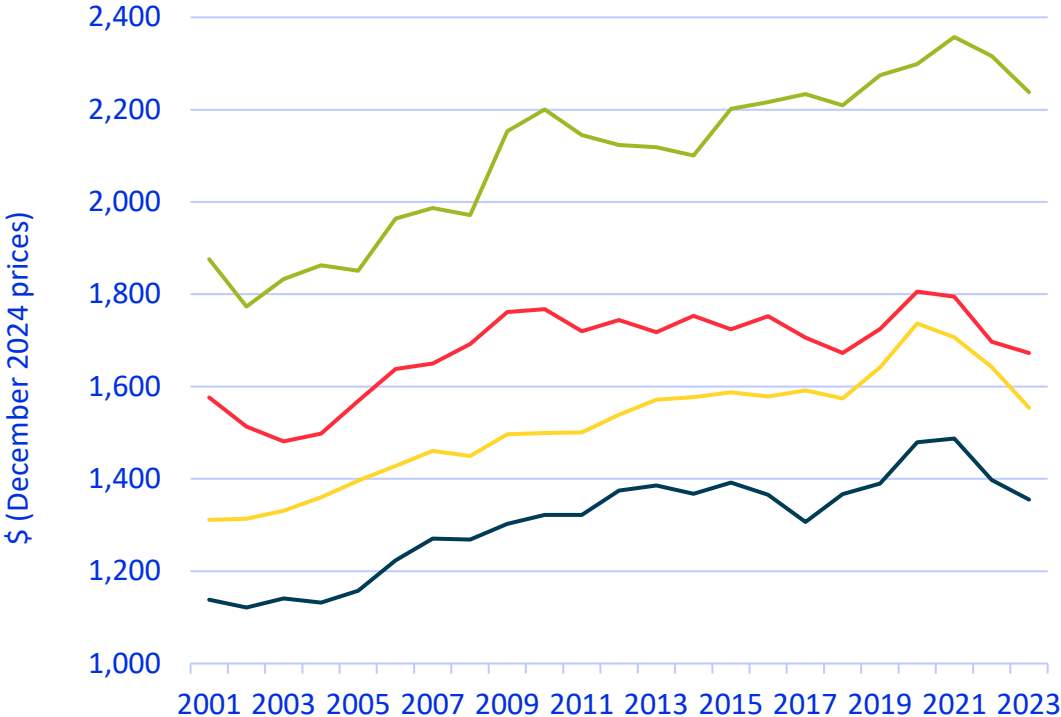
Full-time employment-population rate



— Men 18-39 without university qualifications
— Men 18-39 with university qualifications
— Men 40-64 without university qualifications
— Men 40-64 with university qualifications

Mean real weekly disposable earnings

Main job of full-time employees



— Men 18-39 without university qualifications
— Men 18-39 with university qualifications
— Men 40-64 without university qualifications
— Men 40-64 with university qualifications

Changes in means for 'disaffection' measures by wage quintile

	2001 to 2023					2006 to 2022	
	Life satisfaction (0-10 scale)	Satisfaction with feeling part of local community (0-10 scale)	Job satisfaction (0-10 scale)	Club membership (percentage-points)		Community participation (0-100 scale)	Trust of others (0-100 scale)
Men							
Bottom quintile	-0.18	-0.28	0.22	-9.96		-0.13	-0.94
2nd quintile	0.00	0.37	0.39	-4.88		-1.74	-0.55
Middle quintile	0.14	0.28	0.43	-8.75		-2.70	2.34
Fourth quintile	0.00	0.37	0.32	-2.17		-2.29	1.55
Top quintile	0.11	0.57	0.43	-2.69		-1.02	1.44
Women							
Bottom quintile	-0.04	0.21	-0.04	-4.31		-4.62	-0.72
2nd quintile	-0.12	0.09	0.11	-5.59		-0.53	0.27
Middle quintile	0.17	0.29	0.28	-0.81		-0.89	0.16
Fourth quintile	0.12	0.26	0.15	-3.81		-4.12	-3.67
Top quintile	0.11	0.50	0.25	-15.1		0.67	-1.25

Longitudinal analysis: Mean change in 'disaffection' measures, 2021 to 2023

	Men				Women		
	Life satisfaction	Community satisfaction	Job satisfaction		Life satisfaction	Community satisfaction	Job satisfaction
Earnings quintile in 2021							
Bottom	0.05	0.14	-0.05		-0.07	-0.05	-0.08
2nd	-0.14	0.16	-0.08		0.13	0.41	0.15
Middle	-0.07	0.20	-0.21		-0.17	-0.09	-0.55
4th	-0.05	0.24	0.07		0.03	0.32	0.02
Top	-0.05	0.37	0.06		0.05	0.52	0.10
Earnings change 2021-2023							
Nominal decrease	-0.10	0.16	0.00		-0.09	0.11	-0.20
Nominal increase, real decrease	-0.04	0.36	-0.07		0.00	0.25	-0.11
Real increase	-0.04	0.13	-0.01		0.02	0.15	-0.01

Key messages

2001 to 2023:

- Labour market changes most adverse for young men
- Some limited evidence of link between wages and 'disaffection' measures
- Decline in full-time employment of young less-educated men → But is this causing disaffection or is it caused by disaffection (or is it unconnected)?

2021 to 2023:

- Post-COVID real wage decline should concentrate policymakers' minds on good economic policy conducive to productivity growth, which has been sorely lacking for some time