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LIFE SATISFACTION IN YOUNG ADULTHOOD

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THE LIFE PATTERNS RESEARCH PROGRAM

The Life Patterns research program is designed to follow patterns in people's lives over time in order to gain a longitudinal and holistic understanding of the ways in which two generations of Australians are responding to our rapidly changing world (Tyler, Cuervo & Wyn, 2011). The program is based at the Youth Research Centre, in the Graduate School of Education at the University of Melbourne.

The generosity and ongoing support of the Life Patterns participants has meant that this study has built up a unique picture of the reality of the lives of two generations.

THE LIFE PATTERNS PROGRAM:

- follows two generations of Australians - one that left secondary school in 1991 (corresponding to the popular notion of 'Gen X') and another that left secondary school in 2006 (corresponding to the popular notion of 'Gen Y' or the 'Millennials'). Multiple comparisons can be made between the two cohorts across different points in their lives.

- explores the pathways through different areas of life taken by Australian young people including their experiences in education, the labour market, their family and personal relationships, attitudes to life, concerns, and health and wellbeing.

- provides a unique picture, very different from the stereotypes of smooth transitions from education to work, or of the narcissistic or complacent generation often described in public discourse. We have argued for the importance of paying attention to the diversity of experiences that characterise young people's lives.

- allows for insights to be drawn that feed into policy advice and also into public debate. Our work is often in the media disputing the simplistic claims about young people.

- was designed to follow patterns in young people's lives over time in order to gain more than a static glimpse. We are interested in developing a more dynamic picture of young people's lives rather than a single snapshot in time.

The Life Patterns project is ongoing, thanks to the continued engagement of the participants, and the support of the University of Melbourne and the Australian Research Council.

1. INTRODUCTION

How do life circumstances impact on people's sense of satisfaction with their life? We explore this issue for 30-year old Australians who are participants in the Life Patterns longitudinal research program. Life satisfaction is a subjective measure of how much an individual 'positively evaluates the overall quality of his/ her life' (Veenhoven 1996: 6). Research from Australia, and many other countries, shows that levels of life satisfaction are associated with health status, employment status, family status, location and financial status. For example, Ambrey and Fleming (2014) found that higher levels of life satisfaction are associated with living with a partner; and living in a regional area whereas lower levels of life satisfaction are associated with long-term health conditions, physical and/ or mental. Bellis and colleagues (2012) found that experiencing deprivation was associated with lower levels of life satisfaction.

In this report, we use survey data collected from cohort 2 participants in 2019 when they were aged around 30 years to examine levels of life satisfaction. In the Life Patterns surveys, we include questions about satisfaction with various aspects of life including: personal development; relationships with family; work or career; personal relationships; social life; health and fitness; educational attainments. In 2019, participants were also asked about their difficulties paying selected living expenses including: food and other necessities; rent or mortgage payments; other loan repayments; household bills; health costs; own study costs; childcare costs; children's education costs. Their responses to these questions allow us to examine the association between experiencing financial difficulties and levels of life satisfaction.

We find that while young adults in Australia are generally satisfied with their lives, there are important differences in levels of satisfaction according to employment status, financial difficulties and health status. Although for all participants the most important predictors of life satisfaction are mental and physical health, experiencing financial difficulties is strongly associated with having lower levels of satisfaction for those who were partnered in 2019. For participants living alone, employment status is a more important predictor than experiencing financial difficulties.

2. PREDICTORS OF LIFE SATISFACTION

This report is based on responses to the annual survey in 2019 when the participants were aged around 30. Table 1 provides the demographic characteristics of the participants. In 2019, 69% of participants were women, and more than half of our participants (57%) were living in a capital city. Most participants (73%) were in a de facto relationship or were married, and slightly more than one-quarter of our participants were in a parenting role. Almost two-thirds (64%) were engaged in full-time employment and one-quarter were engaged in part-time employment. Rather than focus on health at the time of the survey in 2019, we constructed long-term health variables based on the responses to the health questions in each year from 2015 to 2019.

If the participant indicated that they were unhealthy in two or more of these five years, we coded them as having a long-term health issue. Participants who never reported having health issues or only reported having health issues once were considered to be healthy during the past five years. Roughly one in four participants reported having long-term health issues—26% reported being physically unhealthy and 28% reported being mentally unhealthy.

TABLE 1. DEMOGRAPHIC CHARACTERISTICS OF COHORT 2 PARTICIPANTS IN 2019

Characteristic	n= 494	%
Gender		
Male	153	31.0
Female	341	69.0
Location in 2019		
Capital city	282	57.1
Regional city	121	24.5
In a country town	64	13.0
Rural, not in town	16	3.2
Marital status in 2019		
Single	165	33.4
De facto/ married	315	63.8
Separated/divorced	7	1.4
Not stated	7	1.4
Parent in 2019		
Yes	135	27.3
No	359	72.7
Employment status in 2019		
Full-time employed	315	63.8
Part-time employed	126	25.3
Not employed	49	10.9
Not stated	4	0.8
Physical Health 2015 - 2019		
Healthy	365	73.9
Unhealthy	129	26.1
Mental Health 2015 - 2019		
Healthy	358	72.5
Unhealthy	136	27.5

Life satisfaction is a subjective measure that is included in the Life Patterns surveys on an annual basis. Apart from providing an indication of their overall satisfaction with life, participants are also asked about their level of satisfaction with various aspects of their lives including: personal development, relationships with family, work or career, personal relationships, social life, health and fitness, and educational attainments. The answer options ranged from 1 (very dissatisfied) to 4 (very satisfied). We took the average of these scores to create our life satisfaction index. The scores on this index range from 1.3 to 4.0 with an average of 3.0.

A key indicator of life satisfaction is employment status. Rather than just focus on individual employment status, we examine the household employment status to take into account the time commitment that both partners dedicate to paid employment. The household employment status variable for participants who were not living with a partner has three categories: employed full-time; employed part-time; and not employed. The household employment status variable for participants who were living with a partner has six categories: both employed full-time; one employed full-time and one employed part-time; one employed full-time and one not employed; both employed part-time; one employed part-time and one not employed; and both not employed.

Of the 172 participants who were not living with a partner, almost two-thirds (64.5%) were employed full-time- see Figure 1. Of the 315 participants who were living with a partner, almost half (48.3%) reported that both partners were engaged in full-time paid employment; and 25.7% reported that one partner was employed full-time and the other was employed part-time- see Figure 2. Furthermore, 16% of participants living with a partner reported that one of them was employed full-time and the other one was not employed.

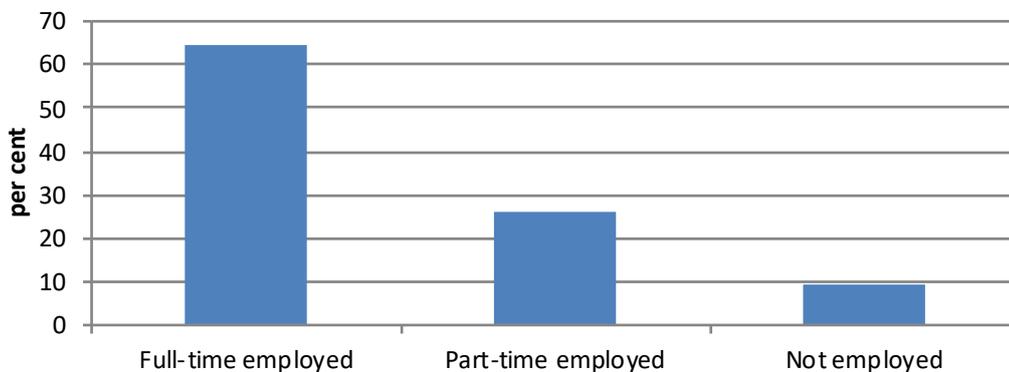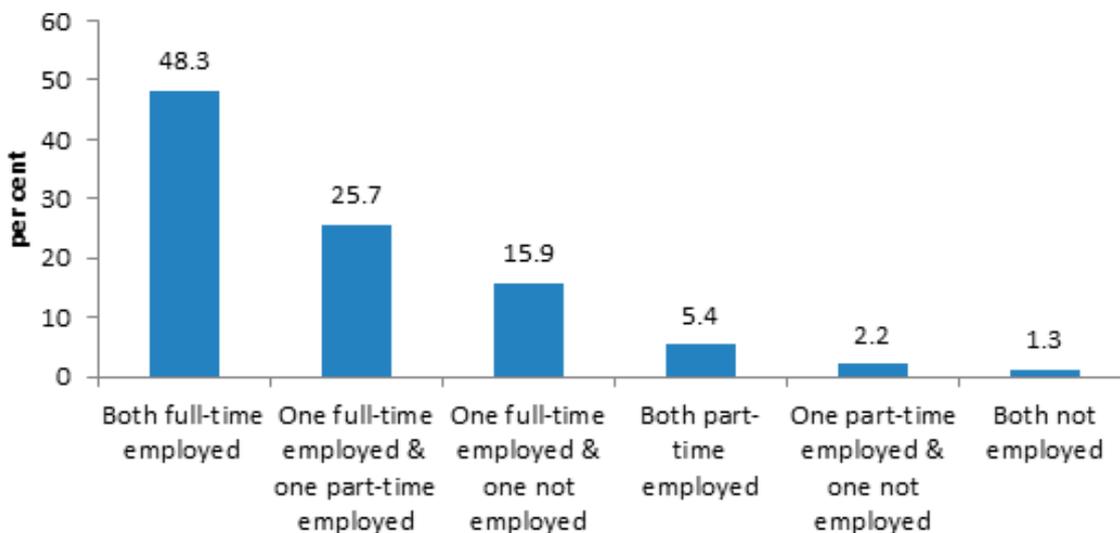FIGURE 1. HOUSEHOLD EMPLOYMENT STATUS IN 2019: SINGLE PARTICIPANTS

FIGURE 2. HOUSEHOLD EMPLOYMENT STATUS IN 2019: PARTNERED PARTICIPANTS

Another predictor of life satisfaction is household stability. Research indicates that living with a partner is associated with higher levels of life satisfaction whereas being separated or divorced is associated with lower levels of life satisfaction (Ambrey & Fleming 2014; Blanchflower & Oswald 2005). We analysed marital status for the years 2015 to 2019 to identify five groups: always single; always partnered; one transition from single to partnered; one transition from partnered to single; and multiple transitions.

The graph in Figure 3 shows that half of our participants (49.8%) were always partnered during those five years, 21.5% were always single and 11% transitioned from being single into living with a partner. Research suggests that making a transition from partnered to single may be associated with lower levels of life satisfaction and a higher likelihood of experiencing an inability to cover living expenses (Ambrey & Fleming 2014; Blanchflower & Oswald 2005). On the other hand, transitions from single to partnered may be associated with higher levels of life satisfaction and a lower likelihood of experiencing financial difficulties.
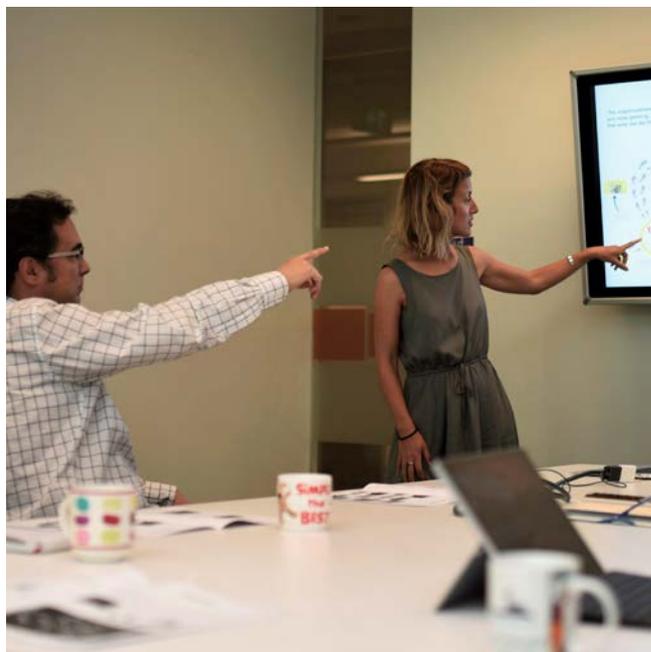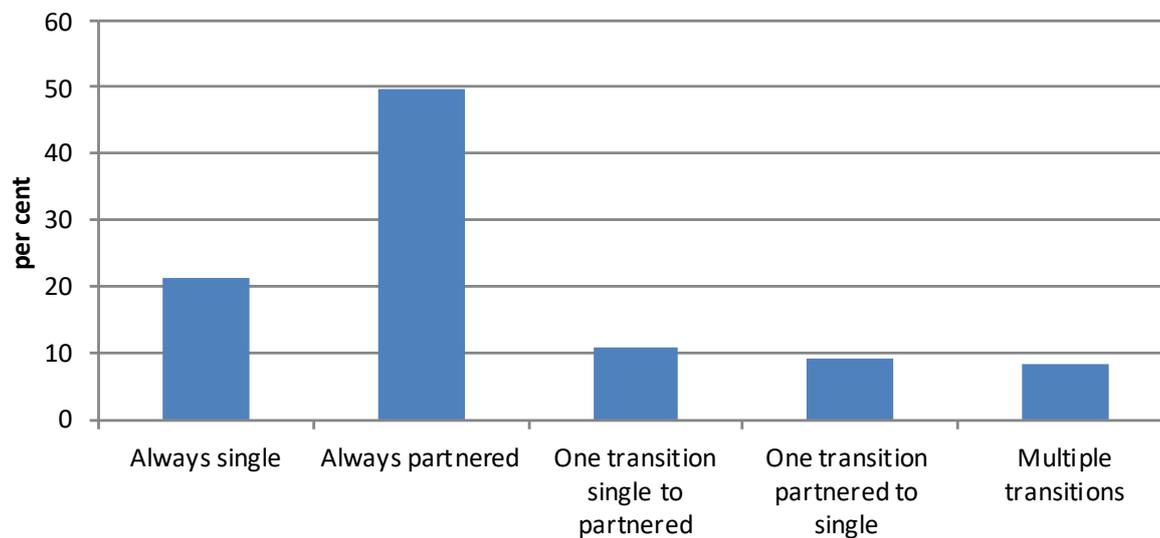
FIGURE 3. HOUSEHOLD STABILITY BETWEEN 2015 AND 2019

3. PREDICTORS OF FINANCIAL DIFFICULTIES

Research indicates that experiencing economic deprivation is associated with lower levels of life satisfaction (Bellis et al. 2012). Our measure of economic deprivation is based on a series of questions asking participants about their difficulties paying selected living expenses including: food and other necessities; rent or mortgage payments; other loan repayments (credit cards, personal loans, car loan etc); house bills (power, rates, phone, internet etc); health costs; own study costs; childcare costs; and children's education costs. Almost one third (31.4%) of participants indicated that they had difficulty meeting at least one of these expenses and were considered to have experienced financial difficulties during 2019.

Table 2 shows the proportion of participants who experienced financial difficulties by household employment status, household stability and long-term health conditions. Single participants who were employed part-time were more likely than single participants employed full-time to experience financial difficulties (42.2% compared to 29.7%). Among participants living with a partner, those living in households where both members were employed full-time or both members held part-time jobs were less likely to experience financial difficulties (25.7% and 23.5% respectively). On the other hand, participants living in households where one partner was employed part-time and the other was not employed, or where

one partner had a full-time job and the other was not employed, were more likely than other participants to experience financial difficulties (42.9% and 38%, respectively). Experiencing financial difficulties also appears to be associated with household stability. Participants who were always partnered or who transitioned from single to partnered between 2015 and 2019 were less likely than other participants to experience financial difficulties.

Participants who were more likely to experience financial difficulties either had multiple transitions (38.1%), had one transition from partnered to single (37%) or were always single (34%) between 2015 and 2019. Finally, unhealthy participants were significantly more likely than healthy participants to experience financial difficulties, especially those suffering long-term mental health issues.

TABLE 2. ASSOCIATION BETWEEN EXPERIENCING FINANCIAL DIFFICULTIES AND HOUSEHOLD EMPLOYMENT, STABILITY AND LONG-TERM HEALTH CONDITIONS

	Experiencing financial difficulties
Household employment status single participants	%
Full-time employed	29.7
Part-time employed	42.2
Not employed	50.0
Household employment status partnered participants	
Both full-time employed	25.7
One full-time employed & one part-time employed	32.1
One full-time employed & one not employed	38.0
Both part-time employed	23.5
One part-time employed & one not employed	42.9
Both not employed	25.0
Household stability	
Always single	34.0
Always partnered	28.0
One transition single to partnered	31.5
One transition partnered to single	37.0
Multiple transitions	38.1
Long term physical health	
Healthy	29.0
Unhealthy	38.0
Long term mental health	
Healthy	27.1
Unhealthy	42.6

4. ASSOCIATION BETWEEN EXPERIENCING FINANCIAL DIFFICULTIES AND LIFE SATISFACTION

To understand the association between life satisfaction and financial difficulties, we need to control for other factors that are known to affect levels of life satisfaction such as gender, marital status, employment status and health. To do this, we conduct linear regression analysis to estimate coefficients- see the Appendix for an explanation of our analytical strategy. We examine levels of life satisfaction separately for those who are single (not living with a partner) and those who are partnered. We present the results for the single participants in Table 3 and for the partnered participants in Table 4.

Single participants who reported being physically unhealthy for at least two of the previous five years had significantly lower levels of life satisfaction than physically healthy participants. Furthermore, participants who reported being mentally unhealthy for at least two of the previous five years had significantly lower levels of life satisfaction than healthy participants, net of physical health, employment status, experiencing financial difficulties, household stability, location and gender.

For those living with a partner, experiencing financial difficulties is negatively associated with levels of life satisfaction, net of gender, location, employment status, household stability, and long-term health conditions- see Table 4. Furthermore, participants living in households where one partner was employed full-time and one partner was employed part-time reported having lower levels of life satisfaction than their peers living in household where both partners were employed full-time. Those who reported being physically unhealthy in at least two of the previous five years had lower levels of life satisfaction than their healthier peers. Being mentally unhealthy in at least two of the previous five years was also associated with having lower levels of life satisfaction.

TABLE 3. LINEAR REGRESSION ESTIMATES OF LIFE SATISFACTION FOR PARTICIPANTS NOT LIVING WITH A PARTNER

Parameters	Coefficient	Std. err.
Gender (ref. Male)		
Female	0.11	0.07
Location (ref. Capital city)		
Regional /rural	0.00	0.07
Financial difficulties (ref. No)		
Yes	-0.06	0.07
Employment status (ref. Full-time)		
Part-time/not employed	-0.16*	0.07
Household stability (ref. Always single)		
Partnered to single	0.04	0.07
Multiple transitions	0.12	0.1
Physical health (ref. Healthy)		
Unhealthy	-0.25**	0.08
Mental health (ref. Healthy)		
Unhealthy	-0.20*	0.08
Constant	3.02**	0.07
Adjusted R2	0.18	

*p<0.05; **p<0.01

TABLE 4. LINEAR REGRESSION ESTIMATES OF LIFE SATISFACTION FOR PARTICIPANTS LIVING WITH A PARTNER

Parameters	Coefficient	Std. err.
Gender (ref. Male)		
Female	-0.01	0.05
Location (ref. Capital city)		
Regional	0.00	0.05
Rural	-0.07	0.06
Financial difficulties (ref. No)		
Yes	-0.12**	0.05
Employment status (ref. Both employed full-time)		
One employed full-time and one part-time	-0.12*	0.05
Other+	-0.08	0.06
Household stability (ref. Always partnered)		
Single to partnered/multiple transitions	0.10	0.05
Physical health (ref. Healthy)		
Unhealthy	-0.19**	0.06
Mental health (ref. Healthy)		
Unhealthy	-0.29**	0.06
Constant	3.27**	0.05
Adjusted R2	0.22	

*p<0.05; **p<0.01
+ The Other employment status category includes one full-time employed & one not employed, both part-time employed, one part-time employed & one not employed, both not employed.

5. DISCUSSION

Our examination of the levels of life satisfaction indicates that young adults in Australia are generally satisfied, however, there are important differences in levels of satisfaction according to employment status, experiencing financial difficulties and health status. Although the most important predictors of life satisfaction are mental and physical health conditions, experiencing financial difficulties is strongly associated with having lower levels of satisfaction for those who were partnered in 2019. For participants living alone, employment status is a more important predictor than experiencing financial difficulties.

More than one-quarter of our participants reported being mentally unhealthy in at least two of the previous five years suggesting that many young adults are experiencing difficulties as they navigate the pressures of life. Over 40% of those who experienced long-term mental health issues also reported experiencing financial difficulties. For those living with a partner, the effects of being mentally unhealthy and experiencing financial difficulties are cumulative. That is, young adults who reported being mentally unhealthy and who also reported being unable to pay all of their living costs had lower levels of life satisfaction than those who were mentally unhealthy but not experiencing financial difficulties and those who were experiencing financial difficulties but were not mentally unhealthy. Furthermore, the effects of being physically unhealthy and experiencing financial difficulties are also cumulative.

Participants who were not living with a partner in 2019 were more likely to report being unable to pay all of their living expenses than their partnered peers. One third of those who were single during the previous five years and 37% of those who experienced one transition from partnered to single, reported experiencing financial difficulties. However, for single people, the effects of experiencing financial difficulties were overwhelmed by the effects of not being employed on a full-time basis. The effect of being employed on a part-time basis or being not employed was associated with lower levels of life satisfaction, regardless of experiencing financial difficulties.

As we move through the COVID19 recession, the likelihood of becoming unemployed or underemployed and experiencing financial difficulties will increase. The millennials have already experienced more than a decade of high rates of unemployment and underemployment generated by the Global Financial Crisis and prolonged by the gig economy (Chesters & Wyn 2019). How well young adults cope with pressures of negotiating the recession will impact on their mental health status and ultimately their levels of satisfaction with their lives. Their ability to cope with the stress of the pandemic, the recession, and the need to re-assemble their lives will determine the health of their futures and that of Australian society more generally.
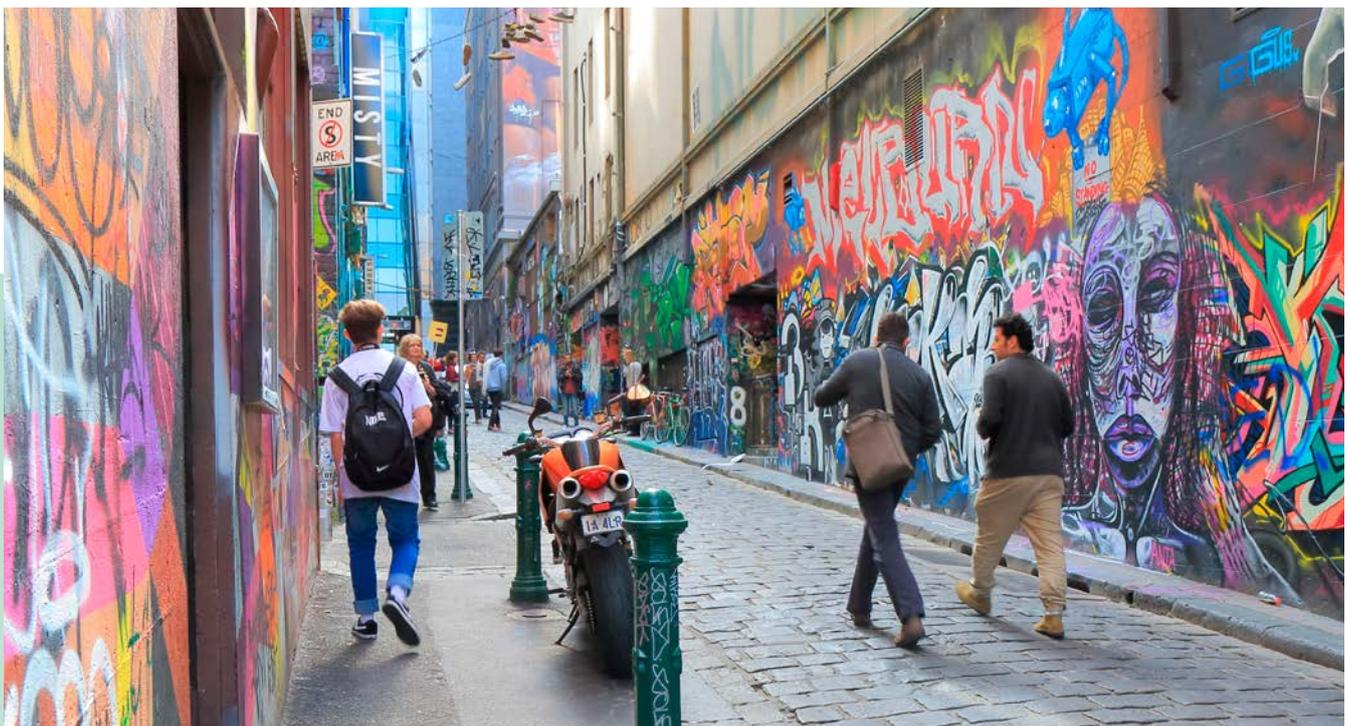
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7. APPENDIX

Linear regression coefficients may be positive or negative and represent the average difference in the level of life satisfaction between participants in the comparison group and participants in the reference group, after accounting for the effects of other variables in the model. For example, if being female has a positive effect on levels of life satisfaction, the coefficient for being female will be greater than zero. If being female has a negative effect on levels of life satisfaction, the coefficient for being female will be less than zero. If we can be 95% confident that the difference in levels of life satisfaction between being male and being female is not due to chance, then we regard this difference as being statistically significant and denote this with an asterisk (*) placed after the coefficient. If we can be 99% confident that the difference between being male and female is not due to chance, then we regard this difference as being statistically significant and denote this with 2 asterisks (* *) placed after the coefficient.

FIND OUT MORE

Participant reports and Research reports:
education.unimelb.edu.au/yrc/research/life-patterns#publications

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