From school to work to culture to happiness

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Outline

- Evaluation & challenging assumptions
  - School to work transition & returns to schooling
  - Indigenous socio-economic outcomes
- Key messages
  - Don’t lose sight of the objectives!
    - Insights from thinking about ‘wellbeing’
The more years of school and education the better

- *Over-education, under-education and credentialism in the Australian labour market,* with P. Miller, NCVER Monograph 10/2012

- Two opposing models of how additional years of education affect wages
  - Human Capital Model
  - Queuing or screening models

- Very different implications
Over-education, Required education and Under-education

- Standard approach
  - Wages a function of years of education
- ORU Approach
  - Differentiate between years of required education, over- & under-education
- Dockery and Miller (2012)
  - Further decompose into years of education associated with credentialism (cohort)
Estimated increase in wages for each year of education

<table>
<thead>
<tr>
<th>Years of Education</th>
<th>7.2%</th>
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<tbody>
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<td>-6.3%</td>
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<td>5.7%</td>
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But what of wellbeing?
Some evidence from the HILDA data

<table>
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<tr>
<th>Education Level</th>
<th>Total Mean</th>
<th>Male Mean</th>
<th>Female Mean</th>
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<tbody>
<tr>
<td>University</td>
<td>8.00</td>
<td>7.95</td>
<td>7.85</td>
</tr>
<tr>
<td>Post School</td>
<td>7.90</td>
<td>7.85</td>
<td>7.75</td>
</tr>
<tr>
<td>High School</td>
<td>7.85</td>
<td>7.80</td>
<td>7.70</td>
</tr>
<tr>
<td>Year 11 or Below</td>
<td>7.70</td>
<td>7.65</td>
<td>7.55</td>
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</tbody>
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Highest Education Level Achieved

Informing policy and practice in Australia's training system

- Longitudinal Surveys of Australian Youth
  - Y95 cohort
  - Self-rated level of happiness
  - Able to ascertain highest level of education attained by age 25.
Happiness relative to mean
(a) Lower educational attainment

Year 10  Year 11  Year 12  Yr 12 +Cert
Happiness relative to mean
(b) Higher educational attainment
Indigenous socio-economic outcomes

- By almost every conceivable measure, the disparity in socio-economic circumstances of Indigenous Australians is deplorable:
  - Life expectancy 20 years lower
    - Infant mortality rate 2 to 3 times higher
  - Suicide twice as prevalent
  - Rate of incarceration 13 times higher
    - 23 times higher for juveniles
  - Half as likely to complete high school
  - etc …
Labour market disadvantage


- Reviewed evaluations and data on effectiveness of key programs:
  - Community Development Employment Projects (CDEP), 1977 → ?
  - Aboriginal Employment Development Program (AEDP), 1987 → 1999
  - Indigenous Employment Program (IEP), 1999 → Job Network
Objectives versus measures

- The motivation for early programs emphasised:
  - Self-determination
  - Community capacity building
  - Cultural preservation/strengthening

- These were never measured!
  - Instead the statements of objectives and evaluations emphasised market employment outcomes and statistical equality
  - Measures/indicators not aligned with objectives
Indigenous culture is a barrier to socio-economic advancement

- Self-determination versus assimilation
- Pickering (2000) – hidden pressures for assimilation:
  - ‘Under the guise of fostering economic development, policy works instead to promote cultural assimilation’
Empirical evidence from the 2002 NATSISS

- Stronger cultural attachment associated with:
  - Higher educational attainment
  - Greater participation in VET
  - Greater probability of being employed
  - Better self-assessed health
  - Lower likelihood of alcohol abuse
Empirical evidence from the 2002 NATSISS

- Indigenous culture should be seen as part of the *solution* to Indigenous disadvantage, not as part of the problem.
Limitations

- No theoretical or causal channel from culture to outcomes specified
  - Reverse causation
- Single measure of ‘cultural attachment’
  - Culture Likely to be a multi-dimensional concept
- Only ‘mainstream’ indicators of outcomes
  - Inconsistent with spirit of self-determination
Evidence from the 2008 NATSISS

- Cultural identity factor
  - Recognition of homelands, clan or tribal group, importance of cultural events.

- Confirmed positive associations with mainstream indicators
  - Promotes participation and achievement in education and training
  - Unlikely to be endogenous

- Positive effects extend to subjective wellbeing
  - Strong, positive association with happiness & mental health
Indigenous mobility

- Since first engagement, been seen as a ‘problem’ – random and unproductive
- Remarkable resilience of traditional drivers of kinship, culture and country
  - identity
- Mobility can simply be seen as a means to access things that contribute to wellbeing
  - In what sense can it be ‘problematic’?
Concluding thoughts - evaluation

- Never lose sight of the objectives
  - Measures & indicators versus objectives
    - Be wary of implicit assumptions
      - Staying in school longer improves outcomes
      - Indigenous culture is a barrier
    - What gets measured matters
Concluding thoughts - wellbeing

- Insights from taking a wellbeing perspective
  - Education, culture, mobility
  - The objective of policy *should* be to maximise wellbeing
- Culture and cultural identity are intrinsic to the wellbeing of Indigenous Australians
  - ‘Closing the Gap’ – need to reconsider how we see Indigenous culture as a ‘problem’.
References


References (Cont’d)

Acknowledgement/disclaimer

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