

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

Years of Education	7.2%		
Years of required Ed.			
Years over-education			
Years under-education			
Years credentialism			

Estimated increase in wages for each year of education

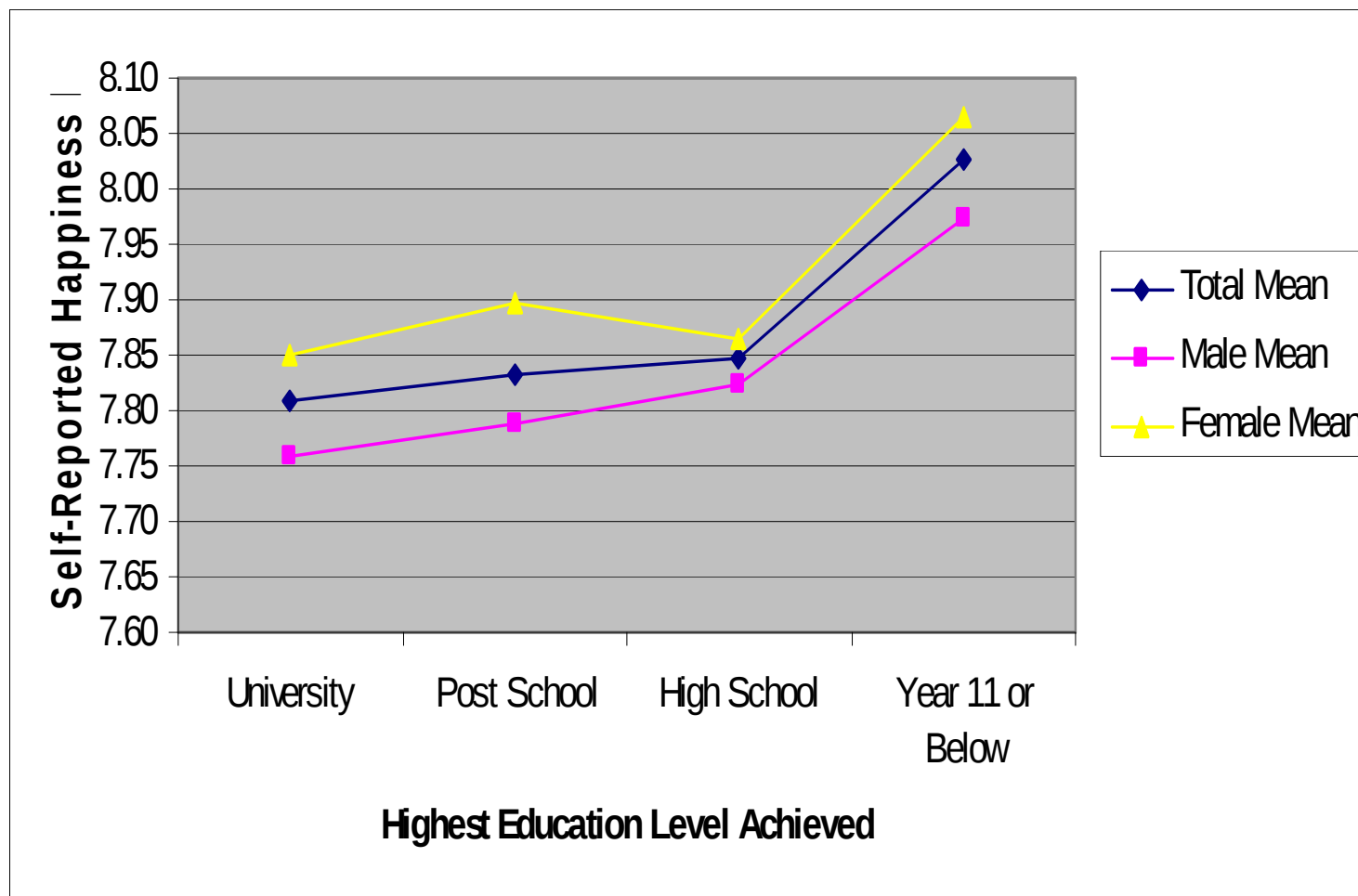
Years of Education	7.2%		
Years of required Ed.		9.6%	
Years over-education		6.0%	
Years under-education		-6.2%	
Years credentialism			

Estimated increase in wages for each year of education

Years of Education	7.2%		
Years of required Ed.		9.6%	9.2%
Years over-education		6.0%	5.8%
Years under-education		-6.2%	-6.3%
Years credentialism			5.7%

But what of wellbeing?

Some evidence from the HILDA data

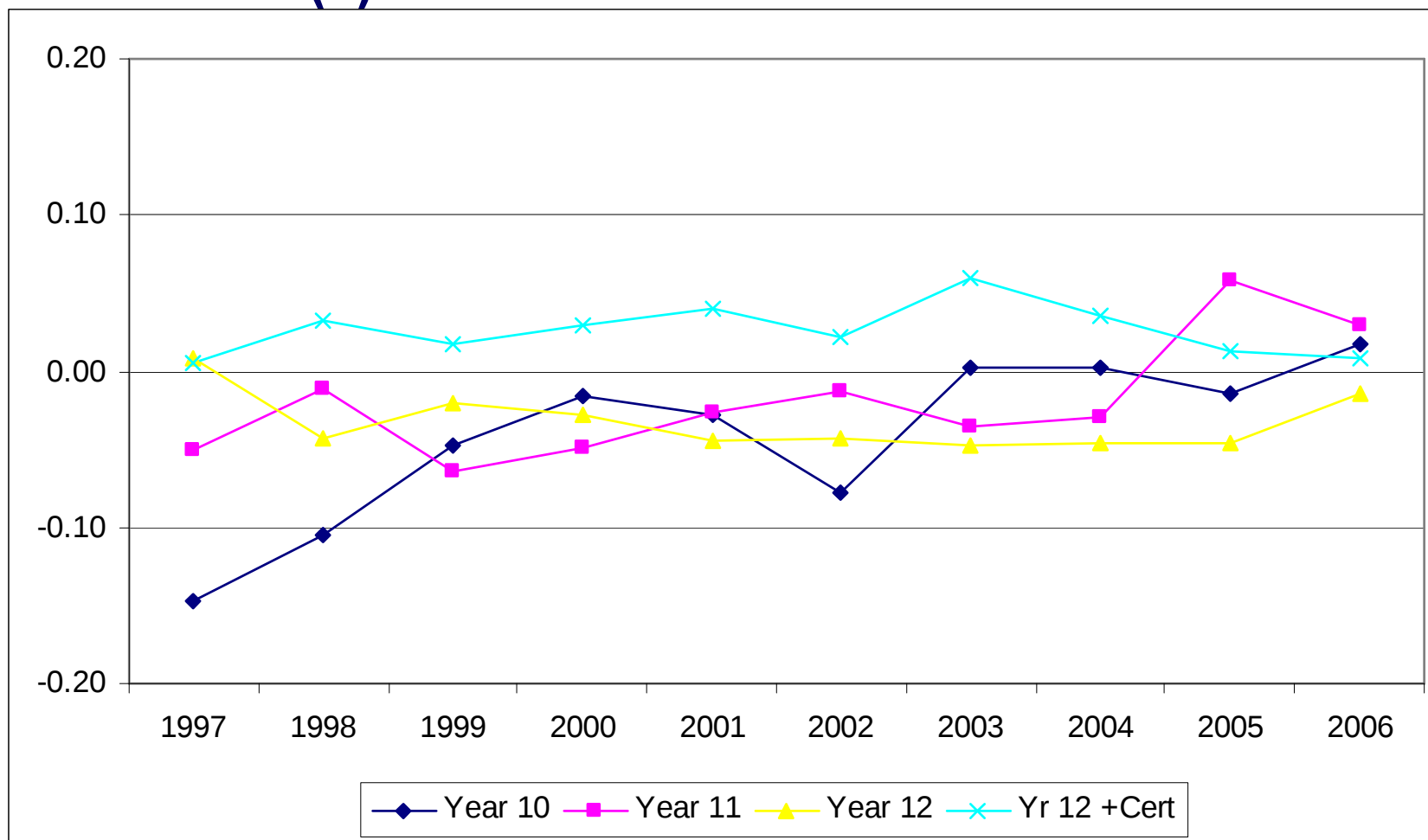


Dockery, A. M. (2010), *Education and happiness in the school to work transition*, Research Innovation and Expansion fund Report, NCVER, Adelaide.

- Longitudinal Surveys of Australian Youth
 - ▶ Y95 cohort
 - ▶ Self-rated level of happiness
 - Collected from age 16 (1997) to age 25 (2006)
 - ▶ Able to ascertain highest level of education attained by age 25.

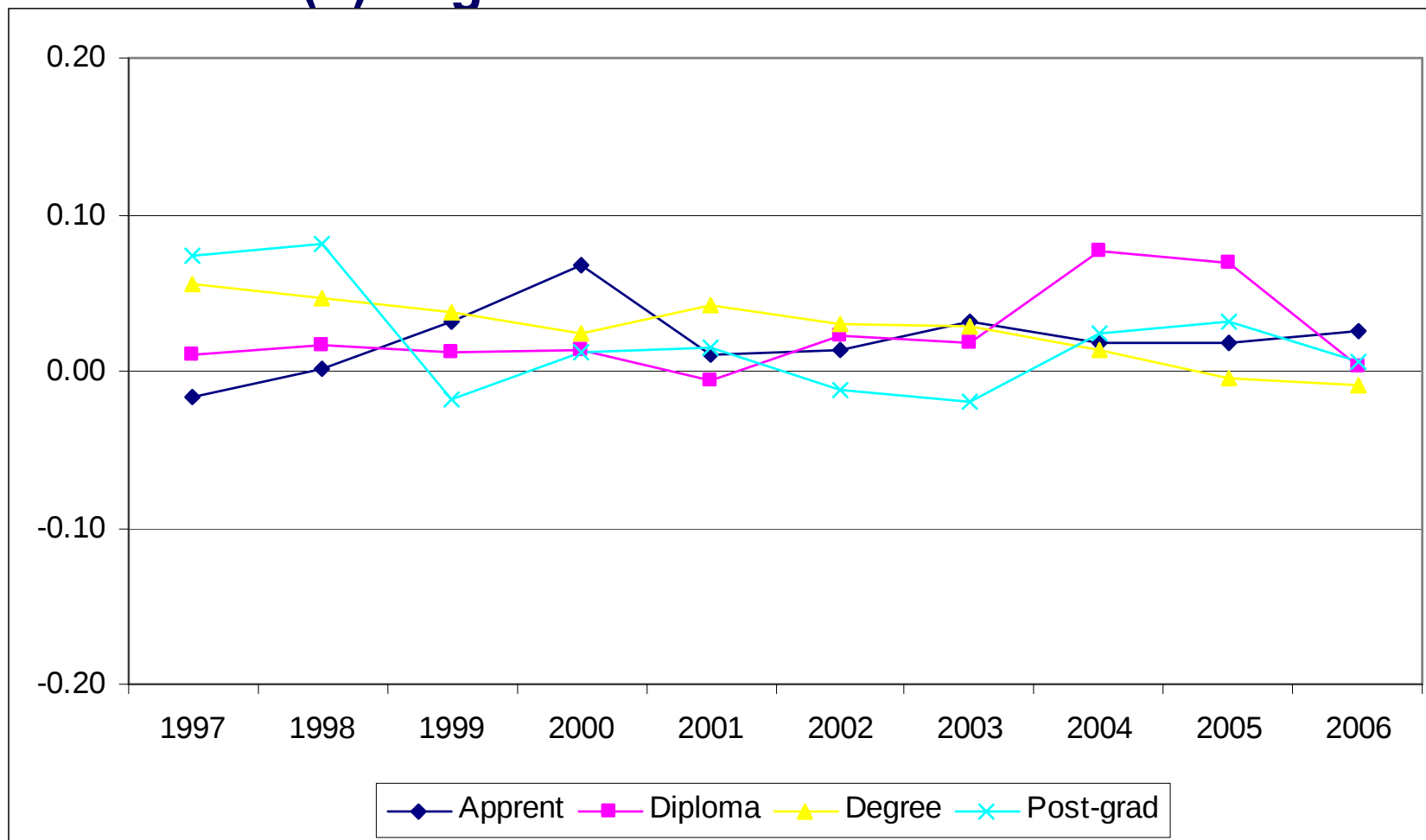
Happiness relative to mean

(a) Lower educational attainment



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

Dockery, A. M. & Milsom, N. (2007), *A review of Indigenous employment programs*, NCVER, Adelaide

- 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

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