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Female overeducation, job satisfaction and the impact of children at home in Australia[☆]Christopher M. Fleming^a, Parvinder Kler^{b,*}^a Social and Economic Research Program (SERP), Griffith University, Australia^b Department of Accounting, Finance and Economics, Griffith University, Australia

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ABSTRACT

This paper extends current research into the relationship between overeducation and job satisfaction. Specifically, we study this relationship for Australian females only. This is pertinent, in that significant gender occupational segregation exists within the Australian labour market. Existing studies, which rely solely on male data or fail to make any distinction between genders, may, therefore, produce results that are not relevant to policy makers attempting to improve the labour force participation and experience of Australian females. One particular aspect of interest is the role of child rearing status, which disproportionately affects females. Our econometric analysis reveals that for females with dependent children at home, overeducation has a detrimental effect on a minority of satisfaction measures, whereas for females without children at home, overeducation has a detrimental effect on a majority of satisfaction measures. This suggests that the inverse relationship between overeducation and job satisfaction is, at least in part, ameliorated, by the presence of children.

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1. Introduction

The role of females in the labour market since the advent of the Industrial Revolution has ebbed and flowed with changing circumstances and social norms. Irrespective of gender, parents and their offspring were often found in sweatshops in industrial England. This phenomenon was to be short-lived, as a rise in social consciousness regarding child safety and conservative views on the role of women, led to the Factory Laws of 1847, limiting the time spent at work for women and children. Introduction of a minimum wage that allowed a single wage to be sufficient for a family's needs led to further entrenchment of a division of labour within families, with males taking paid work and females undertaking unpaid domestic work. With the exception of the two world wars, females were thus largely absent from the sphere of paid employment. However, a change in societal norms in Western societies from the 1960s onwards, coupled with better birth control

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* Corresponding author. Tel.: +61 7 3735 7668; fax: +61 7 3735 3719.

E-mail address: p.kler@griffith.edu.au (P. Kler).

techniques and availability (leading to smaller families), led to an increase in female labour force participation (ABS, 2006). In Australia, 44% of females were already engaged in the labour force in 1978, rising to 58% by 2008 (Australian Government, 2008). According to Austen and Seymour (2006) “this constituted both a major change in the integration of females into the Australian workforce and a large share of the labour supply change recorded over the period”.

Despite the fact that females continue to be under-represented in the Australian labour market, with a gap of 14% in gender participation rates in 2008 (Australian Government, 2008), the role of females in the labour market can no longer be ignored. This is not solely borne by the fact that they are contributing to economic development in their own right, but is also due to the fact that the nature of their participation in the Australian labour market is somewhat different from that of males. For instance, females are three times more likely to be in part-time employment, with substantial time away from work due to child rearing duties (Australian Government, 2008; Ernst and Young, 2013). This gender heterogeneity is further emphasised by a clear and apparent gender based occupational segregation (Watts and Rich, 1992; Preston and Whitehouse, 2004). Despite these obvious differences between genders, the majority of studies on the labour market have tended to be male-centric and any potential policy outcomes arising out of these studies should be viewed with some caution when extrapolated to include, for example, policies on female participation in the workforce. This is particularly true when considering the fact that these studies tend to ignore the role and presence of children in the decision-making process to enter and/or maintain employment, as males tend to be the secondary care-giver of a child relative to females (Jaumotte, 2003, 2005). Indeed, the role and presence of children drive the employment patterns of females in Australia. This is evidenced by the fact that only 45% of formerly working females re-enter the workforce a year after giving birth. Of those, 92% do so in a part-time capacity (Australian Government, 2008). There is, therefore, a strong *prima facie* case for studies into labour market performance in Australia to account for gender differences and the specific issues faced by the Australian female workforce.

Further, recent decades have been witness to a rise in education for both genders, but particularly for females, which has led to greater female participation in the labour market (Kennedy and Hedley, 2003). This increase in education is clearly illustrated by the rise of female enrolment in tertiary education; in the 1950s only one in five university students was female, in 2011 this figure was almost three in every five (ABS, 2012). The increase in female participation in the labour force, coupled with an increase in the number of females with graduate qualifications, increases the likelihood of job mismatch in the form of overeducation (see Section 2 for an elucidation of this phenomenon). This is problematic, in that overeducation has been shown to lead to lower levels of job satisfaction, workplace productivity and overall well-being (Tsang and Levin, 1985; Tsang, 1987; Tsang et al., 1991).

This paper seeks to contribute to the literature by exploring more deeply the relationship between two specific aspects of female labour force participation; job mismatch (as studied via the prism of overeducation) and job satisfaction. The trends in participation and education noted above, coupled with recent policy changes designed to encourage single parents (predominantly females) back into the labour force, suggest that understanding this relationship is of increasing importance (Kifle et al., 2014a). In this paper, focus is given not only to overall job satisfaction, but also to the various domains of workplace satisfaction such as satisfaction with pay and job security. This is important, as overall job satisfaction can be viewed as being a ‘composite’ measure of various aspects of job satisfaction and may thus hide variation between these various domains of satisfaction (as found by Kifle et al., 2014b, who also find significant gender differences in job satisfaction).

Noting the findings of Kifle et al. (2014a), distinction is also made between those with and without dependent children living at home (often not of significant relevance for males in the workforce). More specific to our *raison d’être* of undertaking this exercise, Kifle et al. (2014a) observe that job satisfaction (with respect to hours and flexibility) is sensitive to child rearing status. Given that the current literature on the stated negative relationship between overeducation and job satisfaction has (to the best of our knowledge) not yet explicitly modelled the effect of child rearing status, we seek to explore the possibility of whether the negative relationship between overeducation and job satisfaction applies to females who engage in both unpaid domestic child rearing as well as paid external work. This dual responsibility may mean that taking a job that under-utilises their skill-set does not necessarily lead to dissatisfaction, as their main focus is not their employment, but rather is shared between work and unpaid child rearing duties.

The paper proceeds as follows: Section 2 presents a literature review. This is followed by discussions regarding data (Section 3) and analytical methods (Section 4). Results are reported and discussed in Section 5, while Section 6 concludes.

2. Literature review

Gender sensitivity in job satisfaction and the role of children in influencing job satisfaction among employed females in Australia

Given gender differences in the workplace, one cannot assume that results from earlier research on labour markets (largely focused on males) can be extrapolated to female workers as well. The question of bifurcated outcomes does arise. Indeed, the rise in female labour force participation has led to a body of research investigating gender differences in job satisfaction. Most studies (cf. Blanchflower and Oswald, 1999; Clark, 1997; Groot and Maassen van den Brink, 1999; Kaiser, 2002; Kifle et al., 2014a,b; Long, 2005; Sloane and Williams, 2000) find satisfaction with various aspects of work to be higher

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