Undoubtedly, much of Indonesia’s remarkable development success is attributable to its far‐sighted investment in education. Schooling is now compulsory through to the end of junior high school and education levels have risen rapidly. Nowhere should this be more evident than in Greater Jakarta, the economic hub of Indonesia.

The 2010 Greater Jakarta Transition to Adulthood Survey shows that education levels among young people have reached high levels. Almost 70 percent of the sample aged 20-34 years had completed or will soon complete senior high school. Twenty-eight percent have or will soon have post-secondary school qualifications.

Overall, women in the sample were less educated than men but this can be traced back to the higher percentage of women than men not progressing beyond primary school. Women and men who continued to junior high school were equally likely to obtain tertiary qualifications. The introduction of compulsory junior high school education has ended women’s educational disadvantage and increasingly they have an advantage over men.

The 2010 Greater Jakarta Transition to Adulthood Survey allows an investigation into the extent of underemployment among young people who had completed senior high school or who had obtained tertiary qualifications. This is the focus of this policy brief.

Post-schooling education and training

The survey found remarkably little underemployment among those with post-secondary school training. Among 478 employed persons with post-school qualifications, 86 percent were employed in the top four broad occupation classifications: Military, Legislative and Senior Government Officials; Professionals and Managers; Technicians and Para-Professionals; and Administrative and Support Services Staff. An investigation of the remaining 14 percent indicated that very few could definitely be considered as working in low level occupations that would constitute underemployment.

This very favourable result relates to the considerable absorptive power of business and commerce in Greater Jakarta. Almost half (47%) of those with post-school qualifications had degrees or certificates in business, management, accounting, tax, banking, administration or secretarial skills. Almost all worked in commerce and business.
Table 1. Highest education level* by sex for persons aged 20-34 in Greater Jakarta, 2010

<table>
<thead>
<tr>
<th>Education Level</th>
<th>Males</th>
<th>Females</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary or less</td>
<td>8.6</td>
<td>16.7</td>
<td>13.5</td>
</tr>
<tr>
<td>Junior high school</td>
<td>15.1</td>
<td>18.5</td>
<td>17.1</td>
</tr>
<tr>
<td>Senior high school</td>
<td>46.3</td>
<td>37.9</td>
<td>41.4</td>
</tr>
<tr>
<td>Certificate</td>
<td>9.6</td>
<td>10.2</td>
<td>10.0</td>
</tr>
<tr>
<td>University degree</td>
<td>20.2</td>
<td>16.7</td>
<td>18.1</td>
</tr>
<tr>
<td>Total %</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total N</td>
<td>1,245</td>
<td>1,756</td>
<td>3,001</td>
</tr>
</tbody>
</table>

Source: The 2010 Greater Jakarta Transition to Adulthood Survey
Note: * Including already completed education, or education level to be completed after finishing current studies.

With the exception of those with health and education qualifications, those qualifying with other tertiary skills were largely employed in business and commerce. This includes those who had graduated in science and engineering, information technology, humanities and languages, communications, media and design, and a high proportion of those with law and psychology qualifications. Those with health and education qualifications worked respectively in the health and education sectors.

While few graduates of science and engineering were working as scientists or engineers, almost all had good positions in business and commerce.

The survey did not examine the nature of the tertiary institution where the respondent had obtained his or her qualification but employment success was so widespread that poorer quality tertiary training seems not to be a major issue at least from the perspective of employment outcomes.

**Senior high school graduates**

The story was very different for the very large number of senior high school graduates who had not continued to tertiary studies. Only 35 percent worked in the top occupation classes (0-4) but 32 percent worked in the bottom four classes (6-9).

There was a large gender difference in this result. Among those who had completed senior high school but had no tertiary qualifications, 38 percent of men and 22 percent of women were working in the bottom four occupational classes. Twenty-five percent of men in this category and 13 percent of women were working in the bottom two occupational classes, which are essentially unskilled jobs. The gender difference derived from the fact that many female senior high school graduates with no further training were absorbed by the retail sector (included in Class 5).

**Having senior high school qualifications but working in unskilled jobs**

Senior high school graduates with no tertiary skills in the bottom two occupational classes were working as: machine operators, drivers, ojek, messengers, couriers, office boys/girls, street sellers, parking attendants, cleaners, labourers in construction or in factories, and household servants. While it is clearly better to be employed than unemployed, workers in these types of jobs are at a higher risk of unemployment and generally have low life-time career prospects.

Given the strength of Jakarta’s economy, the story is not all bad in that the incomes of those working in these low level occupations were not excessively low. Among senior high school graduates with no tertiary qualifications, those in occupation classes 0-7 had a mean monthly income of Rp. 1.5 million compared to Rp 1.3 million for those in classes 8 and 9. However, the average hourly wage rates were much lower for those in occupation classes 8 and 9 (Rp. 6,700 for men and Rp. 5,300 for women) than for those in classes 0-7 (Rp. 9,900 for men and Rp. 7,500 for women). More of a concern was that the level of variation of incomes was much wider for those employed in classes 8-9 than for those in classes 0-7 meaning that many in classes 8-9 had very low incomes and very long hours of work.

The survey also found that underemployment in the lowest occupation classes was significantly
higher for those that had completed their schooling before 2000. This is a positive finding in that underemployment for this group seems to becoming less severe for more recent graduates. Nevertheless, it remains an issue for many who have ended their schooling more recently.

Underemployed senior high school graduates came largely from poor families or families in which the parents had low education (junior high school or less). Evidently, they had not continued to tertiary education because they could not afford to do so.

In summary, the concern in relation to underemployment among young senior high school graduates is less a matter of their immediate income circumstances but more a matter of their life-time prospects and their vulnerability to changes in the economic cycle. There is also a concern that the financial status of parents leads to inequity in employment outcomes in the next generation.

### Policy discussion

Based on the stark contrast in employment outcomes for those who complete a tertiary qualification and those who complete senior high school but have no tertiary qualifications, there seems to be a need to promote and support further tertiary training for senior high school graduates, especially those from poorer economic backgrounds.

The opportunities for employment in Greater Jakarta are in business and commerce, education and health. The opportunities for senior high school graduates who at present are not continuing to tertiary education are likely to be better for those obtaining certificate training that is vocationally oriented such as business, IT, communications, health and education courses. The policy issue is how participation in these courses can be stimulated among senior high school graduates who would otherwise not continue to tertiary training.

The results also point to the need for adult education for underemployed persons over the age of 30. How might this best be achieved?

<table>
<thead>
<tr>
<th>Occupation class</th>
<th>Males (%)</th>
<th>Females (%)</th>
<th>Total (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-4*</td>
<td>33</td>
<td>39</td>
<td>35</td>
</tr>
<tr>
<td>5**</td>
<td>29</td>
<td>39</td>
<td>33</td>
</tr>
<tr>
<td>6-9***</td>
<td>38</td>
<td>22</td>
<td>32</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>N</td>
<td>502</td>
<td>325</td>
<td>827</td>
</tr>
</tbody>
</table>

Source: The 2010 Greater Jakarta Transition to Adulthood Survey

NOTE:
* Military, Legislative and Senior Government Officials; Professionals and Managers; Technicians and Para-Professionals; and Administrative and Support Services Staff.
** Business and Sales Workers.
*** Workers in Agriculture and Animal Husbandry, Production Process Workers, Machine Operators and Assemblers, and Other Elementary Occupations.

This being an urban sample almost no one was working in Class 6: Workers in Agriculture and Animal Husbandry.
Research Team:

Australian Demographic and Social Research Institute-Australian National University (ADSRI-ANU):
• Dr. Iwu Dwisetyani Utomo (Principal Investigator I)
• Prof. Peter McDonald (Principal Investigator II)
• Prof. Terence Hull (Principal Investigator III)
• Anna Reimondos
• Dr. Ariane Utomo

Centre for Health Research-University of Indonesia:
• Dr. Sabarinah Prasetyo
• Prof. Budi Utomo
• Heru Suparno
• Dadun
• Yelda Fitria

Asian Research Institute-National University of Singapore (ARI-NUS):
• Prof. Gavin Jones

Correspondence: Peter.McDonald@anu.edu.au or Iwu.Utomo@anu.edu.au

The 2010 Greater Jakarta Transition to Adulthood Survey Description:

This study on transition to adulthood is being conducted in Jakarta, Bekasi and Tanggerang. This study is the first comprehensive survey on transition to adulthood conducted in Indonesia. The study is funded by the Australian Research Council, WHO, ADSRI-ANU and the ARI-NUS. The sampling involved a two-stage cluster sample using the probability proportional to size (PPS) method. In the first stage, 60 Kelurahan (District) were selected using PPS. In the second stage, five counties (Rukun Tetangga) were chosen within each selected Kelurahan by systematic random sampling. The 300 selected RT were then censused and mapped. The census collected information on the age, sex, marital status and relationship to head of household of all household members. From the census, a listing of all eligible respondents (aged 20-34) living in the Rukun Tetangga was compiled. Eleven eligible persons were then selected by simple random sampling from the eligible county population. This resulted in a sample of 3,006 young adults.

Two survey instruments were employed. The first questionnaire administered by a trained interviewer covered all demographic aspects of the respondents, including their parents and spouse (if the respondent is married): education, work and migration histories; income and economic status; working conditions; living arrangements, relationships and marriage; number of children, family planning practices and abortion; physical-mental health related issues and happiness; smoking and drinking; religiosity and affiliation to religious and or political organizations; gender norms, values of children and world views. The second self-administered questionnaire covered issues relating to sexual practices and behaviour, safe sex practices, STDs/HIV/AIDS knowledge, access to reproductive health services, and drug use. After completion, the respondent sealed this questionnaire in an envelope before returning it to the interviewer. The study also includes 100 in-depth interviews with randomly selected respondents from the survey.

This study will produce a series of policy briefs and if funding is made possible will be continued as a longitudinal panel study following the livelihood, demographic and career aspects of the respondents over 10 years. The same respondents will be interviewed once every three years.

Acknowledgement: This policy brief is made possible by funding from the Australian Research Council, ADSRI-ANU, Ford Foundation, WHO, National University of Singapore, and Indonesian National Planning Board-BAPPENAS.