



Benefits of Educational Attainment

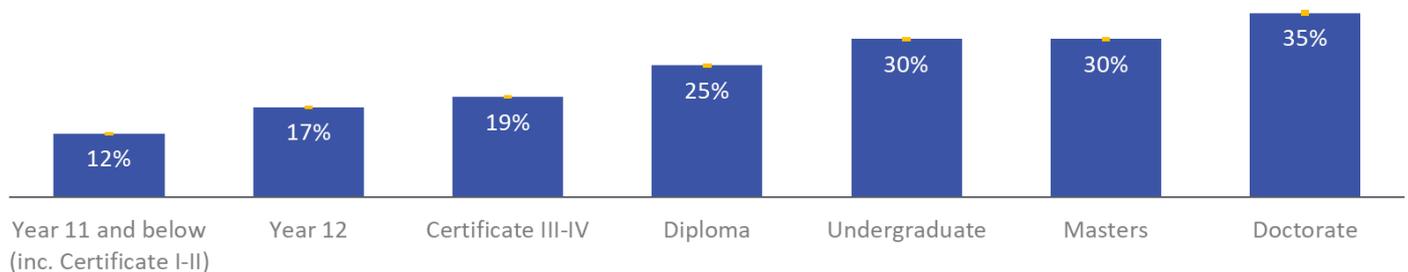
Voluntary work and donations

Higher educational attainment is associated with a higher prevalence of charitable behaviour such as voluntary work and making charitable gifts or donations.

Voluntary work

Voluntary work is valuable to the economy, increases community participation and is linked to greater life satisfaction.¹ Approximately 3.6 million Australians (or 19 per cent of the population) volunteer annually.² Multi-Agency Data Integration Project data from 2016 shows that the prevalence of undertaking voluntary work significantly increases with higher educational attainment (Figure 1). This finding is consistent with earlier social survey results³ and holds after controlling for a wide range of potential confounding factors such as age, income, employment, gender, family composition, country of birth, and where people live (see Data and Methodology).

Figure 1. Proportion of 30-64 year olds who did voluntary work for an organisation in the last 12 months, by highest level of educational attainment, 2016.



Source: Multi-Agency Data Integration Project 2016

Notes: Data filtered by age (30-64), not studying who resided in Australia on Census night 2016 and had a known level of educational attainment. Post-matching logit likelihood ratio results show educational attainment is associated with voluntary work ($\chi^2 = 21,156$, $p < 0.001$, $N = 616,920$). All groups were significantly different, post-matching (Tukey-adjusted pairwise comparisons).

Donations

Charitable donations can have a positive impact on disadvantaged communities, whilst also being positively linked to greater psychological wellbeing for the donor.⁴ Australians claimed a total of \$2.8 billion in tax deductions for charitable gifts or donations during the 2015-16 financial year.⁵

¹ Key facts and statistics about volunteering in Australia (2015) [Volunteering Australia](#), Accessed 12/06/2019.

² Australian Bureau of Statistics (2018) [Census quick stats output](#), Accessed 12/06/2019

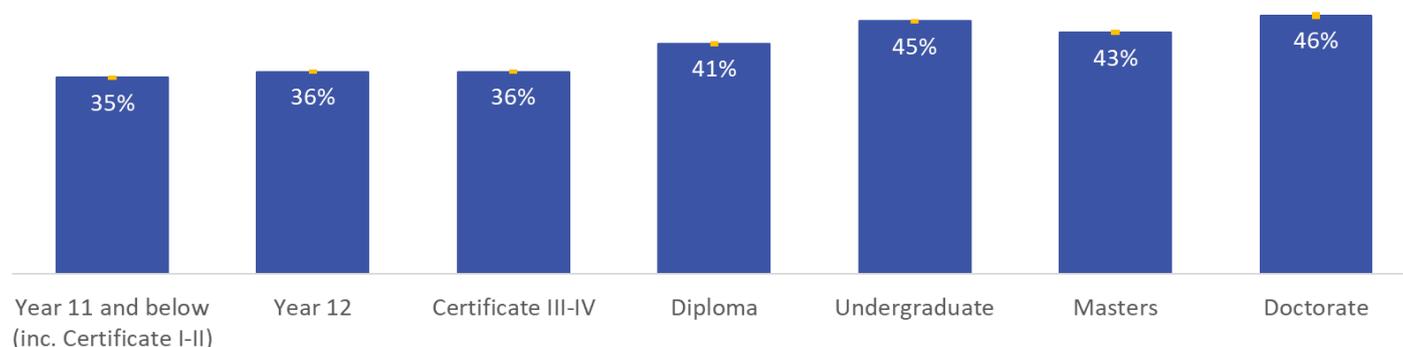
³ Australian Bureau of Statistics (2012) [Voluntary Work, Australia, 2010](#), Cat. No. 4441.0

⁴ Choi NG & Kim J (2011) The effect of time volunteering and charitable donations in later life on psychological wellbeing. *Ageing & Society* 31(4): 590-610.

⁵ Australian Taxation Office (2018) [2015-16 Tax Stats release](#); Accessed 12/06/2019

Using MADIP data from 2016, we found a positive relationship between the likelihood of claiming tax-deductions for gifts or donations with increasing educational attainment (Figure 2). For individuals that claimed a gift or donation, the median value of donations also increased with educational attainment (Figure 3). These trends hold even after controlling for a range of confounding variables such as family type or income.

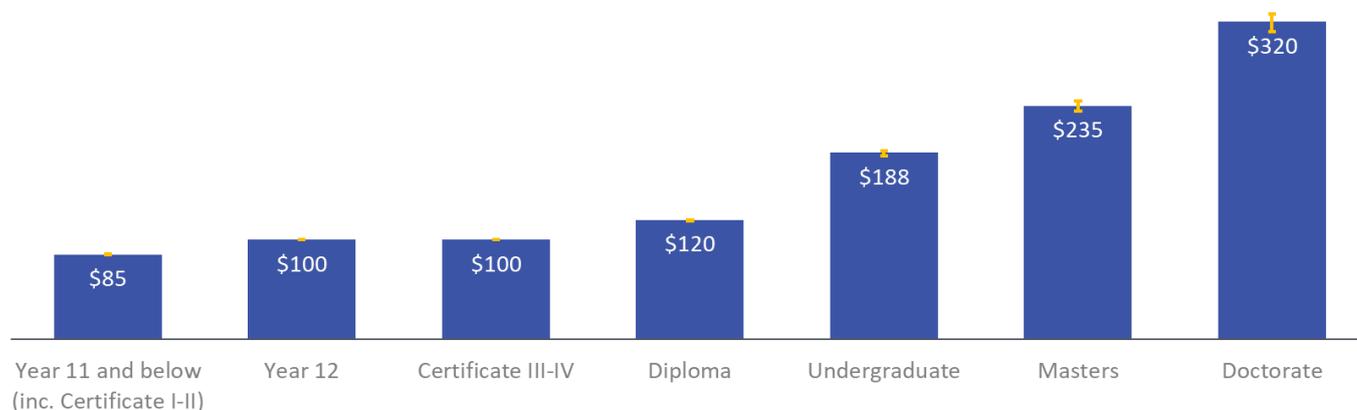
Figure 2. Proportion of 30-64 year olds who made a tax deductible donation, by highest level of educational attainment, 2015-16.



Source: Multi-Agency Data Integration Project 2016.

Notes: Data filtered by age (30-64), not studying who resided in Australia on Census night 2016, had a known level of educational attainment, and submitted a Personal Income Tax Return in 2015-16. Post-matching logit likelihood ratio results show educational attainment is associated with claiming a donation ($\chi^2 = 298.2$, $p < 0.001$, $N = 261,576$).

Figure 3. Median total annual gifts or donations amount for 30-64 year olds who claimed a donation, by highest level of educational attainment, 2015-16.



Source: Multi-Agency Data Integration Project 2016.

Notes: Data filtered to those aged 30-64, not studying who resided in Australia on Census night 2016 with a known level of educational attainment, submitted a Personal Income Tax Return in 2015-16, and claimed any donation. Post-matching logarithmic ANOVA results show educational attainment is positively associated with donation amount ($F = 144$, $p < 0.001$, $N = 46,175$).

Data and Methodology

The analysis in this paper used linked records from the MADIP Basic Longitudinal Extract 2011-2016 (2016 Cohort) (Cat. No. 1700.0, Microdata: Multi-Agency Data Integration Project, Australia) where persons were aged 30 to 64 years (inclusive), resided in Australia on Census night (excluding overseas visitors) and were not currently studying. To control for confounding factors, randomised control trials were simulated by finding groups of statistically identical people across the following covariates: personal income, labour force status, age, gender, indigenous status, remoteness by state/territory, English-speaking country of birth and family type (coupled or single person with or without dependent children). This method provides the strongest possible evidence of cause and effect in cross-sectional data.

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