Employment in New Caledonia: How to Explain Ethnic and Gender Disparity?

Samuel Gorohouna, University of New Caledonia
Catherine Ris, University of New Caledonia

Abstract:

New Caledonia, the largest French Territory in the South Pacific, enjoys a high level of standard of living but is marked by huge social inequalities as a result of geographic and ethnic origin. In response to these inequalities, the government introduced policies intended to reduce the gap between ethnic groups in the early 1990s. Despite its importance in political discourse, the disparity issue has never been accompanied by precise measures of the current situation. This study highlights the differences in school achievement and labour market outcomes between Kanak (indigenous people) and non-Kanak as well as between male and female. Using data from the four most recent censuses (1989, 1996, 2004 and 2009), we show that though dramatic progress has been made in the area of school achievement, employment rates still differ widely across genders and ethnic groups. We decompose the gap in labour market attachment between genders and ethnic groups using the Blinder–Oaxaca decomposition for non-linear regression models. Broadly summarizing, differences are generally greater between men and women than between ethnic groups. Between 1996 and 2009, estimates show bigger improvement in labour market outcomes for women than for men. Ethnicity also seems to play a stronger role for men than for women in access to employment.