



ANNUAL REPORT 2020

MELBOURNE INSTITUTE:
Applied Economic & Social Research



ABOUT US

The Melbourne Institute is Australia's pre-eminent economic and social policy research institution. It undertakes high quality, independent and impartial applied research, and contributes to the development of public policy in Australia.

ACKNOWLEDGEMENTS

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CONTENTS

Message from the Director	4
01 Coping with COVID-19.....	5
02 Reports and publications.....	7
03 Advancing the importance of data.....	15
04 Engaging through a virtual environment.....	18
05 Major funding achievements in 2020.....	20
06 Promotions, awards and accolades.....	24
07 Training the next generation of policy analysts.....	28
08 Welcoming new staff.....	31
09 Program area reports.....	33
10 Appendices.....	38





Message from the Director

Professor A. Abigail Payne

Director and Ronald Henderson Professor
Melbourne Institute: Applied Economic & Social Research

Around the world, COVID-19 caused great challenges. From March 2020 and into 2021, the entirety of the Melbourne Institute staff moved to a remote working environment. Adaptation involved adjusting to a virtual team environment but also delivering a range of lectures and colloquia via zoom, being a part of critical committees inside and outside of the government that were trying to understand and confront the challenges of the pandemic, modifying the delivery of the **HILDA Survey**, and making hard decisions such as delaying the planned 2020 Economic and Social Outlook Conference to 2021 or 2022.

On top of the challenges of working from home, the university underwent substantial change that impacted the Melbourne Institute's finances and staffing structure. While we have tightened our belts and undertaken a range of activities that resulted in change and adaptation, I am proud to report that 2020 was a year of growth for the Melbourne Institute.

With change, however, comes new insights and opportunities. Throughout this annual report, you will read about the many new activities we have taken on and the Melbourne Institute's range of activities that result in promoting innovation in the economic and policy space. Of our many new achievements in 2020, the most notable for me are (in no particular order):

- Enhancing our "rapid analysis" of current issues through the development of the **Taking the Pulse of the Nation** Survey as well as the expansion of the Melbourne Institute's **Research Insights** publication series.
- The inaugural three issues of the **Breaking Down Barriers** report series. These reports are focused on digging deeper into our understanding of

entrenched and persistent disadvantage in Australia.

- The work we have undertaken to create the Melbourne Institute's Data Lab (in collaboration with our security consultant, Cyconsol), a state-of-the-art high security facility to enable the development of shared data environments to permit enhanced and deeper analyses of critical economic and social policy issues in Australia.
- The development of a structured training program for our Foundation Fellows, recent graduates of bachelor's and master's programs interested in learning the ropes of data cleaning, analysis, and report writing before either embarking on a PhD or seeking a position tied to policy analysis.
- Our emerging work to better understand economic and social issues faced by Aboriginal and Torres Strait Islander peoples.

I also remain proud of the strength of our existing work and the continued delivery on quality products such as our **HILDA Survey** Data and the **HILDA Annual Statistical Report**, the path-breaking research and engagement associated with our NHMRC health partnerships and ARC Life Course Centre of Excellence, our longstanding delivery of our macroeconomic and microeconomic indicators, and the range of collaborations and projects with state and commonwealth governments.

Please enjoy reading this report. I trust that you too will be impressed with all we have achieved in 2020.

Professor A. Abigail Payne

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01

COPING WITH COVID-19

Our engagement with Australia, and understanding how we are navigating through the social and economic consequences of the pandemic





adapted and the issues that need resolving given the impacts of the pandemic and the resulting recession.

We finished 2020 with the production of an end of year report, **Coping with COVID-19: Rethinking Australia**, which contained a compendium of ten insights into how COVID-19 has affected Australia and the implications of these effects for 2021.

Most notably, the **TTPN** reports, insights, and tracker quickly became popular. By the end of 2021, the **TTPN** webpage was the most visited Melbourne Institute webpage in 2020.

Early on we realised that it would be years before the **HILDA** Survey could help us to understand the impact of COVID-19 on households in Australia. We also knew that other data sources, such as our Consumer Sentiment Survey and ABS data, could only provide a snapshot of the impact of COVID-19 on Australia. We suspected that many Australians were being significantly impacted by COVID-19, but because of the nature of our existing methods of collecting data, we had no way to know in real time what these impacts were. A team of senior researchers quickly went into action: Abigail Payne, Guay Lim, Mark Wooden, Anthony Scott, Marco Castillo and Ragan Petrie developed an agile but short survey that would capture a range of economic and social indicators, now known as **Taking the Pulse of the Nation (TTPN)**. Throughout the year, we surveyed a representative sample of Australians on matters such as financial stress, satisfaction with government policy, mental distress, employment, social distancing, health care usage and a range of other issues.

The data from the **TTPN** have been used to develop an interactive reporting of the survey responses and have resulted in a series of reports, insights and commentaries that reflect how Australians have

THE SIGNIFICANCE OF *TTPN* TO AUSTRALIAN RESEARCH

The *TTPN* demonstrates the importance of collecting and using data to inform Australian economic and social policy. It enhances the importance of the Melbourne Institute and the university, more broadly, in playing an engagement role that is timely and informative. *TTPN* has quickly become one of the many MI engagement products that permits rich insights on issues facing Australians today. **HILDA** provides the critical long-term insights of how households react and adapt to personal and social change. *TTPN* provides the snapshot of Australian behaviour and perspectives at the time events are happening.





02

REPORTS AND PUBLICATIONS

2020 was an incredibly productive year for the Institute, with our academic and research staff proving once again that they are at the cutting-edge of global economic and social policy research. There were many high-quality publications published during 2020.

Tackling Disadvantage: Breaking Down Barriers and creating environments for sharing data resources

The Melbourne Institute has a long-standing history of analysing and informing policy and practice on matters affecting poverty and disadvantage. In 2019, we started a new chapter on our journey to support the elimination of poverty by working on a series of ad hoc reports that demonstrate the depth of what we can learn about disadvantage through quantitative analysis. These analyses resulted in the subsequent launch of the **Breaking Down Barriers** report series.

Breaking Down Barriers

We released three [Breaking Down Barriers](#) reports which explored three dimensions of poverty. In [Report 1](#), authors Professor Roger Wilkins and Dr Esperanza Vera-Toscano explore the relationship between living in poverty as a child and the probability of experiencing poverty as a young adult. They find a strong correlation which is linked to lower

levels of educational attainment and poorer labour market outcomes.

In [Report 2](#), authors Professor A. Abigail Payne and Dr Rajeev Samarage illustrate that poverty is not a one-dimensional statistic in Australia. Poverty rates vary substantially across communities, across household types, age and educational attainment. Additionally, over a 10-year period (2006 to 2016) there has been little improvement in poverty rates for Australia.

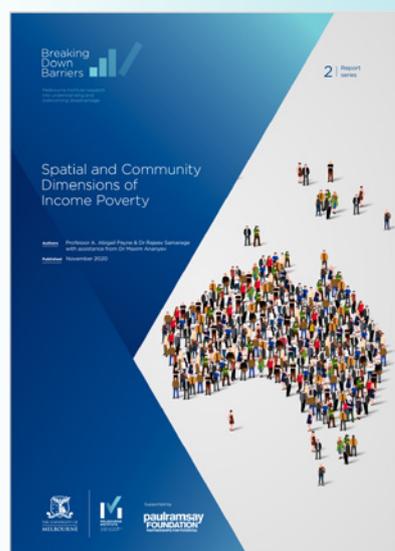
In [Report 3](#), authors Dr Maxim Ananyev, Professor A. Abigail Payne and Dr Rajeev Samarage dig into poverty at an individual level and demonstrate further that many individuals move into and out of poverty over time. Only a small proportion of those in poverty are observed consistently in poverty over a 10-year period. Employment, age and educational attainment all play an important role in the cyclical nature of moving into and out of poverty.



Does poverty in childhood beget poverty in adulthood in Australia?

By Dr Esperanza Vera-Toscano and Professor Roger Wilkins

We present new evidence demonstrating that a predictor of disadvantage as a young adult is the length of time children live in households experiencing income-based disadvantage. The report explores the extent and structure of this form of intergenerational transmission of disadvantage, and especially entrenched income-based poverty, in Australia.



Spatial and Community Dimensions of Income Poverty

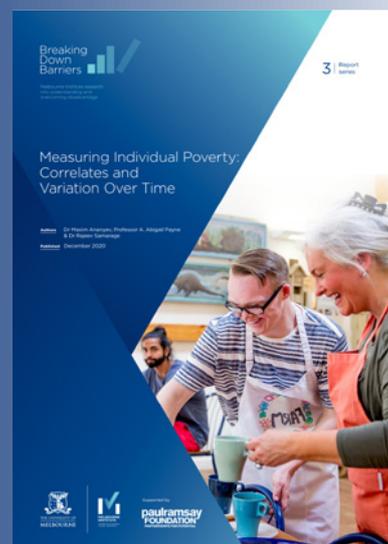
By Professor A. Abigail Payne and Dr Rajeev Samarage

We capture the dynamic state of poverty across communities in Australia between 2006 and 2016. We also explore where and at what rate communities across Australia are experiencing entrenched income-based poverty, and which communities are breaking these cycles.

Measuring Individual Poverty: Correlates and Variation Over Time

By Dr Maxim Anyanayev, Professor A. Abigail Payne and Dr Rajeev Samarage

We capture family income and socio-demographic measures at an individual level over a 15-year period and shed light onto the poverty experienced within households over this time period. We explore who is likely to experience income-based poverty in any single year, who is more likely to move into or out of poverty over the sample period and who is at greatest risk of experiencing poverty over multiple years and cycles. Analysis of the data advances our ability to identify and map the complexity of cycles of disadvantage and make them visible in ways that will help us to improve practice and policy to address poverty in Australia.



HILDA Survey and Statistical Report: continued delivery even through a pandemic

The COVID-19 pandemic posed a significant challenge for the **HILDA Survey** in 2020, not least because it meant that we could no longer rely on the face-to-face data collection method that had been central to the first 19 waves of the study. Wave 20 saw major changes to the **HILDA Survey**, all of which had to be implemented within a very short time frame, and without the benefit of any in-field testing. We devised a new approach strategy centred on the use of telephone interviews, designing and implementing an online version of the self-completion questionnaire

and revising the survey instruments to include new questions that measure the impact of the pandemic on economic and social life in Australia.

Despite the major disruption and the rushed nature of the changes, early indications are that the study has not been adversely affected. Re-interview rates are projected to be lower than in past years, but still more than 94 per cent, while the return rate for the **Self Completion Questionnaire (SCQ)** is expected to be somewhere in the vicinity of 92 per cent (which is incredibly high given the shift to reliance on online administration).

In addition, 2020 saw the release of the 15th **HILDA Statistical Report** which covered findings from Waves 1 to 18 of the **HILDA Survey** (2001 to 2018). The report explores ten topics:

1	Households and family life	6	Household wealth
2	Economic wellbeing	7	The economic wellbeing of retirees
3	Intergenerational transmission of income poverty	8	Pet ownership
4	Weekend work	9	Religious beliefs and practices
5	Subjective wellbeing	10	Labour market

The report also contains articles on changes in key aspects of life in Australia, as well as information on other findings from the years covered.



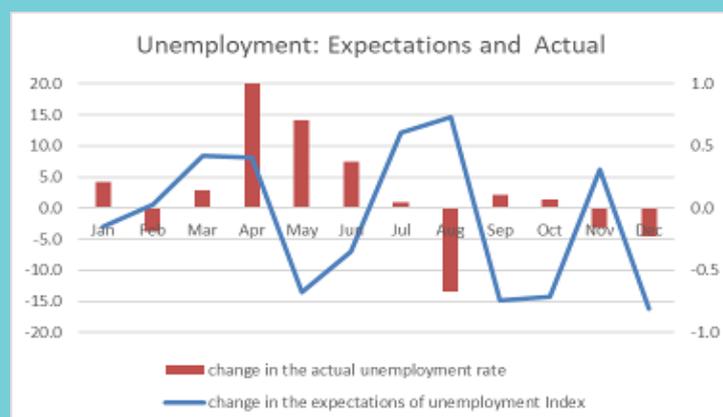
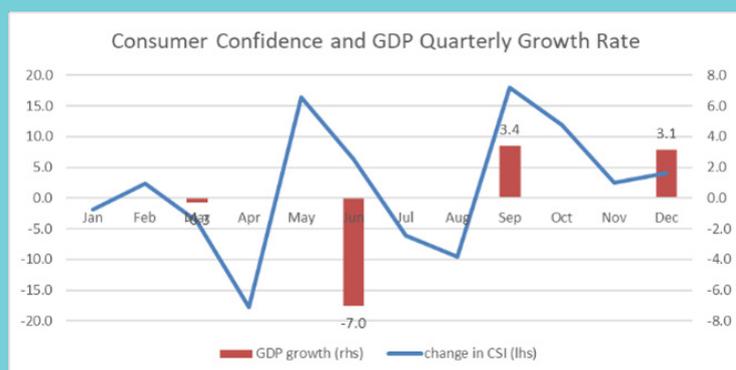
Understanding the macroeconomy

The coronavirus pandemic was a huge health shock, and measures like masks and social distancing to contain the spread of the infection had enormous negative economic and financial impacts on households. While economic losses were to some extent mitigated by macroeconomic policies from both the fiscal and monetary arms of government, Australians watched anxiously to see when the economic and financial health of Australians would return to normal.

The Melbourne Institute is the home of the longstanding **Survey about Consumer Attitudes, Sentiments and Expectations in Australia (CASIÉ)**, the source of various Indicators that serve as timely signals of the state of the economy. In April 2020, the **Consumer Sentiment Index (CSI)** plummeted by a massive 17.7 per cent and the **Expectations of Unemployment Index (EUI)** rose by 8.1 per cent. However, by May and June 2020, consumer confidence had rebounded and expectations of unemployment had fallen, signalling that growth

and jobs have recovered, to some extent, from the shock. The positive signal of recovery in the Australian economy was confirmed by official statistics in December 2020 (the September quarter GDP grew by a strong 3.4 per cent) and in March 2021 (the December quarter GDP was 3.1 per cent). Figures show how changes in the CSI led changes in the quarterly growth in GDP, and how changes in the EUI led changes in the actual unemployment rate.

But as the Macro researchers note in their article **The Australian Economy in 2020-21: The COVID-19 Pandemic and Prospects for Economic Recovery** (an article published in the **Australian Economic Review**, March 2021), several challenges remain. Australian borders are likely to remain shut well into 2021, and challenging conditions for the tourism and higher education sectors remain. While consumption will rebound, its growth is likely to be hampered by lacklustre growth in real wages. Furthermore, the economy was weak pre-pandemic with weak productivity growth, and it will likely remain weak, without policy reforms to lift the economy out of its low growth, low inflation and low interest rate environment.



Australian Economic Review

The **Australian Economic Review** is a longstanding quarterly peer-reviewed applied economics journal. Our managing editor, Professor Ross Williams, continues to run a tight ship. He is assisted by his editorial team that consists of Professor Ian McDonald and Associate Professor Nicolas Herault. Associate Professor Sam Tsiaplias and Dr Barbara Broadway are Policy Forum Editors, with Professor John de New as Data Survey Editor and Associate Professor Jenny Lye as For the Student Editor. The **Australian Economic Review** was downloaded 112,568 times over the course of 2020 (an increase of 12.8 per cent percent from 2019), and 60 per cent of downloads came from outside Australia.

Many **Australian Economic Review** articles dealt with the economic changes caused by Covid-19 and the responses by the Federal and State governments. Jeff Borland and Andrew Charlton (September issue) detailed the quite remarkable swings in the labour market. The large Federal government deficit (December issue) was supported by Chris Edmond, Richard Holden and Bruce Preston but they prudently suggested that the government should lock in the low interest rates through the issue of 30-year bonds. Bill Mitchell (December issue), the originator of the term Modern Monetary Theory, argued that large deficits should continue until the economy reaches full capacity.

Asset prices were the subject of two articles in the March issue. Chris Wokker and John Swieringa from the Treasury concluded that foreign demand had a positive effect on property prices in Sydney and Melbourne, but it was quantitatively small. Low interest rates raise asset prices, but to what extent do asset prices affect household consumption? This question was examined in a Reserve Bank study by Diego May, Gabriela Nodari and Daniel Rees. They found that an increase in housing wealth of 1 per cent increases consumption by about 0.16 per cent.

The **Australian Economic Review** is particularly noted for publishing microeconomic studies. In the June issue, Tue Gørgens, Chris Ryan and Guochang Zhao investigated changes in private school enrolments in Australia since 1975. Growth occurred across all income levels but has been greatest in low-fee schools. However, much of the movement is not explained by changes in incomes or types of households.



112,568
downloads
(that's 13% higher than 2019)

60% of
readers
were
overseas

Expansion of Research Insights

During 2019 we launched our Research Insights publication series to provide an in-depth but brief analysis of an economic or social policy issue. In 2020, we produced 32 Research Insights, representing a big expansion of this publication series.

Research Insights

Using TTPN data

1



Finance and spending

2



Health and wellbeing

3



COVID-19 responses and recovery

4



Jobs and the economy

Who is ditching private health insurance during the pandemic?

&

Using health care during the pandemic: should I stay or should I go?

&

Who is avoiding necessary health care during the COVID-19 pandemic?

Yuting Zhang, Judith Liu, Anthony Scott

Changes in spending during the COVID-19 pandemic

Federico Zillo

Does location help explain why some people are vulnerable to financial stress?

Guay Lim, Viet Nguyen, Tim Robinson, Sam Tsiaplias

Will isolation and social distancing make us less generous?

A. Abigail Payne

How to reduce household financial stress during COVID-19?

Sam Tsiaplias

How does your view of government affect your willingness to be vaccinated against COVID-19?

Marco Castillo, Ragan Petrie

Mental distress in Australia over the course of the first wave of the COVID-19 pandemic

Ferdi Botha, Peter Butterworth, Roger Wilkins

Behind closed doors: the surge in mental distress of parents

Barbara Broadway, Susan Méndez, Julie Moschion

Is it time to mask the problem?

Susan Wieczkiewicz

How to protect mental health through the COVID-19 crisis?

Barbara Broadway, Susan Méndez, Julie Moschion

Is COVID-19 opening the fault lines in our healthcare system?

Anthony Scott, Jeffrey Braithwaite

Is there a clear pathway out of the pandemic? Australians disagree

&

Is the collective action of social distancing the new normal?

&

How are Australians returning to the new normal, and staying safe, as restrictions ease during the COVID-19 pandemic?

Marco Castillo, Ragan Petrie

How can technology help prevent a second wave of COVID-19?

Yuting Zhang

Who's hit hardest by the economic effects of COVID-19?

Roger Wilkins

The ups and downs of the COVID-19 crisis: A gender divide?

Guyonne Kalb, Mael Guillou, Jordy Meekes

Jobless and distressed: the disproportionate effects of COVID-19 on young Australians

Jan Kabátek

Will the better-than-average effect help put us on the path to economic recovery?

John P. de New

Did JobSeeker and JobKeeper achieve its aims?

Nicolas Hérault, Jan Kabátek, Guyonne Kalb, Jordy Meekes, Mael Guillou

Melbourne Institute Working Papers

The Melbourne Institute Working Papers Series presents the results of research projects undertaken by our academic staff. Our working papers are also published on the Social Science Research Network's Economics Research Network to make current research easily accessible internationally. We produced 30 working papers in 2020 an increase of more than 40 per cent over 2019. The topics studied in the working papers covered:

- Work on financial wellbeing
- Household resource allocation
- Labour supply issues during COVID-19
- Understanding work-family conflicts
- Financial sector bailouts and sovereign risk shocks
- Peer effects
- Growth (or lack of) of private hospitals
- The effect of job search on welfare receipts
- Nursing home competition
- Parenting
- Wage growth
- Pensions
- Female labour force participation.

ANZ-Melbourne Institute Health Sector Report

We continued our annual series of the ANZ-Melbourne Institute Health Sector Report. This year's report made use of our MABEL (Medicine in Australia: Balancing Employment and Life) survey that was supplemented with a special COVID-19 Online Survey to present evidence and insights on how doctors and frontline workers responded to the pandemic. The report highlighted the variation in workloads of general practitioners during the pandemic, the role of telehealth, and other matters that changed for health professionals such as income and financial stress.

Leading academic publications in 2020

In 2020, The Melbourne Institute contributed approximately 110 articles to peer-reviewed academic journals. Listed below are the articles that were published in A* ranked journals:

TITLE	JOURNAL	AUTHORS
Parents' demand for sugar sweetened beverages for their pre-school children: evidence from a stated-preference experiment	American Journal of Agricultural Economics	Yang O; Sivey P; de Silva AM; Scott A
The economic effects of Facebook	Experimental Economics	Mosquera R; Odunowo M; McNamara T; Guo X; Petrie R
Room composition effects on risk taking by gender	Experimental Economics	Castillo M; Leo G; Petrie R.
The effects of unexpected changes in demand on the performance of emergency departments	Health Economics	Turner AJ; Anselmi L; Lau YS; Sutton M
Happy birthday, you're fired! Effects of an age-dependent minimum wage on youth employment flows in the Netherlands	Industrial Labor Relations Review	Kabatek J
Cream skimming: theory and evidence from hospital transfers and capacity utilisation	Journal of Economic Behavior and Organization	Yang O; Chan MK; Cheng TC; Yong J
Locus of control and investment in risky assets	Journal of Economic Behavior and Organization	Salamanca Acosta N; de Grip A; Fouarge D; Montizaan R
Time-varying consumer disagreement and future inflation	Journal of Economic Dynamics and Control	Tsiaplias S
Are Professors worth it? The value-added and costs of tutorial instructors	Journal of Human Resources	Salamanca Acosta N; Zölitz U; Feld J
Depression, risk preferences and risk-taking behavior	Journal of Human Resources	Cobb-Clark DA; Dahmann SC; Kettlewell N
Foreign exchange reserves as a tool for capital account management	Journal of Monetary Economics	Davis JS; Fujiwara I; Huang KXD; Wang J
Monetary policy shocks from the consumer perspective	Journal of Monetary Economics	Claus E; Nguyen VH
Adjustment cost and incentives to work: evidence from a disability insurance program	Journal of Public Economics	Zaresani A
The effect of cash transfers on mental health: Opening the black box - a study from South Africa	Social Science & Medicine	Ohrnberger J; Anselmi L; Fichera E; Sutton M

A nighttime cityscape featuring two prominent skyscrapers, likely the Petronas Towers in Kuala Lumpur, Malaysia. The buildings are illuminated with warm yellow lights. The scene is overlaid with numerous vertical lines of varying colors (blue, purple, pink) that extend from the top of the frame down to the city, each ending in a small, glowing circle. The background is a dark blue night sky. The foreground is split into two diagonal sections: a dark blue section on the left and a teal section on the right.

03

ADVANCING THE IMPORTANCE OF DATA

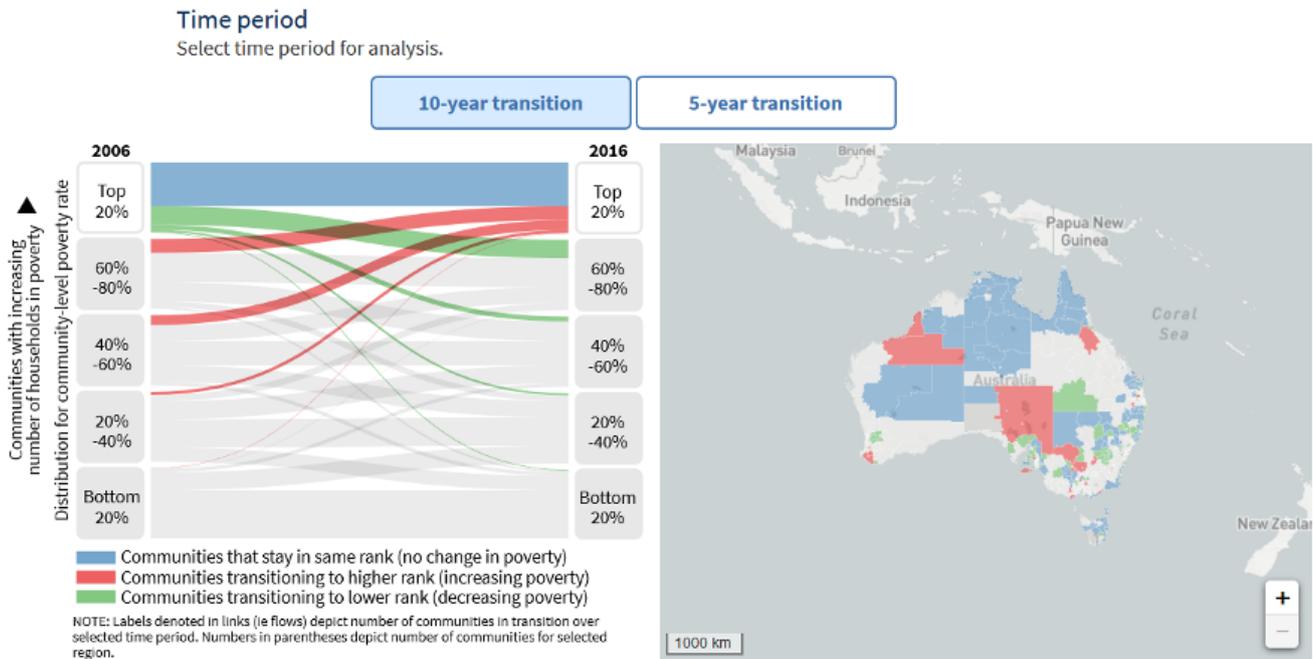
Using data and analysis to understand
economic and social policy



Like most other research institutes, the Melbourne Institute relies heavily on static reports or presentations to engage with the academic and policy community. With the power of data and tools to create interactive and more complex depictions, 2020 marked the addition of enhanced data and analysis by the Melbourne Institute.

First, we enhanced the depiction of analyses through our reports. For example, in our **Breaking Down Barriers** report series we depict the cycles of poverty

of all individuals using what is known as a sankey diagram, a diagram used to visualise and emphasise flows within a system. Moreover, this and other diagrams were placed on our website to allow the user to delve into the figure using their own criteria. In this example, the user can look at a five- or ten-year transition between flows, can focus on flows for a particular part of Australia, and can look at the flows for different poverty rates.



An example of a sankey diagram which appears in a *Breaking Down Barriers* report

Another example of our use of interactive visualisations involved going beyond a specific report to allow one to explore a range of issues using information from a particular data set. Our [Taking the Pulse of the Nation Tracker](#), for example, allows the user to explore the responses to several of the survey questions for different demographic groups. In the tracker, the user can see how Australians' expectations and attitudes towards the COVID-19 pandemic are changing in real-time. The tracker

showcases the full suite of information we have available from the beginning of the Taking the Pulse of the Nation survey, highlighting how Australians are adapting to various changes in Federal and State government policies as the COVID-19 pandemic evolves.

Melbourne Institute Data Lab

Enhancing our capabilities to extend to researchers across Australia, and providing a certified facility meeting Australian Government requirements for Protective Security classification

Continuing a 59-year-strong tradition of the Melbourne Institute using data and insights to inform and evaluate economic and social policy, we are still innovating and strategising on how we can best deliver on our mission. With the continual explosion of new data from which to draw insights, we are at the forefront of promoting using data in a safe and responsible way and enabling stronger collaborations between academics and the policy community. We initiated a further refinement and expansion of our secure data environment to develop the Melbourne Institute Data Lab (MIDL). The MIDL build is underway; the testing and certification of the lab as a facility that meets Australian Government Protective Security status, and the testing to meet the expectations of being an accredited data provider under Australian legislation, will be completed by mid-2021.

MIDL represents the evolution from simply housing data to providing secure environments that house curated survey and administrative data. This will permit a range of researchers and analysts to dig deeper into the issues that affect Australians' economic and social wellbeing. MIDL will allow the development of a range of shared data environments that focus on the data for specific types of issues.





04

ENGAGING THROUGH A VIRTUAL ENVIRONMENT

Staying connected and creating new
networks

Utilising online events and workshops

The beginning of our moving to working remotely and our experiencing lockdown in Melbourne coincided with the final stages of creating our 2020 Economic and Social Outlook Conference (co-organised with **The Australian**). We quickly realised that the 2020 conference would be delayed until it is easier to hold an in-person conference. The theme for all of our engagement activities in 2020 quickly became one of 'how do we engage virtually'. Zoom became our friend. It also launched us into the world of thinking more broadly of how to use both virtual and face-to-face attendance for the range of events we organise to engage with the research and policy community.

We launched our Melbourne Institute Virtual Colloquium series, designed to provide research and analyses to a broad community, and to encourage a discussion of what is or is not working in policy and practice. We delivered 14 colloquia between June and December 2020. Attendance was strong, with attendees representing academic and policy communities. The colloquia covered topics such as:

- COVID-19 and its impact on matters such as employment and the health sector
- The value of using taxfiler data for research
- The positive effects from an early years program targeting children and parents living in extreme disadvantage
- Understanding the pros and cons of non-standard employment arrangements
- The consequences of child marriage in Indonesia.

Additional engagement activities included moderating Professor Ross Garnaut's Reset Seminar Series and continued joint oversight (with Victoria University) of the Melbourne Economic Forum (converted to a virtual environment). Internally we continued our seminar and brown bag series and we developed a flash talk series that allowed students and staff to present snapshots of their ongoing research.

The 12th Annual Health Economics Workshop was delivered to an attendance of over 40 participants. The topics of the 2020 workshop focused on how the health system was coping with the pandemic, socio-economic disparities in the delivery of healthcare and health system sustainability. Presenters included experts from the Department of Economics, The

Nossal Institute, the Melbourne School of Population and Global Health and the Melbourne Institute.

Providing expert insight

Our researchers also participated in many roundtables and ad hoc committees, and engaged with a range of departments and staff employed by the Commonwealth, State and Local Governments. Examples of our engagement include:

- Professors Guyonne Kalb, Guay Lim and Mark Wooden presented at a Treasury Roundtable in October 2020
- Professor Guyonne Kalb provided advice to the National Agricultural Labour Advisory Committee in August 2020, and participated in a roundtable organised by ANU and the Department of Education, Skills and Employment in July 2020
- Associate Professor Nicolas Héroult, Professors Guyonne Kalb and Roger Wilkins presented their views and findings related to household incomes and employment to clients of JP Morgan Chase Bank N.A. in June 2020
- Professor Mark Wooden and Professor A. Abigail Payne participated in a meeting to discuss the Australian labour market outlook and policy issues organised by Treasury in May 2020
- Associate Professor Jongsay Yong has presented his findings on two separate occasions to the staff of the Royal Commission into Aged Care Quality and Safety
- Professor A. Abigail Payne was invited to speak at many media opportunities this year where she spoke to topics as diverse as the gender gap in STEM and incentives for giving and generosity.

A more detailed list of our involvement on advisory boards and panels in Australia and around the world can be found in Appendix A.

Domestic and international academic engagement

Although travel was curtailed, our researchers continued to present at several international conferences, even when this included presenting in the middle of the night! Our researchers also continued to be involved on advisory panels and serve as editors or co-editors on many domestic and international journals. You can read about our international participation in Appendix A and B.



05

MAJOR FUNDING ACHIEVEMENTS IN 2020

New and renewed projects

The Breaking Down Barriers Project

Including the Breaking Down Barriers Shared Data Environment (BDB-SDE)

Our initial tranche of funding from the Paul Ramsay Foundation resulted in the development of the 2020 Breaking Down Barriers report series. These reports reinforced the need for bringing together data from multiple sources and for curating these data to provide a platform for better understanding the complexity of disadvantage in Australia. The Melbourne Institute was awarded a multi-year grant by the Paul Ramsay Foundation to develop an accessible but secure data environment to permit increased analyses and to enable better testing of ideas of how to address disadvantage. In addition, the project will expand the BDB Report Series, will enhance the training of analysts to expand research capabilities, and will increase close engagement between researchers, service providers, policy influencers, and government departments.

We are keen to develop a range of partnerships to enable ongoing support for enabling data access, explore the development of better visualisations, and to provide deeper analyses and evaluations to address the disadvantage that communities in Australia face. Professor A. Abigail Payne leads the Breaking Down Barriers project.

Understanding the Life Course

ARC Centres of Excellence are significant projects that bring together high-quality researchers to conduct rigorous research in areas of national priority. The ARC Centre of Excellence for Children and Families over the Life Course (LCC) is one such centre that has been designed to study critical life points such as early childhood, schooling, employment, marriage, parenthood, divorce or retirement, and to identify those points at which life circumstances have the biggest and most lasting impact—positively and negatively.

The inaugural LCC round of funding (2014-2020) had a major impact in understanding the intergenerational transmission of deep and persistent disadvantage. The second portion of LCC funding (2021-2027) will leverage the foundational knowledge developed

during the first period of funding to pursue three significant, interconnected programs of research and translation: People (individual experiences), Places (community-driven contexts), and Opportunities (external conditions and support systems).

Work has now commenced with Professor Guyonne Kalb as Chief Investigator and the Director of the University of Melbourne Node and Ronald Henderson Professor A. Abigail Payne as a Chief Investigator. Also new to the Melbourne Node is Chief Investigator Professor Brendon Gleeson (Urban Studies).

Improving Australians' health while saving costs

Professor Yuting Zhang was recruited to join the Melbourne Institute in July 2018 to enrich the Health Economics program area. In a short time, Professor Zhang has established herself in the Australian research environment and has created a strong track record in successfully obtaining competitive funding. One example is an ambitious project, **Health insurance design: choices, consumer behaviour and policy challenges**. The four-year project, funded through the ARC Future Fellowship scheme, aims to study choices, consumer behaviours, and policy challenges in two health insurance markets: Australian private health insurance (PHI) and US Medicare prescription drug insurance. Expected outcomes include new evidence needed to develop a new framework for PHI, new knowledge on how consumers respond to complex pricing structures, and new policy proposals to improve the overall efficiency of the health system. The research will benefit the re-design of PHI and the health system to improve Australians' health while saving health costs.



Measuring the population health economic impact of new cancer treatments for Australian cancer patients

Collaboration is an important part of research, allowing researchers to tackle issues at different angles. The Melbourne Institute is one of five partners tackling the issue of ensuring timely and affordable access to the best cancer treatments for Australians. The project, **Predicting the population health economic impact of current and new cancer treatments** is one of six funded under the National Health and Medical Research Council's Medical Research Future Fund scheme and addresses the health policy concern of the projected number of patients receiving treatment at different stages over the next 5 years for three nominated cancers (colorectal cancer, NSCLC and melanoma) and two pan-cancer mutations (MSI-H and NTRK). Professor Yuting Zhang leads the health economics analyses component of the project.

Unravelling the unintended consequences of high out-of-pocket costs in healthcare

Increasingly high and unexpected out-of-pocket healthcare costs is a key concern since it results in consumers not seeking or delaying treatment, joining the queue for treatment in the public system, or using crowdfunding to reduce costs. The project, **The impact of price transparency on price variation and out-of-pocket costs**, seeks to investigate the sources of variation in out-of-pocket costs and fees, and examine the impact of price transparency on consumer and provider behaviours.

Professor Anthony Scott and his team, in partnership with the Centre for Health Policy, is working with the Medibank Better Health Foundation on this project.

Understanding the impact of casual employment

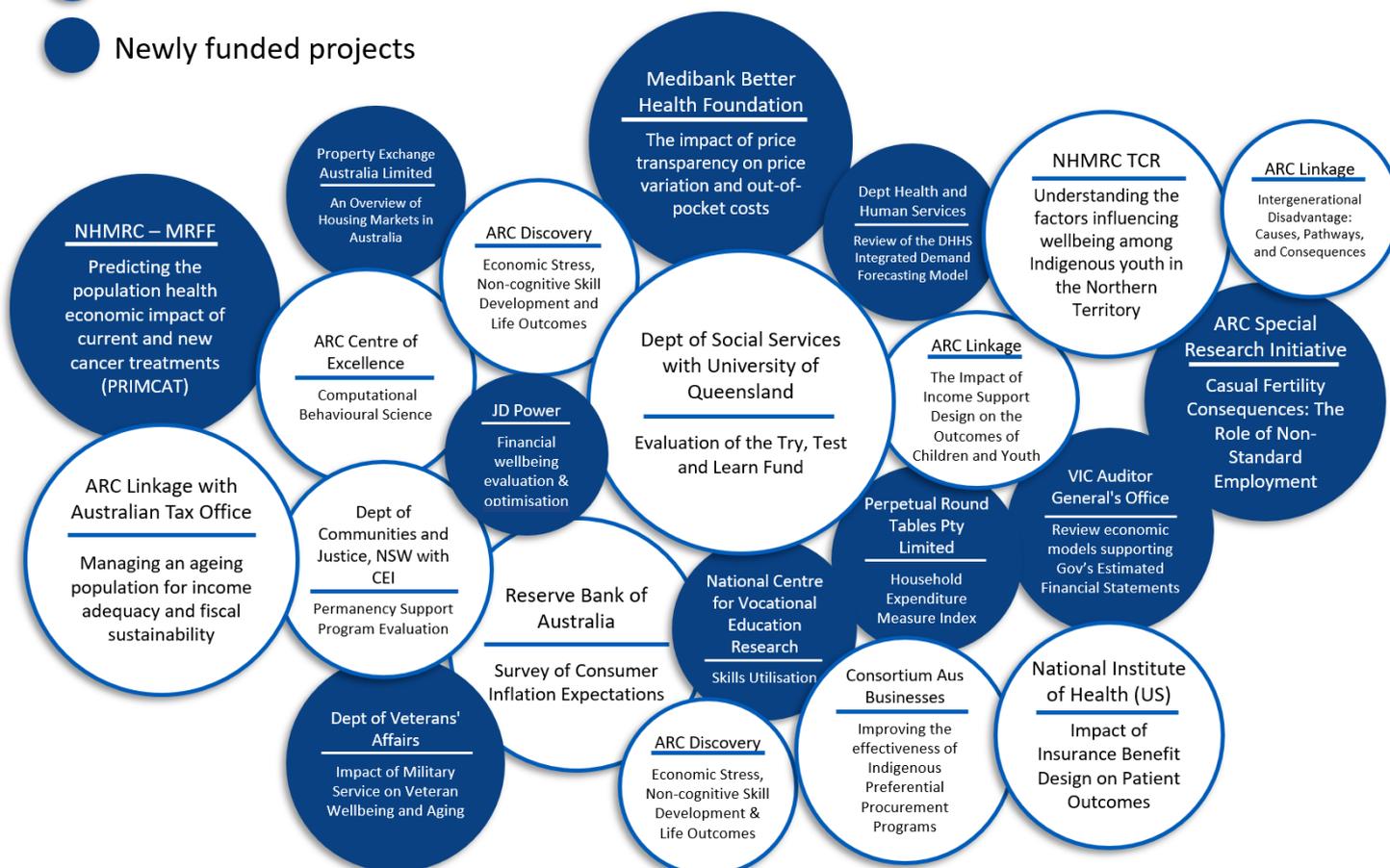
The ARC Special Research Initiative program is highly competitive with only seven per cent of applications receiving funding. One of four successful projects awarded to the University of Melbourne is titled **Casual Fertility Consequences: The Role of Non-Standard Employment (NSE)** aims to investigate the role of temporary, casual, and part-time paid work in influencing Australians' fertility behaviour. Expected outcomes include a novel interdisciplinary theoretical framework, the most up-to-date empirical evidence on this topic in Australia, high-quality research outputs and training and clear work and family policy recommendations. This should significantly benefit families, communities, governments and organisations to lift productivity. Professor Mark Wooden is a Chief Investigator on the ARC Special Research Initiative and is joined by CI Associate Professor Irma Mooi-Reci, a labour market expert in the School of Social and Political Sciences.

Large grants (over \$1m)

AGENCY	PROJECT TITLE	LEAD MI STAFF	PROJECT FUNDING STATUS	PROJECT END DATE
Department of Social Services	Household, Income and Labour Dynamics in Australia (HILDA) Survey	Mark Wooden	Ongoing project funded in 2019/20	June 2025
Paul Ramsay Foundation	Creating a shared data environment for understanding and tackling disadvantage	A. Abigail Payne	Ongoing project with renewed funding in 2020	Mar 2024
Department of Communities and Justice, NSW	Future Directions Evaluation - Strategy and Programs	Guyonne Kalb	Ongoing project funded in 2019	June 2022
Westpac	Economic Indicators	Guay Lim	Ongoing project funded in 2019	Oct 2021
ARC Future Fellowship	Health insurance design: choices, consumer behaviour and policy challenges	Yuting Zhang	New project funded in 2020	June 2025
ARC Centre of Excellence	Children and families over the life course	Guyonne Kalb	Ongoing project funded in 2019/20	Dec 2027

Small grants (under \$1m)

- Ongoing projects
- Newly funded projects





06

PROMOTIONS, AWARDS AND ACCOLADES

Celebrating our staff and
their achievements in 2020

Promotions to Principal Research Fellow

Associate Professor Yi-Ping Tseng

Yi-Ping joined the Melbourne Institute as a Research Fellow in 1999, was promoted to Senior Research Fellow in 2007, and was promoted to Principal Research Fellow commencing in January 2021.

Yi-Ping's research is primarily in labour economics and applied microeconometrics. Her main research interests are program evaluation, human capital investment and social policies. She is currently involved in several randomised control trials to evaluate programs to assist very disadvantaged groups such as the homeless, children at risk of abuse and neglect, and youth with mental illness.

Associate Professor Sam Tsiaplias

Sam was promoted to Principal Research Fellow commencing January 2021. Sam is a member of the Macroeconomics Research Program at the Melbourne Institute. His research interests are in the areas of applied macroeconomics, housing and household behaviour and financial economics.

Sam has also consulted to many government agencies and private sector organisations relating to the Australian energy market, the Australian retail sector, the Victorian criminal justice sphere, the banking sector and the Australian housing market.

Associate Professor Julie Moschion

Julie joined the Melbourne Institute as a Research Fellow in October 2010, was promoted to Senior Research Fellow in 2015 and was promoted to Principal Research Fellow commencing January 2021. Julie's current research revolves around a number of issues related to disadvantage in education, housing, health and labour economics. Specifically, she works on homelessness & precarious housing, substance use, incarceration, gender gaps in education, peer effects and female's labour market participation.

Promotion to Senior Research Fellow

Dr Nicolás Salamanca Acosta

Nicolás joined the Melbourne Institute as a Research Fellow in 2014, and was promoted to Senior Research Fellow in 2020. Nicolás' research revolves around applied microeconomics. His primary research interest is on household economics, human capital development, and the transmission of economic disadvantage. Nicolás is also interested in the behavioural drivers of household portfolio decisions, the stability of economic preferences, discrimination and favouritism, the effect of background risk on decision-making, and non-classical measurement error.

Awards

Economic Record Best Paper Award

Professor Guyonne Kalb and Abraham Chigavazira were awarded the Economic Record's 2019 Best Paper Award for their work on childcare use and Indigenous child development. Supported by the Life Course Centre (LCC), the paper is also authored by LCC researchers Francisco Azpitarte, Brad M. Farrant, Francisco Perales and Stephen R. Zubrick. The paper is, **Childcare Use and Its Role in Indigenous Child Development: Evidence from the Longitudinal Study of Indigenous Children in Australia.**

Young Economist Award

Dr Arezou Zaresani was awarded as one of the winners of the Young Economist award at the 76th Annual Congress of the International Institute of Public Finance (IIPF) for her paper **Adjustment Cost and Incentives to Work: Evidence from a Disability Insurance Program.** Her paper asks how important adjustment cost is for individuals who face a change in work incentives induced by a policy change. The paper was also published in the **Journal of Public Economics.**

ARC Future Fellowship

In 2020, Professor Yuting Zhang was awarded a Future Fellowship by the Australian Research Council for a project on private health insurance. The project studied, consumer behaviours and policy changes in two private health insurance markets, the Australian private health insurance and the US Medicare prescription drug insurance.

The aim of the project is to see if we uncover new evidence that can help Australia develop a new framework for private health insurance, new knowledge on how consumers respond to complex pricing structures and new policy proposals to improve the overall efficiency of the health system. The project will help us redesign private health insurance and the health system to improve Australians' health while saving health costs.

Inaugural Deeble-Scotton Policy Impact Award, Australian Health Economics Society

Professor Anthony Scott won the 2020 Australian Health Economics Society (AHES) Deeble-Scotton Policy Impact Prize. This prize is awarded based on research that has made a significant impact to health and social wellbeing.

2020 Dean's Award for Research Engagement

The Melbourne Institute team received the 2020 Dean's Prize for Exceptional Distinction in Research Engagement and Partnerships (Level D-E). The team of Professors Guyonne Kalb, Professor Lisa Cameron, Professor Jeff Borland, Associate Professor Nicolas Hérault, Dr Julie Moschion, Dr Yi-Ping Tseng, Dr Ferdi Botha, Dr Diana Contreras Suárez and Dr Jordy Meeke were recognised for their evaluation framework and evaluation of Future Directions, a large social housing reform.

Recognition of staff years of service

In 2020, the Melbourne Institute also virtually recognised the long-standing contributions of a number of individual staff. The Melbourne Institute recognised:

Professor Mark Wooden, Director, *HILDA Survey* (20 years)

Mark Wooden joined the Institute in March 2000, and his first task was to write what was to be the winning tender for managing and securing the *HILDA Survey*. That project, which he still manages today, has to-date involved over 300,000 interviews with around 34,000 different individuals, and created a data set that has been used in around 1300 papers published in academic journals. Mark also headed up the *Journeys Home Project* (another longitudinal survey) from late 2010 until 2014, and prior to that served a 7-year stretch as the Institute's Deputy Director, including two short stints as Acting Director. And throughout his time with the Institute he has attracted a steady stream of ARC funding (around \$2.3m) and been a prolific producer of peer-reviewed research papers (exactly 100 journal articles since commencing).

Associate Professor Nicole Watson, Deputy Director, *HILDA Survey* (20 years)

Nicole joined the Melbourne Institute in 2000 after working 7 years with the Victorian and Australian Governments. She has been a key member of the *HILDA Survey* Project team for the past 20 years and has worked on a range of different aspects of the Project, including sample design, weighting, imputation, survey management and database management. Alongside this, she has built a research agenda in the areas of attrition, weighting, imputation, and data quality for longitudinal surveys.

Michelle Leeson, Administrative Support Officer (15 years)

Michelle Leeson (née Best) started at the Melbourne Institute in June 2005 in a full-time casual role and then accepted the position of Administrative Assistant in August shortly after. From 2005 to 2015 Michelle provided administrative support to the Macroeconomic Research Program. During 2006 to 2009 Michelle was the committee secretary to

the Melbourne Institute's Journal – the **Australian Economic Review** – processing author submissions under the Managing Editor Professor Ross Williams.

From July 2012 to March 2018, Michelle worked for the Health Economics Research Program. In March 2018, Michelle became an Administrative Support Officer, a new position created as part of the Melbourne Institute's Professional staff redesign. As a member of the Services Team; Michelle's key priorities are now financial transactions and finance support, travel management for academic research staff and co-ordination of the Melbourne Institute's Visitor Program. Michelle also provides assistance to Services Team colleagues and the greater Professional Staff made up of the Engagement Team, Executive Officer (Projects) and the Business Manager.

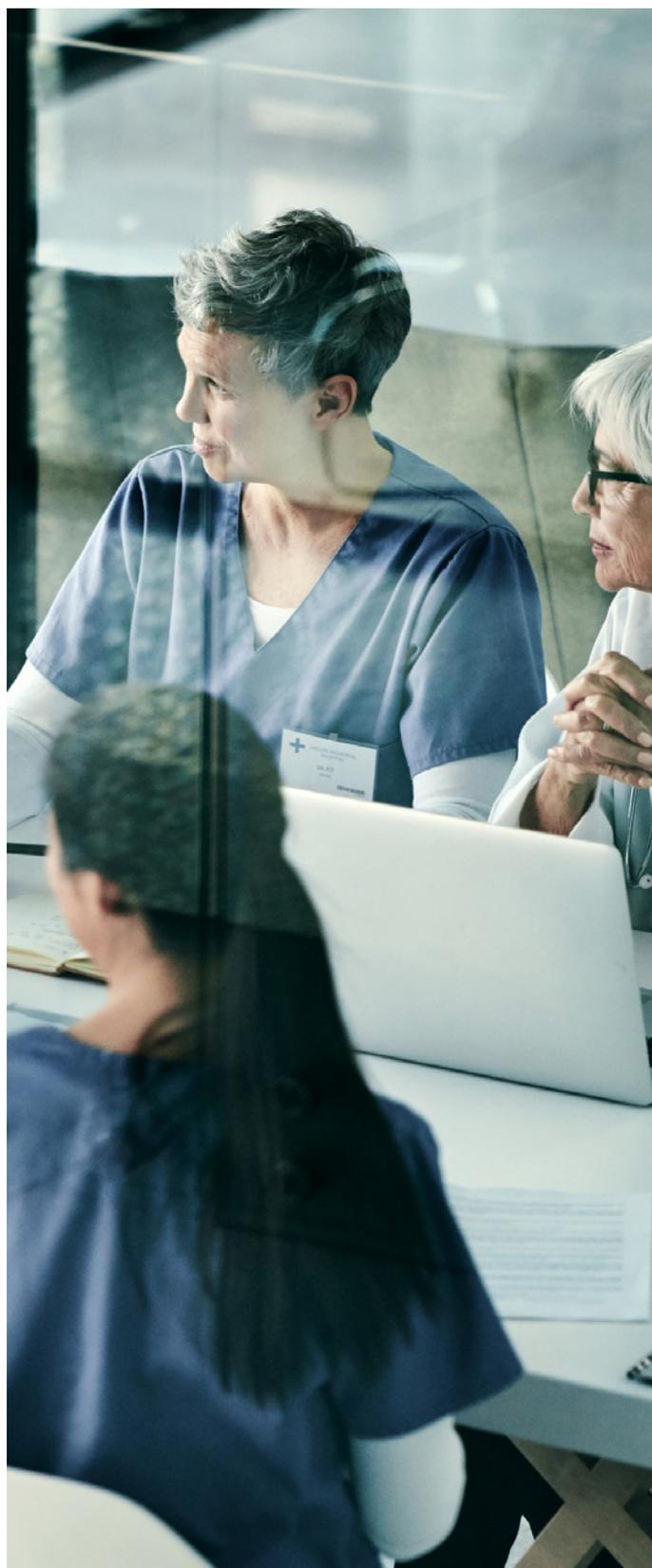
Dr Barbara Broadway, Senior Research Fellow (10 years)

Barbara joined the Melbourne Institute in August 2010 after completing her PhD in Economics summa cum laude at the University of Erlangen-Nuremberg in Germany. She has been a very active member of the Labour Team from the moment she arrived. She has worked on a range of projects for Australian Government Departments, and built a research agenda around family and work, retirement and social policy. She was involved in the important evaluation of the Paid Parental Leave which was introduced in Australia in 2011. In recognition of her contributions, she was promoted to Senior Research Fellow in September 2015. In 2020, she contributed actively to the media debate on the impact of COVID-19 on parents of young children using the **Taking the Pulse of the Nation** data collected by the Melbourne Institute. Since 2020 she has been a co-editor of the Melbourne Institute's Research Insights series.

Associate Professor Julie Moschion (10 years)

Julie Moschion commenced employment at the Melbourne Institute as a Research Fellow in October 2010. She was subsequently promoted to Senior Research Fellow in 2015 and most recently to Associate Professor (commencing 2021). In that time she has worked on a number of major research projects including most notably **Journeys Home**, a longitudinal study focussed on persons experiencing housing instability and homelessness. She is currently co-leading a research agenda on indigenous disadvantage. Her work has been published in a

number of leading academic journals, including the American Economic Journal (Applied Economics), European Economic Review, Journal of Economic Behavior and Organization, and Social Science and Medicine.



07

TRAINING THE NEXT GENERATION OF POLICY ANALYSTS

Preparing the next generation of experts
for a career in the field





Foundation Fellows

The Foundation Fellow program is a two-year program for highly-qualified post-honours or Master's degree candidates. Each position is designed to prepare individuals wishing to gain valuable training and experience toward a career in academia or policy-relevant research in economics or public policies. The Breaking Down Barriers Foundation Fellow is funded by the Paul Ramsay Foundation.

Our program objectives are:

- To provide a rounded (and short) training program to best optimise the value to Project Leads utilising Foundation Fellows on projects
- To provide a program which instils core principles and best practices in data management that would be useful for the Foundation Fellows in this role and other roles in the future
- To enable Foundation Fellows to think about and understand the data before jumping in
- To enable Foundation Fellows to be platform agnostic in their approaches, think innovatively and improve the quality of research undertaken
- To train our Foundation Fellows in the best writing practices, allowing them to communicate their research to a wide and varied audience.

Our 2020 Foundation Fellows are:

Daniel Fischer

Daniel has more than 3 years' work experience in finance and banking as well as a strong economical and mathematical background. During his Bachelors degree in Finance and Banking he worked in diversified roles to learn every aspect of financial services. It was during this time that his interest for the greater schemes of economics sparked and he decided to focus his studies towards it. Later on, as

an intern in merger and acquisition Daniel became curious about researching markets and focused his university profile on mathematical and statistical methods.

Tanya Gupta

Tanya is an economist with a Master of Economics degree from the University of Sydney. She has two years of work experience in literature research, data management, modelling, policy evaluation using statistical models. She has worked as a research assistant, and a teaching and lab assistant at the University of Sydney, as well as interned with the Ministry of External Affairs and the Indian Institute for Foreign Affairs in India.

Dhanya Maheswaran

Breaking Down Barriers Foundation Fellow

Dhanya completed a Bachelor of Commerce (Honours in Economics) degree last year at the University of Melbourne, where she received First Class Honours. She is currently completing a Data Analytics Course with Monash University. Dhanya's interest in economic research was gained during her Honours year where she used two complex longitudinal datasets (the Building a New Life in Australia and the HILDA Survey) to write a thesis which compared the short-term employment and welfare assistance outcomes of refugees with local Australians.

Graduate students

The internationally recognised five-year Economics doctoral program, jointly conducted by the Department of Economics and the Melbourne Institute, had a successful year. Seven students completed their studies, three of which were located at the Melbourne Institute. Students were placed in academic, public policy and industry positions. Two further students completed who were based in other Faculties, but co-supervised by Melbourne Institute staff.

Current graduate research student Silvia Griselda (supervised by Lisa Cameron) wrote an article for The Conversation in June which was the fourth highest read University of Melbourne article that month with over 65,000 reads. Silvia won the Best Student Paper Award at the 2020 Australian Gender

Economics Workshop and the UniCredit Foundation 2020 Best Paper Award on Gender Economics. Silvia has accepted a post-doctoral position at Bocconi University, Milan Italy.

Other achievements by students in the joint program but supervised by the Department of Economics include Shashi Karunanethy being awarded the Best Paper Award at the 33rd PhD Conference in Economics and Business, Paul Nguyen receiving the Dean's Award for Excellence in Tutoring and Zhuo Li publishing in the Journal of Applied Econometrics.

Students are encouraged to present their work at workshops and conferences both domestically and abroad. In 2019, the Economics and Melbourne Institute Graduate Student group ran their own Brown Bag Series which has continued virtually through 2020.

Doctoral program completions (2020)

STUDENT	DISSERTATION	SUPERVISORS	COMPLETED	CURRENT POSITION
Michael Cowling	The dynamics of self employment in Australia and the role of the solo self-employed	Professor Mark Wooden, Dr Andrew Clarke, Professor Peter Gahan	March 2020	Economic Consultant, KPMG Melbourne
Xianglong (Locky) Liu	Three essays on financial stability	Dr Tim Robinson, Professor Guay Lim	August 2020	Research Fellow, Centre of Policy Studies, Victoria University
Stephen Elias	House prices, debt and beliefs	Dr Tim Robinson, Professor Bruce Preston	July 2020	Analyst, Commonwealth Treasury
Amadou Darboe (Melbourne School of Global and Population Health, Faculty of Medicine, Dentistry and Health Sciences)	Psychosocial working conditions and well-being of international medical graduates in Australia: evidence from the MABEL longitudinal survey	Professor Lesleyanne Hawthorne, Professor Anthony Scott, Associate Professor Matthew McGrail	May 2020	Victorian Department of Health
Randong Yuan (Asia Institute, Faculty of Arts)	Financial sustainability of the pension system in China: impact of fragmented administration and population ageing	Professor Christine Wong, Dr Tim Robinson	June 2020	Post-Doctoral Research Fellow, City University of Hong Kong, Shenzhen

Current Doctoral Researchers

STUDENT	DISSERTATION	SUPERVISORS	ESTIMATED SUBMISSION DATE
Markus Hahn	Income inequality and income mobility in Germany: Does the choice of the income measure matter?	Professor Roger Wilkins, Professor Richard Burkhauser	April 2021
Christian William Innes Rhind	Examining the marginal propensity to consume of Australian households using microdata (HILDA)	Professor Roger Wilkins, Dr Sam Tsiapias	June 2021
Silvia Griselda	Essays on the Economics of Education and Gender	Professor Lisa Cameron, Dr Mick Coelli and Dr Victoria Baranov	March 2021



08

WELCOMING NEW STAFF

Bringing fresh expertise and ideas into the Institute

Early in 2020 we ambitiously embarked on a recruiting strategy to bring on four new research fellows. While three are awaiting their visas, the four new hires are:

Research Fellows

Dr Sarah Dahmann

Sarah has successfully integrated into the Melbourne Institute and is participating in a number of different research and engagement activities. Sarah's research interests include; Early childhood development; Effects of disadvantage on student outcomes and child development; Disadvantaged families; Family and household formation and dissolution; Intergenerational transmission of socio-economic advantage and disadvantage; Effects of policies and programs on welfare receipt & economic wellbeing.

Dr Ana Gamarra Rondinel

Ana recently received her PhD from the Complutense University of Madrid. Her dissertation studies behavioural responses to taxation using cutting edge empirical techniques on large administrative data bases. Her interests coincides with the expansion by the Melbourne Institute into topics related to tax policy and the effects of tax policy on income inequality and retirement.

Dr Miguel Ruiz Suarez

Miguel recently received his PhD from Centro de Estudios Monetarios y Financieros (CEMFI) in Madrid. His research represents the intersection between development economics and machine learning. Miguel will be adding to the expertise of the recently created program area which focused on disadvantage in the Asia-Pacific.

Dr Steve Marchand

Steve received his PhD from the Laval University (Canada) and most recently was a post-doctoral researcher at the University of California, Berkeley. Steve is an applied econometrician that has worked on peer effects, the impact of the aging population on the labour market, and the effect of social reintegration programs on recidivism. Steve will be expanding the Melbourne Institute's labour economics through his focus on prisoners and special populations.

In addition to our research fellows, we have hired post-doctoral research fellows, Foundation Fellows, and other data-oriented technicians. These appointments include:

Postdoctoral Research Fellow

Dr. Kushneel Prakash

Dr. Kushneel Prakash is a Post-Doctoral Research Fellow at the Melbourne Institute. He obtained his PhD in Economics from Monash University. His research interests are in the areas of applied economics with a particular focus on the economics of happiness, health economics and energy economics using survey data. His research is published in leading economics journals including the Journal of Economic Behavior & Organization (JEBO), Energy Economics, China Economic Review, Cities and Economic Modelling.

Academic Specialist

Ms Yihua Jin

Yihua is a survey statistician as a part of the **HILDA** Survey team. She specialises in survey methodology, statistics, and longitudinal surveys. She graduated from the Cornell University with a Master's degree in Biostatistics.

09

PROGRAM AREA REPORTS

Information on our program area
achievements





Data and Analytics

Program Coordinator Dr Rajeev Samarage

The members of the Data and Analytics team continued to provide expertise on data curation, analysis and visualisation, training on new technologies and data management within the Institute's secure environments. The team has also been involved in the design and implementation of the Melbourne Institute Data Lab (MIDL), which is being created in partnership with Cyconsol, an external cyber-security company.

Dr Rajeev Samarage has been leading the use of data visualisations and mapping software for the institute across a number of projects that include the Melbourne Institute's Taking the Pulse of the Nation survey, Dr Yi-Ping Tseng's Early Years Program (EYEP) report, the Breaking Down Barriers Report Series, and the Future Directions/Social and Affordable Housing Fund reports by Dr Jordy Meekes and Prof Guyonne Kalb.

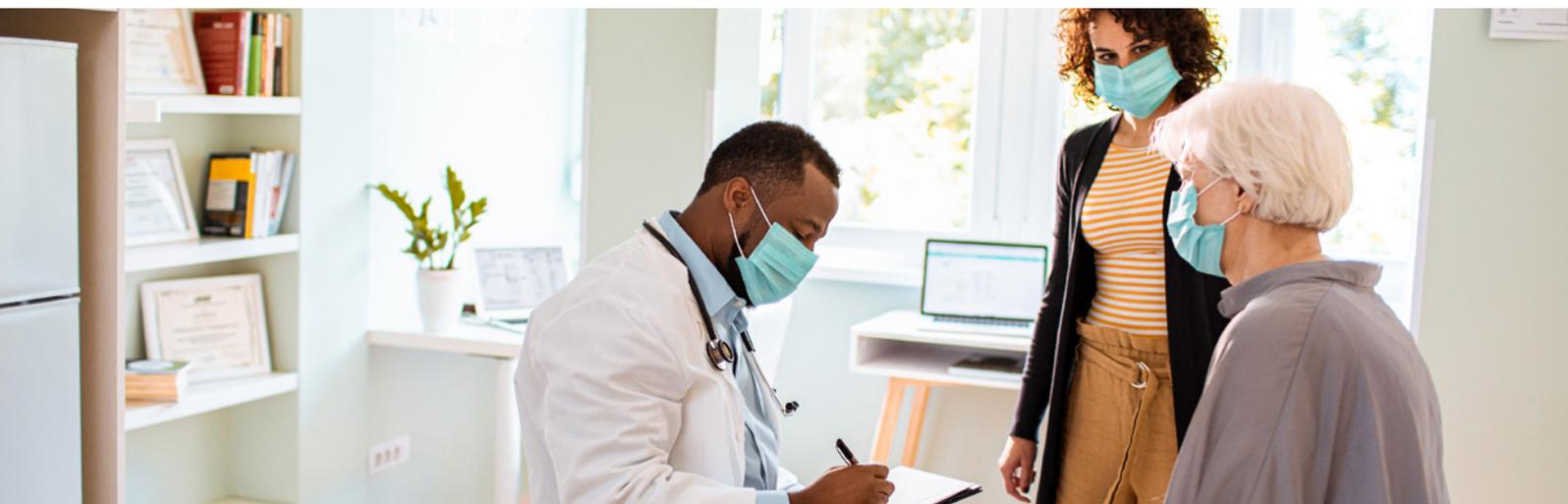
Dr. Rajeev Samarage and Dr. Maxim Ananyev have been responsible for developing the formal Foundation Fellow training program, as described above. Both Rajeev and Maxim have been contributing strong skills and insights to a range of projects across the Melbourne Institute. Their work and the work of the Foundation Fellows represent

a higher standard of research assistance and co-authorship on research projects through the use of a collaborative system that allows all researchers to access the relevant statistical and data analysis needs for their projects.

Health and Healthcare

Program Coordinator Professor Anthony Scott

We have continued to focus our research on private health insurance, out-of-pocket costs, health workforce, mental health, and the aged care sector. A large part of the work for most members is undertaken through the NHMRC Partnership Centre of Health System Sustainability. In 2020, new opportunities for those undertaking research on health issues included a few grants or contracts to examine the impact of competition on prices and quality of nursing homes, to identify the determinants of mental health service use, and to study the role of military service on veteran wellbeing and ageing. Emerging projects have allowed us to prioritise new work on exploring the public-private mix of the health care system. This work includes addressing issues such as price transparency in health care and the drivers of doctors' fees, funded by the Medibank Better Health Foundation.





Labour Markets and Employment & Families and Households

Program Coordinators (Labour Markets & Employment) Professor Guyonne Kalb and Professor John P de New; Program Coordinator (Families and Household) Professor Mark Wooden

Melbourne Institute staff were involved in numerous projects covering issues such as:

- The impacts of COVID-19 on parents' labour market outcomes
- The effects of retirement decisions on worker and firms
- The role of intra-household resource allocation on financial hardship
- The association between suicide rates and economic conditions
- Resilience in communities, schools and families after a major societal shock using the example of the Chi-Chi earthquake in Japan
- Two evaluation projects on social housing commissioned by the NSW Department of Communities and Justice (DCJ)

An evaluation of DCJ's Permanency Support Program involving Professor Guyonne Kalb and Dr Jordy Meekes commenced its preliminary data analysis phase and economic evaluation design phase in October 2020.

Additionally, Professor Roger Wilkins and Dr Frederico Zilio completed two major projects in 2020, a report for the Fair Work Commission on low-paid award wage workers and a proposal for the Australian Defence Force on potential female recruits.

Income and Economic Wellbeing

Program Coordinator Professor Roger Wilkins

The Melbourne Institute continued to monitor the economic wellbeing and social disadvantage in Australia through the production of Poverty Lines: Australia on a quarterly basis and the Household Expenditure Measure and Social Exclusion Monitor on an annual basis. There was considerable research activity investigating Australians' income and economic wellbeing in 2020, which included incorporating and reviewing data around the impact of COVID-19 on Australian households.

Dr Matthew Curry, the Henderson Research Fellow, has collaborated with the Brotherhood of St Laurence and, in partnership with ANZ and Roy Morgan, will produce a report based on Roy Morgan data focusing on the financial wellbeing of disadvantaged groups before and during the COVID-19 pandemic. Further, Dr Antonia Settle, a McKenzie Fellow, has been conducting a 'financial diaries' study examining how households manage their finances and cope with negative income shocks.

Dr. Cain Polidano and Dr. Julie Moshion have been working collaboratively with University of Melbourne researchers in the Department of Management and Marketing on projects concerning preferential procurement policies on Indigenous businesses.



Macroeconomic Modelling, Forecasting and Policy Analysis

Program Coordinator Professor Guay Lim

Members of the Macro research program continue to prioritise in-depth analysis of domestic and international fiscal and monetary policies to evaluate their impact on the macro state of the Australian economy. The team continues to produce sponsored reports about the State of the Australian economy, notably the Leading Indexes of Economic Trends for Australia and the States, Surveys of consumer sentiment, and expectations of unemployment, inflation, wage growth and house prices. The team's annual review of the Australian macroeconomy continues to be the opening article in the Australian Economic Review which is now supported with work on nowcasting GDP and dating the business cycle. Furthermore, the team's outlooks for the Australian economy appear regularly in panels of forecasts such as those collated by Consensus, ifo World Economic Survey and Scope. In 2020, the knowledge and experience of the team in macro-forecasting was applied in two major contract research reports, An analysis of Australian housing cycles for property exchange Australia, and a review of the forecasts underpinning the 2020 Victorian Budget for the Victorian Auditor General's Office.

Education and Child Development

Program Coordinator Professor Marco Castillo

Professor Marco Castillo has continued to advance research on the area of child development and education by conducting field studies, applying for grants and bidding for tenders. Professor Castillo is concluding a Randomised Control Trial (RCT) in Nigeria where high school children are provided information about labor market outcomes for people following different curriculum.

Researchers have also started to collaborate with the researchers at the Melbourne Graduate School of Education. The first collaboration involves evaluating the effects of boosting equipment in schools on student performance.

Dr Cain Polidano completed a report for the Queensland Department of Education and Training on post-secondary transitions by socio-economic status. Dr. Jan Kabátek is undertaking a project for the National Centre for Vocational and Education Research to explore the effects of skill attainment, especially with respect to being over skilled, on job performance.



Public Economics

Program Coordinator Professor Ragan Petrie

Dr Ou Yang published an article entitled **Actually, Mr Trump, it's stronger environmental regulation that makes economic winners** in *The Conversation* based on an *Revise & Resubmit* at *Energy Economics*. This led to a 20-minute interview with the Special Broadcasting Service (SBS) to talk about this research.

There are several projects underway that are utilising Australian tax filer data to explore a range of tax policy issues. For example, a collaboration between the Melbourne Institute and the Australian Taxation Office, supported by an ARC Linkage Grant, produced a working paper on the effectiveness of the Australian superannuation co-contribution scheme, which seeks to increase retirement savings of low- to middle income earners.

As part of her interest in studying altruism and economic wellbeing in Australia, Professor A. Abigail Payne has worked on Research Insights to better understand how COVID-19 and lockdowns have affected giving as well as how the pandemic has affected employment and financial stress in communities with historically high poverty rates.

Disadvantage and Wellbeing in Asia-Pacific

Program Coordinator Professor Lisa Cameron

We have continued to work with international partners in the Asia-Pacific region, including the World Bank's Indonesia office and programs in the region funded by the Australian Department of Foreign Affairs and Trade.

In 2020, there were two completed projects. The first focused on the consequences of child marriage in Indonesia which was part of a collaboration with the Australia-Indonesia Partnership for Gender Equality and Women's Empowerment (MAMPU). This project involved the development of an analysis and report (September 2020) and the presentation of the report's findings in a Melbourne Institute Virtual Colloquium¹.

The second project involved an evaluation of the Indonesian government's conditional cash transfer (CCT) program, Program Keluarga Harapan, which is the second largest CCT program in the world. The project was a collaboration with the World Bank's Jakarta office. The results from the evaluation were presented to the Indonesian implementing ministry (Ministry of Social Affairs). There are plans to continue the collaboration to update the results when new data become available in 2021.

Due to COVID-19, the planned field work in Timor-Leste slowed considerably. Nonetheless, the team used 2020 to continue preparing for future investigation into the effect of cash transfers on adolescents' preferences, aspirations for education and cognitive development.

¹ This was the first Melbourne Institute Colloquium to be conducted in collaboration with international partners (MAMPU) and included simultaneous translation for our viewers in Indonesia.



10

APPENDICES



Appendix A

Staff participation in organisational committees and advisory boards

ORGANISATION, COMMITTEE OR ADVISORY BOARD	STAFF MEMBER	ROLE
ABS Labour Statistics Advisory Group	Professor Roger Wilkins	Member
ABS National Study of Mental Health and Wellbeing	Professor Peter Butterworth	Advisory Committee Member
AHURI Peer Review Panel	Professor Roger Wilkins	Member
ANU Centre for Social Research and Methods Scientific Advisory Board	Professor Mark Wooden	Member
Asian & Australasian Society of Labour Economics Executive Committee	Professor A. Abigail Payne	Member
Association for Education Finance and Policy Board	Professor A. Abigail Payne	Member
Australasian Society of Macroeconomics	Professor Guay Lim	Board Member
Australian Census Longitudinal Data (ACLD) Technical Advisory Group (Australian Bureau of Statistics)	Associate Professor Nicole Watson	Member
Australian Council of Social Service (ACOSS)	Professor Roger Wilkins	Policy Advisor
Australian Statistics Advisory Council (ASAC) (Australian Bureau of Statistics)	Professor A. Abigail Payne	Member
Australian Treasury Expert Panel on Macroeconomic Modelling	Dr Tim Robinson	Advisory Committee Member
CAMA RBA Shadow Board	Professor Guay Lim	Member
Centre for Applied Macroeconomic Analysis, Australian National University	Dr Tim Robinson	Research Associate
City of Melbourne Economic Recovery Committee	Professor A. Abigail Payne	Committee Member
Department of Premier and Cabinet, Victoria, Vulnerable Indices Ad Hoc Committee	Professor A. Abigail Payne	Advisor
Department of Veterans' Affairs Moral Injury Outcome Scale project	Professor Peter Butterworth	Advisory Committee Member
Economic Science Association	Professor Ragan Petrie	Board Member
Economic Science Association	Professor Marco Castillo	Board Member
Economic Society of Australia, Victorian Branch	Professor Guyonne Kalb	Board Member
Economic Society of Australia's National Economic Panel (NEP)	Professor Guay Lim,	Member
Fair Work Commission Minimum Wage Panel	Professor Mark Wooden	Expert Panel Member for the annual wage review
Financy Women's Index	Professor Roger Wilkins	Advisory Committee
ifo Institute Scientific Advisory Council	Professor A. Abigail Payne	Member
International Federation of Psychiatric Epidemiology	Professor Peter Butterworth	Advisory Committee Member
International Health Economics Association	Professor Anthony Scott	Board Director
Longitudinal Study of Australian Children (LSAC)	Dr Julie Moschion	Advisory Committee Member
Longitudinal Study of Australian Children (LSAC) Consortium Advisory Group	Dr Julie Moschion	Member
Parliamentary Budget Office Advisory Committee	Professor A. Abigail Payne	Committee Member
Partnership Board, Brotherhood of St Laurence and University of Melbourne	Professor A. Abigail Payne	Member
Poverty and Inequality Partnership between the Australian Council of Social Service and the University of New South Wales	Professor Roger Wilkins	Advisory Panel Member
Royal Commission into Aged Care Quality and Safety	Associate Professor Jongsay Yong	Examined the impact of competition on prices and quality of nursing homes
School of Public Policy Scientific Council, University of Calgary	Professor A. Abigail Payne	Member
School of Public Policy, University of Calgary, Scientific Council	Professor A. Abigail Payne	Member
Tax and Transfer Policy Institute, Australian National University	Professor Roger Wilkins	Research Affiliate

Appendix A (continued)

Staff participation in organisational committees and advisory boards

ORGANISATION, COMMITTEE OR ADVISORY BOARD	STAFF MEMBER	ROLE
Think 20 (T20) Italy (T20 is the official engagement group of the G20)	Professor Guyonne Kalb	Co-Chair of the Task Force “Social Cohesion and the Future of Welfare Systems”
UoM Melbourne Disability Institute	Professor A. Abigail Payne	Executive Committee Member
UoM Petascale Campus Initiative	Professor A. Abigail Payne	Member
Victorian Department of Health and Human Services	Professor Yuting Zhang	Advisor
Victorian Government, COVID-19 Analytical Working Group	Professor A. Abigail Payne	Member
World Wellbeing Panel	Professor Mark Wooden	Member

Appendix B

Staff participation in editorial boards

JOURNAL	STAFF MEMBER	ROLE
African Review of Economics and Finance	Dr Ferdi Botha	Advisory Board
Australian Economic Review	Professor Ross Williams	Managing Editor
Australian Economic Review	Associate Professor Nicolas Hérault	Co-editor
Australian Economic Review	Professor Ian McDonald	Co-editor
Australian Economic Review	Dr Barbara Broadway	Policy Forum Editor
Australian Economic Review	Associate Professor Sam Tsiaplias	Policy Forum Editor
Australian Economic Review	Professor John de New	Data Survey Editor
Australian Economic Review	Associate Professor Jenny Lye	For the Student Editor
Australian Journal of Labour Economics	Professor Guyonne Kalb	Associate Editor
Australian Journal of Social Issues	Associate Professor Julie Moschion	Editor
Economic Inquiry	Professor A. Abigail Payne	Co-editor
Economic Papers	Professor Guay Lim	Editor
Economic Record	Professor Guyonne Kalb	Associate Editor
Experimental Economics	Professor Ragan Petrie	Co-Editor
Fiscal Studies	Professor Guyonne Kalb	Associate Editor
Health Economics	Professor Anthony Scott	Associate Editor
International Tax and Public Finance	Professor A. Abigail Payne	Editorial Board
JAMA Network Open	Professor Yuting Zhang	Associate Editor
Journal of Hospital Management and Health Policy	Professor Yuting Zhang	Associate Editor
Journal of Mental Health Policy and Economics	Professor Yuting Zhang	Associate Editor
Singapore Economic Review	Associate Professor Jongsay Yong	Associate Editor
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