Final Report

The Dynamics of Income Support Receipt among 'new' Income Support Recipients

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I GLOSSARY

ATSI	Aboriginal and Torres Strait Islander. Only used in its abbreviated form in tables to indicate a person is of Aboriginal or Torres Strait Islander descent.
Baseline (baseline hazard)	Used in duration analysis and denotes the common probability of the event of interest occurring (e.g. exiting Income Support). This common probability is then scaled up or down depending on an individual's characteristics (covariates).
Censoring (left-censored / right-censored)	Indicates that we do not observe the start and/or end of a period of IS receipt. Left-censoring means that we observe a person for the first time after they have started their period of IS receipt. Right-censoring means that we stop observing a person knowing only that the 'event' of interest has not yet happened up to that point. Example: We observe individuals from the start of their Income Support spell, but at the end of our observation period there are individuals who are still on Income Support. When our 'event' is exiting Income Support, these observations are right-censored.
Churning	The process of returning to Income Support after a period of being off Income Support (IS). To be considered on IS one needs to receive an IS payment for at least three consecutive fortnights. To be

	considered off IS one needs to be off IS for at least three consecutive fortnights.
Cohort	A group of individuals who share a common experience at a particular point in time. This can be birth (i.e. a birth or age cohort) or entering Income Support for the first time (i.e. a cohort of new entrants).
Competing risk model	A type of statistical model used in 'event history analysis' to describe the time until the occurrence of the first of several possible events. Example: a person faces the competing risks of high blood pressure, high cholesterol, and heart palpitations. Only one of them will occur first.
Covariate	A personal characteristic or other variable which is expected to influence the outcome that is being modelled. For instance, in modelling exiting Income Support as the outcome variable, age and gender are used as covariates.
Duration	Indicates length of time from a starting point, typically until the occurrence of an 'event'. Example: A person entered NewStart in February (starting point) and found a job ('event') after three months. The duration of this person's unemployment spell was 3 months.
ESB	Indicates foreign-born in a Mainly English Speaking country
Event History Analysis	Also commonly called duration analysis. Studies the length of time until a certain 'event' occurs.

Hazard (empirical hazard / hazard rate)	Defined as the probability that a particular 'event' occurs during this period (here: fortnight) given that the 'event' has not yet occurred up to the start of this period. Can be modelled to depend on covariates. The empirical hazard is the sample equivalent (i.e. when not using any covariates).
IS	Income Support
LDW	Longitudinal Data Warehouse
Marginal Effect	Used in this report it indicates the increase in the probability of a particular 'event' occurring when one of the covariates is changed from 0 to 1. Example: In modelling the probability of exiting IS ('event') a marginal effect of 0.05 for the covariate NSW implies that the effect of living in the State of New South Wales (compared to not living in NSW) is associated with a 5 percent higher chance of exiting IS.
MME	Mean Marginal Effect. Marginal effects can be computed for a reference person, often taken at the sample means of the covariates, or can be computed for each individual in the sample and then averaged. The latter one is the MME.
MNL	Multinomial Logit. A statistical model used in situations with three or more discrete outcomes. Example: stay on NewStart, transfer to a different payment, or exit IS. A generalisation of the standard

	Logit, used when there are two choices. Example: stay on IS or exit IS.
NESB	Indicates foreign-born in a Non-English Speaking country.
Non-ATSI AUS	Indicates born in Australia, but not of Aboriginal or Torres Strait Islander descent.
Off-IS spell	Period starting the moment a person leaves IS. If it ends by returning to IS it is a completed spell. If the spell is still ongoing at the end of the observation period the spell is right-censored.
Payment type	Indicates the IS payment a person receives. We regroup 39 individual payments into 13 payment types by combining very similar payments into a single type, e.g. Drought Relief and Farm Family Restart Scheme are the same payment type. See Table 1 for details.
Piecewise-constant hazard rate model	An exponential hazard model where the baseline hazard is a step-function, i.e. assumed to be constant over a pre-specified time period.
Reference group	When covariates such as age groups or State are included the effects can only be expressed in relative terms. Example: when including State we can only express the effect of living in NSW, relative to a reference State. The choice of reference State does not influence the inference and any State could be chosen. All the omitted categories to which the covariates relate in

	relative terms comprise the reference group.
Spell (IS spell / Payment spell)	Indicates a time period between two events. An IS spell is the time between entering IS and exiting IS (or being right-censored). A payment spell is the time between receiving a payment for the first time and transferring to a different payment (or exiting IS or being right-censored).
Total Time on Income Support (TTO)	Defined as the proportion of time that an individual was on IS payments. TTO can be defined for any fixed length of time, e.g. one, three, or five years and lies between 0 and 100 percent. A TTO of 100 percent signifies a single uninterrupted spell of IS payments. It is a measure of relative dependence on IS within a chosen time window.
Transfer / Transferring	A transition from one payment type to a different payment type. To be considered a transfer the time between the different payment types should be less than three fortnights. If the time in between the two different payment types is three fortnights or more it is no longer considered transferring but churning.

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IV DATA DEFINITIONS

For the purpose of this study some recoding and data smoothing has been undertaken. The specific measures taken and the rational for these are outlined below.

- The Crisis Payment was recoded to the current payment for which recipients are eligible.
- Full-time students were recoded as not receiving income assistance. Full-time students are individuals who receive Austudy ("AUS"), or who receive Youth Allowance ("YAL") and are classified as full-time students. In the latter case, individuals are classified as full-time students if their activity type is coded "FTS". This recoding of full-time students implies that an individual receiving NewStart Allowance directly following a period receiving Youth Allowance as a full-time student is counted as a new IS recipient.
- There are 39 different benefit codes in the LDW that are grouped into 13 distinctive payment types. These payment types are further grouped into 8 benefit types. See Table 1 for more details. This report uses the intermediate grouping of 13 distinctive payment types when possible, but sometimes uses the more restrictive grouping of 8 benefit types. This is done to combine smaller payment types into a single group. The grouping of 13 payment types provides for a very broad picture of IS dynamics and avoids transfers between very similar payments with different LDW codes being treated as a transition between payment types. It should be noted that there is a certain degree of inconsistency between the groupings and the actual eligibility criteria. For instance, people who are temporarily incapacitated are to be found in the Sickness Allowance population as well as within the NewStart population; Wife pensioners with dependent children are very similar to Parenting Payment Partnered recipients (if a little older) and Carer Payment is not restricted to any particular age group, hence not everyone in the Mature Age Payment grouping (MAPs) is over 50; Special Benefit includes people who may be similar to people on any of the other payments, but receive Special Benefit simply because they do not qualify for another payment, usually on grounds of insufficient Australian residence.
- Given that the group of interest are new IS recipients, we paid careful attention to those individuals who became eligible for the Age Pension during the observation window. Including persons receiving the Age Pension will generate a large number of new

recipients who are retirees and who have only one long IS spell. We address this issue by restricting new recipients to be aged less than 60 at the start of their spell. Although no person can thus start a spell on the Age Pension, it is possible to transfer to the Age Pension during the observation period after a spell commencement. This is the case for women who were eligible for the Age Pension before reaching 65 years of age.

- Any break in a spell of less than 3 fortnights is not considered an exit from IS. This implies that a person receiving NewStart, who is employed for one month followed by another spell of NewStart, is treated as being on one single spell of NewStart. This has implications for the definition of churning and transferring. A transfer is a move from one payment type to another when there are less than 3 fortnights in between receiving the different payment types. Churning is defined as moving on and off IS where the time in between these spells is at least 3 fortnights.

Table 1: Benefit Payment Reclassification

Group	Code	Payment
Unemployment Benefits **(UB)**		
	YTA	Youth Training Allowance
	YAL	Youth Allowance: not in full-time education
	JSA	Job Search Allowance
	NSA	Newstart Allowance
	MAA	Newstart Mature Age Allowance
	NMA	Mature Age Allowance
Sickness Allowance (**SKA**)		
	SA	Sickness Allowance
	SKA	Sickness Allowance
Special Payments (**SPEs**)		
Farm Assistance (**FRM**)		
	DR	Drought Relief Payment
	DRP	Drought Relief Payment
	FFR	Farm Family Restart Scheme
Emergency and General Assistance (**EMG**)		
	EMG	Emergency and General Assistance
Exceptional Circumstances Payment **(ECP)**		
	ECP	Exceptional Circumstances Payment
Special Benefit (**SPB**)		
	SPL	Special Benefit
	SPB	Special Benefit
Parenting Payment Partnered (**PPP**)		
	PGY	Partner of dependent YTA/YAL recipient
	PGL	Partner of person on low income
	PGP	Partner of Pension recipient
	PGN	Partner of Newstart recipient
	PGA	Parenting Benefit
	PGU	Unknown
	PGC	Crisis Payment*
Parenting Payment Single (**PPS**)		
	SPP	Sole Parent Pension
	PPS	Parenting Payment Single
Disability Support Pension (**DSP**)		
	DWS	Disability Wage Supplement
	DSP	Disability Support Pension
Mature Age Payments (**MAPs**)		
Widow Allowance (**WID**)		
	BVA	Bereavement Allowance
	WID	Widow B Pension
	WA	Widow Allowance
	WDA	Widow Allowance
Partner Allowance and Partner Payments (**PTA**)		
	PA	Partner Allowance
	PTA	Partner Allowance
	WFR	Wife Pension Rehabilitation Allowance
	MPA	Mature Age Partner Allowance
	WFA	Wife's Pension
	WFD	Wife's Disability Support Pension
	DWF	Wife's Disability Wage Supplement
Carer Payment (**CAR**)		
	CAR	Carer Payment
Age Pension (**AGE**)		
	AGE	Age Pension

* Crisis Payment is recoded to the current payment for which recipients are eligible

V EXECUTIVE SUMMARY

This report examines both long term and short term patterns of income support (IS) receipts among 'new' IS recipients and how these differ for various sub-groups and by the first payment type. To be considered a new recipient one should not have received any IS payments in the preceding three and a half years. The data used comes from the 10 percent LDW sample and spans a 9.5 year period from January 1995 to June 2004. We use a period of 3.5 years of not receiving any IS payment to establish whether a recipient is a new recipient, which means that the first new recipients identified in the financial year 1998-99 can be followed for a maximum of 6 years. Before answering five specific questions on patterns of IS receipt, the following general findings are reported:

- The number of new recipients in the 10 percent LDW sample is approximately 40,000 per financial year from 1998-99 to 2001-02. This would extrapolate to a population estimate of 400,000 new recipients per financial year. The sample is equally split between males and females and most new recipients are young, and enter IS on unemployment benefits.
- The financial year 2002-03 saw a 10 percent drop in the number of new recipients, followed by another 10 percent drop in 2003-04.
- The experiences of new recipients are found to be very stable across time. That is, new recipients from 1998-99 do not behave differently from new recipients from, say, 2002-03.
- There are negligible differences in IS receipt patterns when gender is the only difference between new recipients.
- New recipients are more likely to have a single short IS spell (i.e., not churn and not transfer) relative to the IS recipient population as a whole. Conditional on churning or transferring, they are more likely to churn only once or transfer only once.
- Replicating the economic modelling framework used by Tseng et al. (2004) on the restricted sub-sample of new recipients resulted in similar findings for IS receipt patterns This suggests that new recipients are, overall, not much different from the total IS recipient population. The coefficients on personal characteristics were qualitatively the same but, in general, larger and statistically more significant. This suggests that the same factors influence IS receipt patterns for both new and existing recipients.

However, these factors are more informative in predicting IS receipt patterns for new recipients than for existing recipients.

The following five questions were analysed in detail:

1. **What are the patterns of IS receipt for new IS recipients measured by the incidence of churning and transferring? [On 5 year horizon:]**
    a. 44 percent neither churn nor transfer; 9 percent transfer only; 39 percent churn only; 8 percent churn and transfer
    b. Of the 17 percent that transfer (9+8), 78 percent transfer only once, 15 percent twice and 7 percent three times or more
    c. Of the 47 percent that churn (39+8), 56 percent churn only once, 26 percent churn twice, 18 percent churn 3 times or more
    d. Those new recipients who do not churn consist of two extremes: new recipients with a single short IS spell, that is a short IS spell followed by an exit from IS without returning over a 5 year horizon, and new recipients with a single long IS spell, that is recipients entering IS and remaining on IS for the complete observation period. The ratio is approximately 3 short single IS spell recipients for every 1 single long IS spell recipient.
2. **How long does the first IS spell of new recipients last?**
    a. 35 percent last less than 3 months; 16 percent last between 3 and 6 months; 15 percent last between 6 and 12 months; 9 percent last between 1 and 2 years; 10 percent last between 2 and 5 years; and 15 percent last 5 years or more
    b. The probability of exiting IS is relatively high early in the spell, at about 16 percent or 12 percent on a fortnightly basis for men and women, respectively. This probability rapidly declines over time and as a rule of thumb it halves every 12 months. That is, for new recipients the probability of exiting IS after one year - given that he or she has not exited yet is approximately 8 and 6 percent on a fortnightly basis for men and women. After two years these probabilities are 4 and 3 percent on a fortnightly basis for men and women.
3. **How long does the first off-IS spell of new recipients last?**

a. 20 percent of recipients return within 6 months after leaving IS. This percentage rises from 20 percent after 6 months to 30 percent after 12 months, 40 percent after 2 years and 50 percent after 3 years

4. How long does the first payment spell last?

a. 37 percent last less than 3 months; 18 percent last between 3 and 6 months; 17 percent last between 6 and 12 months; 10 percent last between 1 and 2 years; 11 percent last between 2 and 5 years; and 8 percent last 5 years or more

5. What role do personal characteristics and macroeconomic conditions play in the above, and do any of the observed patterns differ by the (initial) payment type? Who exits IS, who transfers, and who churns?

a. In all the analysis where macroeconomic conditions are included, as measured by the local unemployment rate, it is found that these do matter. Lower unemployment signifies more opportunities to find jobs and generally results in greater opportunities to exit IS.

b. Findings from economic modelling for new male recipients in general are that those men under 45, who are partnered, are home owners, are Australian born but not of Indigenous or Torres Strait Islander descent, live in the ACT or Victoria, and started their IS spell on unemployment benefits, are more likely to neither transfer nor churn and have a single short IS spell. In contrast, those male new recipients starting their IS spell on Parenting Payment, Disability Support Payment or Mature Age Payments, who are single, live in South Australia, Tasmania, or the Northern Territory, or live in public housing, are all more likely to neither churn nor transfer and have a single long IS spell. The results for female new recipients are very similar to that, except that having children aged under 13 increases the probability of a single long IS spell.

c. Economic modelling of the duration of the first IS spell brought to light that new recipients on Parenting Payment Single (PPS) captured two types of individuals: a) those who exit IS very quickly after a single short IS spell, leading to starting the IS spell on PPS to be associated with a high probability of exiting IS, and b) those who have a single long IS spell leading to those currently receiving PPS to have a low probability of exiting IS.

d. Sickness Allowance showed a similar dichotomy between starting on this payment and being on this payment. Starting an IS spell on Sickness Allowance makes no difference in exiting IS since many who start on Sickness Allowance transfer to a different payment. Where Sickness Allowance is powerful in predicting exits from IS, is if one currently receives Sickness Allowance. Currently receiving Sickness Allowance is associated with higher probabilities of exiting IS.

e. Transferring plays a relative minor role and transfer probabilities are small and very stable over time when evaluated for all new recipients as a whole. As a result, exiting IS directly from the initial payment or exiting IS from any payment (which could be the initial payment or a different payment in case of a transfer) did not make much difference to the duration of the first IS spell when evaluated for all new recipients as a whole.

f. Initial payment type does play a role when evaluating first *payment* type spells as opposed to first IS spells. For IS in general the probability of exiting IS is decreasing over time and the probability of transferring is relatively flat. However, payments that are short-term by nature, such as Special Benefit or Sickness Allowance, show an *increased* probability of exiting IS directly from the initial payment or of transferring over time.

g. A global observation regarding the initial payment type and the current payment type on the probability of exiting IS is that it matters more what payment one is currently on than what payment started the IS spell.

h. The probability of transferring was not influenced significantly by covariates. The exception to that is having dependent children, which increases the probability of transferring, but for females only, and the initial payment type that shows that Sickness Allowance was associated with a larger probability of exiting, in line with the nature of the payment type.

i. When looking at the probability of returning to IS, instead of the probability of exiting IS, we find that the youngest and oldest age-at-grant groups are most likely to return to IS. That is, the group of men and women between 25 and 54 are most likely to remain off IS conditional on having exited IS. We also find that a longer initial IS spell uniformly reduces your chances of remaining off IS

conditional on having exited IS. That is, the optimal IS spell length was as short as possible.

j. New recipients who have exited IS for the first time after starting their initial IS spell on Sickness Allowance, Special Benefits, or Parenting Payment Partnered are most likely to have made a successful exit and not return to IS within a three year window. This, in part, reflects the nature of the payment, such as Sickness Allowance, which implies a temporary work incapacity but a job to return to after work capacity is restored.

1 INTRODUCTION

Every fortnight, recipients may enter IS for the first time, return to IS after a period of being off IS, or existing recipients may exit IS. As a result, the stock of IS recipients at any point in time is a combination of new, returning, and existing recipients. Policy makers and researchers alike, are interested in identifiable patterns among IS receipt that can help shape public policy, in particular to increase self-reliance and reduce reliance on IS. In order to do so effectively it is important to have a thorough understanding of the patterns of IS receipt within the client base. Only when one knows which factors are driving these patterns can one investigate the deeper causes that are behind the driving factors. For example, one may worry that discrimination by employers adversely affects exits from IS for mature age workers, but for such a hypothesis to be plausible one first needs to show statistically that mature age is indeed associated with lower exit rates from IS, controlling for other characteristics.

Since the stock of IS recipients at any point in time is a combination of new, returning, and existing recipients, an analysis of everyone *commencing* an IS spell would include new IS recipients as well as returning IS recipients. The objective of this report is to isolate and study the IS receipt patterns for new recipients only. Specifically, it answers the following questions:

1. What are the patterns of IS receipt for new IS recipients measured by the incidence of churning and transferring?
2. How long does the first IS spell of new recipients last?
3. How long does the first off-IS spell of new recipients last?
4. How long does the first payment spell last?
5. What role do personal characteristics and macroeconomic conditions play in the above, and do any of the observed patterns differ by the (initial) payment type? Who exits IS, who transfers, and who churns?

There have been a number of studies undertaken related to the IS patterns of IS receipt, but none of these has focussed exclusively on new recipients. This report fills that lacuna in the literature. Wilkins, in Chapter 2 of Kalb et al. (2005), gives an excellent overview of previous studies of IS receipt patterns undertaken both in Australia and internationally. Studies using LDW data that consider the extent and nature of welfare receipt by all IS recipients aged 15-64

collectively have been conducted by Dawkins, Harris and Loundes (2000), Harris and Kalb (2002), Tseng and Wilkins (2002a), and Tseng, Vu and Wilkins (2004).[1] Dawkins, Harris and Loundes (2000) describe the extent of churning, the association between various socio-demographic characteristics (covariates) and churning behaviour, and the implications of churning for total time on benefits. As part of their analysis, they estimate models of churning behaviour, of total time on benefits, and of rates of exit from payments for unemployment benefit recipients. Harris and Kalb (2002) examine various features of transitions between payment types (transferring), including the relative frequency of different transition paths and how these differ by socio-demographic characteristics. They also examine payment spell durations, plotting hazard and survival functions for each major payment type category. Tseng, Vu and Wilkins (2004) adopt a unified approach to examine patterns of both churning and transferring between payment types. In addition to describing these patterns and how they depend on socio-demographic characteristics and payment type, they examine the association between churning and transferring behaviour and the extent of reliance on IS. They also estimate models of the determinants of churning and transferring behaviour. Other recent Australian studies of all IS recipients include Whiteford (2000), Bond and Whiteford (2001), Bond and Wang (2001), Whiteford and Angenent (2002), Landt and Pech (2000), and FaCSIA (2003). All of these publications provide an overview of the IS system, trends in recipient numbers and the composition in recent decades.

This report consists of two main parts that are further subdivided. The first main part is a descriptive analysis of IS receipt patterns. It amounts to representing the available data in different ways, preferably using graphs. We describe the trend in the number of new IS recipients over time, the length of time of the first IS spell, the length of time of the first off-IS spell, and the incidence of transferring and churning. We do so for males and females separately, for different age groups, and for different payment types. This first main part closes with a brief summary of the findings from the descriptive analysis. The second main part builds on the descriptive statistics and estimated models that describe duration of the first IS spell, duration of the first off-IS spell, and duration of the first payment spell. We replicate Tseng, et al. (2004) using a sample of new IS recipients only. This second main part concludes with a brief summary of the major findings from the economic modelling.

[1] A revised version of Tseng and Wilkins (2002a) appeared as a Melbourne Institute working paper in 2002 (Tseng and Wilkins 2002b) and another version was published in *The Economic Record* in 2003 (Tseng and Wilkins 2003). Harris and Kalb (2002) was published as a Melbourne Institute Report in 2005 (Harris and Kalb 2005).

2 DESCRIPTIVE STATISTICS

2.1 Introduction

The data used is a 10 percent sample of recipients in the LDW who received an IS payment for at least one fortnight some time between 6 January 1995, the start of the LDW collection, and 11 June 2004. [2] The LDW does not enable reliable identification of IS recipients who have never previously received IS, apart from very specific groups such as young people taking up IS at or before the age of 16. The reason is that IS histories are only available from the date of the start of the LDW.

> For the purpose of the research, recipients are classified as new if they have not received any other IS payment within the previous three and a half years. To be in scope, new recipients need to be aged less than 60 at the time of IS grant.

Throughout this report new IS recipients refer to recipients who, for the first time in their life, receive an IS payment or who have returned to IS after a long (3.5 years or longer) period of being off IS. The data window for the study therefore begins three and a half years after the commencement of the LDW because we condition on not having received an IS payment for at least 3.5 years in order to be classified as a new recipient.

2.2 Number of New Recipients

Table 2, Table 3 and Table 4 depict the number of new IS recipients by gender, age-at-grant, and payment type, respectively. The tables reveal the magnitudes of the inflow into the different payment types, but also contain information about the time trend in the inflow. Because it is easier to visualise the time trend, the same information is presented graphically in Figure 2 for Parenting Payment Single, NewStart Allowance, and all payment types combined. Overall, the number of new IS recipients was very stable across the financial years 1998-2001 and declines relatively sharply starting in the financial year 2002-03, reflecting the strength of

[2] Although the LDW, in principle, extends to late 2005, this dataset was specifically extracted for a different project and was made available in June/July 2005, representing the most up to date available data at that time. Given the necessary lag between extracting a 10 percent sample and delivery of the data, the period covered in the current project is very close to the most up-to-date data that we can use.

the economy. There was no discernable difference between the number of male and female new recipients as shown in Table 2.

Table 2: Number of new IS recipients 1998-2004 by gender

	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04*
Male	19,420	19,657	20,846	19,848	17,667	15,695
Female	19,557	19,693	19,668	20,152	18,353	16,746
All	38,977	39,350	40,514	40,000	36,020	32,441

*Note: Years apply to financial years starting 1 July and ending 30 June. The exception is 2004 that ends 11 June 2004, the last observation in the sample.

With the break down of new recipients by age-at-grant as shown in Table 3, one sees that the oldest age group contributes the lowest number of new recipients. The other age groups are relatively more balanced in terms of the absolute number of new recipients, with the 16 to 19 year olds being the most numerous, closely followed by the 25 to 34 year old. In Figure 2 the youngest two age categories are grouped together to form the age group 15 to 24 year olds. This period coincides with transitions from school to work and unstable initial careers for the young. It is also a period in which young adults become financially independent and receive their own entitlements, rather than their carers. Family breakdown and children could be driving the results for the 25 to 34 year old new recipients, in addition to other factors such as unemployment or ill health.

The number of new recipients reflects the inflow into IS measured as an absolute number. By additionally expressing the inflow as a percentage of the respective stock of recipients at the start of the financial year we obtain a much richer picture. Care needs to be taken to make sure the stock of new recipients at the start of the financial year is appropriate. That is, when we want a relative measure for new recipients who were aged 45 to 54 at grant, we need to use the stock of 45 to 54 year old IS recipients at the start of the financial year as the base. The lower half of Table 3 (and Table 4) displays the relative size of the number of new recipients by measuring the annual inflow as a percentage of the stock at the start of each financial year. Payments that have a high turnover rate, meaning that at any given point in time relatively few people receive the payment but relatively many people receive the payment at some point during the year, will have a high number of new recipients as a percentage of the stock. The

results suggest that this is most strongly the case for young people. For older age groups the number of new recipients as a percentage of the stock is generally lower. This implies that as a group, younger recipients leave IS much quicker on average, than older IS recipients.

Table 3: Number of new IS recipients 1998-2003 by age-at-grant

	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04*
Age-at-grant						
16-19	8,311	8,672	8,729	8,727	8,027	8,264
20-24	6,195	6,125	6,447	6,850	6,167	5,747
25-34	8,907	8,850	8,853	8,486	7,374	6,471
35-44	7,223	7,202	7,541	6,932	6,251	5,247
45-54	5,607	5,571	5,933	5,499	4,937	4,137
55-59	2,734	2,930	3,011	3,506	3,264	2,575
All	38,977	39,350	40,514	40,000	36,020	32,441
As % of respective stock [3]						
16-19	68.1	85.6	92.7	87.7	82.4	86.2
20-24	22.7	25.3	29.5	30.6	28.3	27.0
25-34	16.6	17.3	18.0	17.0	15.3	13.8
35-44	14.2	14.2	14.9	13.4	12.3	10.4
45-54	12.9	12.8	13.7	12.4	11.3	9.4
55-59	10.6	11.4	11.6	13.2	11.6	8.9
All	18.3	19.2	20.2	19.5	17.8	16.2

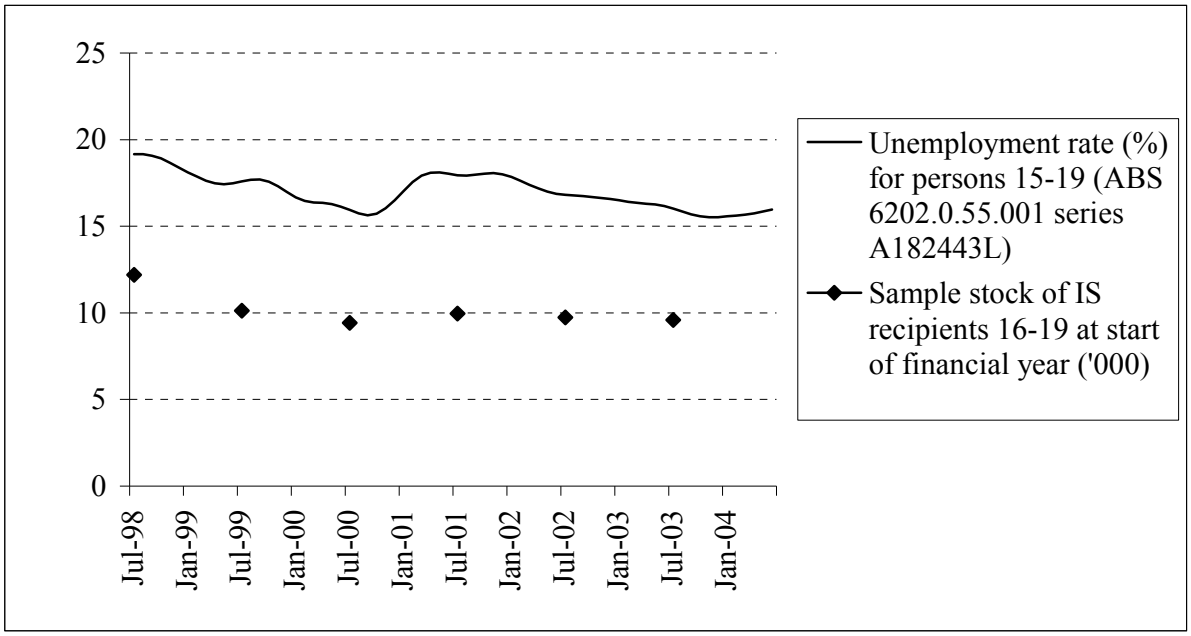
*Note: Years apply to financial years starting 1 July and ending 30 June. The exception is 2004 that ends 11 June 2004, the last observation in the sample.

The other advantage of representing the inflow of new recipients as a percentage of the stock is that it highlights the role of the business cycle. The effect of the business cycle operates in two

[3] The stock is measured at the beginning of a period. For example, the stock for financial year 1998-99 is the number of payment recipients on the first fortnight of July 1998.

different ways: through the numerator with the inflow of new recipients, and the denominator with the stock of recipients at the start of the financial year. Consider the following scenario: the inflow and stocks are stable, but the economy experiences an upswing from one financial year to the next. The number of inflows into the IS system will decrease in the second financial year, but the stock of recipients is the stock at the start of the financial year which was stable and hence the same as the stock of the previous financial year, implying that new recipients measured as a percentage of the stock will fall from one financial year to the next. This is the effect of the numerator. The effect of the denominator is that when the economy experiences an (sustained) upswing the stock of IS recipients at the start of the financial year will fall over time. Assuming the inflow remains constant, this means that the inflow of new recipients as a percentage of the stock increases over time. This interaction between the stock and the flow is highlighted for the youngest age group in Figure 1.

Figure 1: Youth Unemployment rate (%) and sample stock of IS recipients aged 16-19 years at start of the financial year ('000)



The stock of recipients aged 16 to 19 years measured at the start of the financial year fell from July 1998 to July 2000, reducing the denominator. This was in conjunction with a decline in the youth unemployment rate during the same period. At the same time however, the number of new recipients increased from 1998-99 to 2000-01, therefore increasing the numerator. Both these effects worked in the same direction and caused the large increase in the number of new recipients expressed as a percentage of the stock from 1998-99 to 2000-01. In addition to the labour market story of lower unemployment rates resulting in a decline of the stock, the

movement in the ratio of young new recipients-to-stock during the period 1998-99 to 2000-01 is consistent with the introduction of Youth Allowance on 1 July 1998 to replace AUSTUDY, Youth Training Allowance, New Start Allowance, Sickness Allowance, and Family Allowance for young people. One of the effects of this policy was that "more students are receiving income support since the introduction of Youth Allowance on 1 July 1998 and there is a significant and sustained increase among under 18 year-old income support clients in full-time education and training" (FaCSIA 2002, pp. 14).

Table 4 displays the number of new recipients by payment type. Unlike the disaggregation by gender and by age-at-grant, a disaggregation by payment type reveals that the bulk of new IS recipients receive an unemployment benefit. The other large contributors are Parenting Payment, Partner Allowance, Sickness Allowance, and Disability Support Pension payments. These payments or programmes are, in general, also the largest social welfare programmes, although it does not have to be the case that the largest programmes also have the most new IS recipients. Often individuals transfer from one payment type (e.g. NewStart) into another payment type (e.g. the Disability Support Pension). This is shown in the lower half of Table 4, where the number of new recipients is represented as a percentage of the stock.

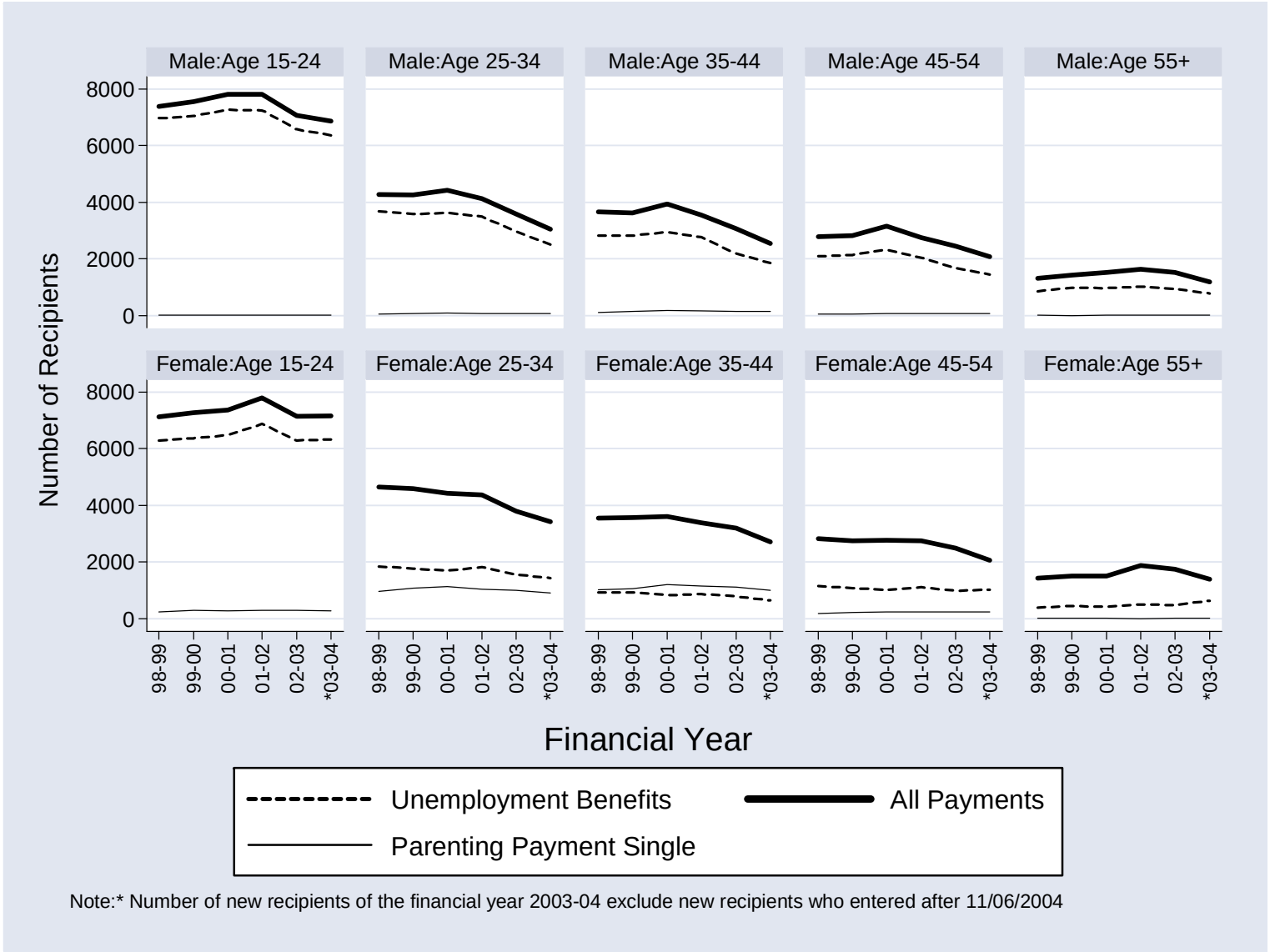
Table 4: Number of new IS recipients 1998-2003 by initial payment types

	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04*
Unemployment Benefits (UB)	27,001	27,159	27,539	27,719	24,429	22,984
Sickness Allowance (SKA)	1,409	1,375	1,422	1,196	1,114	990
Special Allowances (SPE)	513	502	1,204	577	913	554
Parenting Payment Partnered (PPP)	4,021	3,926	3,522	3,431	2,991	2,550
Parenting Payment Single (PPS)	2,629	2,922	3,225	3,036	2,962	2,738
Disability Support Pension (DSP)	1,399	1,477	1,576	1,747	1,547	1,503
Mature Age Payments (MAPs)	2,005	1,989	2,026	2,294	2,064	1,122
Total	38,991	39,368	40,527	40,009	36,027	32,441
As proportion (%) of respective stock[4]						
Unemployment Benefits (UB)	31.8	35.8	40.4	39.7	37.1	36.8
Sickness Allowance (SKA)	102.3	120.8	110.3	113.5	122.3	120.6
Special Allowances (SPE)	81.0	82.2	207.2	45.8	115.3	36.1
Parenting Payment Partnered (PPP)	17.3	17.8	16.2	16.9	15.6	14.1
Parenting Payment Single (PPS)	7.2	7.7	8.1	7.3	6.9	6.3
Disability Support Pension (DSP)	3.2	3.2	3.3	3.5	3.0	2.8
Mature Age Payments (MAPs)	8.7	9.1	9.5	10.9	9.8	5.4
Total	18.3	19.2	20.2	19.5	17.8	16.2

*Note: See Table 1 for the grouping of the different payment type. Years apply to financial years starting 1 July and ending 30 June. The exception is 2004 that ends 11 June 2004, the last observation in the sample.

[4] The stock is measured at the beginning of a period. For example, the stock for financial year 1998-99 is the number of payment recipients in the first fortnight of July 1998.

Figure 2: New Recipients by Age-at-grant and Gender across time



Note:* Number of new recipients of the financial year 2003-04 exclude new recipients who entered after 11/06/2004

2.3 How 'new' are new recipients

Our data spans a 9.5 year period from January 1995 to June 2004. We use a period of 3.5 years of not receiving any IS payment to establish whether a recipient is a new recipient, which means that the first new recipients identified in the financial year 1998-99 can be followed for a maximum of 6 years. Increasing the length of the period not receiving any IS payment to determine whether a recipient is considered a new recipient will come at a price: it means we will have less than the maximum 6 years available to follow the new recipient. The 3.5 years is chosen as it can be considered long enough to be treated as new since the system of IS and available services to recipients changes considerably over time. It also allows enough time to consider longer-term patterns of IS receipt. However, after having chosen 3.5 years as a yard stick, a natural question is how 'new' new recipients actually are. For new recipients identified towards the end of our sample, we have additional years beyond the 3.5 years available to check for IS payment receipt.

Table 5 and Table 6 take the cohort of IS recipients classified as new in the financial year 2002-03 and trace their IS history as far back to January 1995 to investigate prior IS spells more than 3.5 years ago. This provides an insight into how 'new' new IS recipients are.

Table 5: Percentage of new IS recipients in 2003-04 that had previous IS receipt by gender

	Male	Female	Total
Had a previous IS spell			
3.5 - 4 years ago	4.4	4.0	4.2
4 - 5 years ago	7.9	6.8	7.3
5 – 6 years ago	5.5	4.6	5.0
6 - 7 years ago	4.4	3.9	4.1
7 - 8 years ago	3.1	2.6	2.8
More than 8 years ago or never	74.8	78.1	76.5
Total	100	100	100

Table 5 indicates that there is no large gender differential between new IS recipients. Both male and female new recipients have approximately identical IS experiences that took place more

than 3.5 years ago with female new recipients less likely to have been on IS at any time more than 3.5 years ago.

Table 6 displays the IS histories for new recipients differentiated by age-at-grant. In contrast to the differentiation by gender, the differentiation by age-at-grant shows distinctly different histories. As could be expected, the youngest group of 15 to 19 year olds do not have a prior IS spell conditional on being classified as a new recipient. This is simply because they were not eligible prior to their first spell due to their age. New recipients in the oldest age-at-grant group are also highly likely to enter IS for the first time with more than 80 percent never (or more than 8 years ago) having had an IS spell. It is important to highlight this holds conditional on being classified as a new recipient. It may very well be that the majority of IS spell commencements for recipients 55 or over at grant are recipients with a previous IS spell. The age-at-grant category of individuals classified as new IS recipients that shows the highest incidence of previous IS receipt is the 25 to 34 year old group. Of those, 13.5 percent received an IS payment between 4 and 5 years ago. In total, approximately 56 percent of new IS recipients in the age category 25 to 34 years old never (or more than 8 years ago) had an IS spell.

Table 6: Percentage of new IS recipients in 2003-04 that had previous IS receipt by age-at-grant

	Age-at-grant					
Had a previous IS spell	15-19	20-24	25-34	35-44	45-54	55-59
3.5 - 4 years ago	0.1	4.2	8.0	5.95	4.09	2.6
4 - 5 years ago	0.0	6.6	13.5	10.18	8.55	5.42
5 – 6 years ago	0.0	2.5	9.6	8.04	6.79	3.55
6 - 7 years ago	0.0	1.1	7.8	6.95	5.73	3.92
7 - 8 years ago	0.0	0.2	5.4	4.62	4.19	3.25
More than 8 years ago or never	99.9	85.4	55.8	64.26	70.65	81.25
Total	100	100	100	100	100	100

3 Dynamics of first IS spell: Duration Approach

3.1 First Spell Duration and Empirical Hazard Rates

Part of the role of the descriptive statistics of IS patterns of new recipients is to describe how long the first episode of IS lasts for new recipients. Such an episode of IS receipt is called an IS spell, with duration denoting the length of the IS spell. A commonly used approach to describe the length of such spells is duration analysis, also known as 'survival analysis' or 'transition analysis' (economics), or 'event history analysis' (sociology). Duration analysis uses the concept of the 'hazard' that will be explained below in order to help understand the graphs in this section. We describe the concept of the hazard for the study of the duration of the first IS spell. The same method is used to study the length of the first payment spell, and the length of the first spell off IS.

The hazard in fortnight *t* is the probability the first IS spell ends this fortnight (that is, the new recipient exits IS for the first time), conditional on not having exited IS prior to this fortnight.

To give an example of how the hazard is constructed, suppose 100 new recipients enter IS on 1 January. The first fortnight 10 people exit IS. The hazard in the first fortnight is then 10/100 (or 10 percent). At the start of the second fortnight 90 persons are left. If 18 persons then exit IS the hazard in the second fortnight is 18/90 (or 20 percent). This continues for each subsequent fortnight. Plotted over time, the hazard function details the probability of exiting IS in each fortnight, conditional on not yet having done so. It is possible to control for personal characteristics (covariates) that can be expected to play a role in influencing your probability of exiting IS, such as age, location, gender, etc. This analysis is undertaken in section 5. Here, in section 3, the hazard is computed without the inclusion of any covariates. This is known as the empirical hazard.

3.1.1 Graphical approach: empirical hazard rates

Hazards plotted over time provide a graphical representation of the probability of exiting IS over time. It directly shows when the probability is highest, how it changes over time, and how it compares for different subgroups. The hazard was described for the first IS spell, but the concept equally holds for the first payment spell. We do not observe, for each new recipient, an exit from IS. If we do not observe the event that we are interested in (e.g. exiting IS) but the

data observation period ends, we say that this spell is right-censored. It is right-censored because we know the event has not yet happened up to the end of our observation window, but could happen at some later stage, that is 'to the right' on a timeline.

We distinguish three different events of interest that are outlined below:

- **'Exit from payment – Transfer'.** The event of interest is transferring from the initial starting payment type to a different payment type (but staying on IS). The hazard function plots the probability of transferring from the initial payment type to a different payment over time.
- **'Exit from payment – Outside'.** The event of interest is exiting IS directly from the initial starting payment type without first transferring to a different payment type. The hazard function plots the probability over time of exiting IS directly from the initial payment type without first transferring to a different payment type.
- **'Exit IS'.** The event of interest is simply exiting IS. It is closely related to the events described above. In the 'exit from payment - outside' case a transfer between payment types always ends the spell, with the observation being right-censored. In the 'exit IS' case a person who started on an initial payment and transferred once or more than once but stayed on IS is still considered to be on his first IS spell. It can only end in an exit from IS or censored spell if the recipient did not exit before the end of the observation period.

The empirical hazards in Figure 3 show the differences for men and women. They display very similar patterns over time, but with men having a higher probability of exiting IS than women. The pattern of the hazard shows high probabilities of exiting IS early in the spell that decline rapidly over time. In other words, the longer one has been receiving IS payments, the smaller the probability of exiting IS. There could be several reasons for this pattern, but one of them is that the new recipients with the highest probability of exiting IS are the first to leave. Over time, the pool of new recipients who have not yet exited IS is characterised more and more by individuals with relatively low probabilities of exiting IS, which could reflect that these recipients possess characteristics that make them less likely of exiting IS. To explain this in a different way one can take the pool of the unemployed. Unemployment levels have been steadily falling in recent years and are at an all time low. The smaller the percentage of unemployed, the harder it becomes to reduce it even further, because the average employability of those remaining becomes less and less as it is the most employable persons who leave first.

A further observation from Figure 3 is that the distinction between exiting IS from the first initial payment type, or exiting IS irrespective of intermediate transfers to other payment types, does not make much difference for the hazard rates. This is directly related to the observation of a relatively small probability of transferring, which is almost flat.

Figure 3: Empirical Hazard Rates by Gender

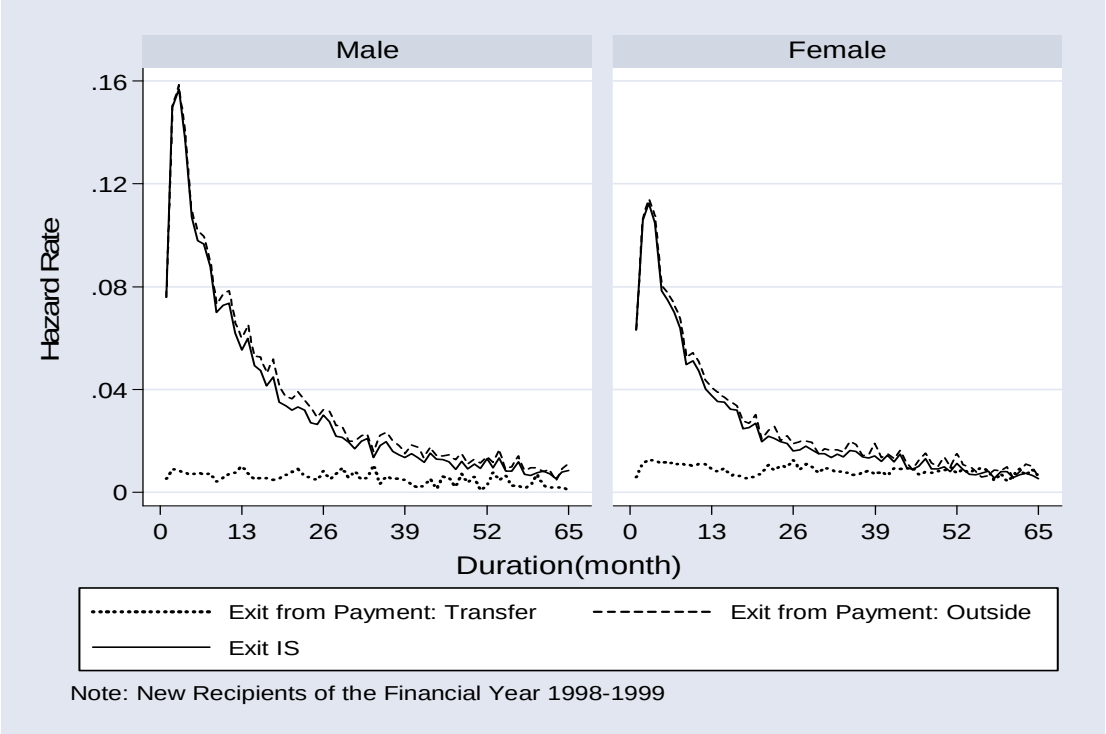
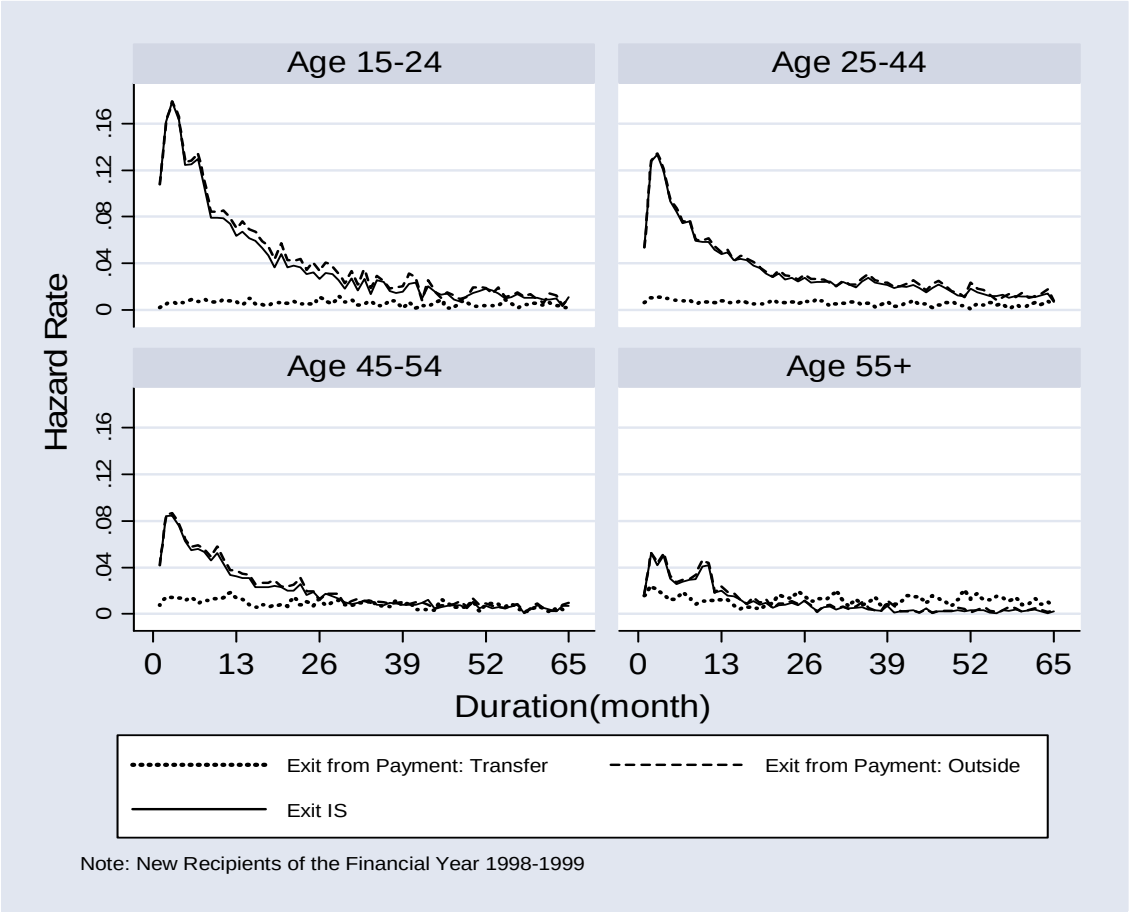


Figure 4 disaggregates the empirical hazards, not by gender, but by age-at-grant. The pattern of the hazard for all age-at-grant groups shows the probability of exiting IS is higher early in the IS spell. This pattern of high initial probabilities followed by a steep and steady decline is sharpest and most pronounced for the younger age-at-grant group. After just over two years (26 months) on IS, the probabilities of exiting IS for the age-at-grant groups 15 to 24 and 25 to 44 are almost identical at approximately a 3 percent change per fortnight where previously the probabilities for the youngest group (15 to 24) where much higher than for the group 25 to 44. The advantage of youth lasts for approximately two years. The two older age-at-grant groups are identical after a year of being on IS.

Figure 4: Empirical Hazard Rates by Age-at-grant

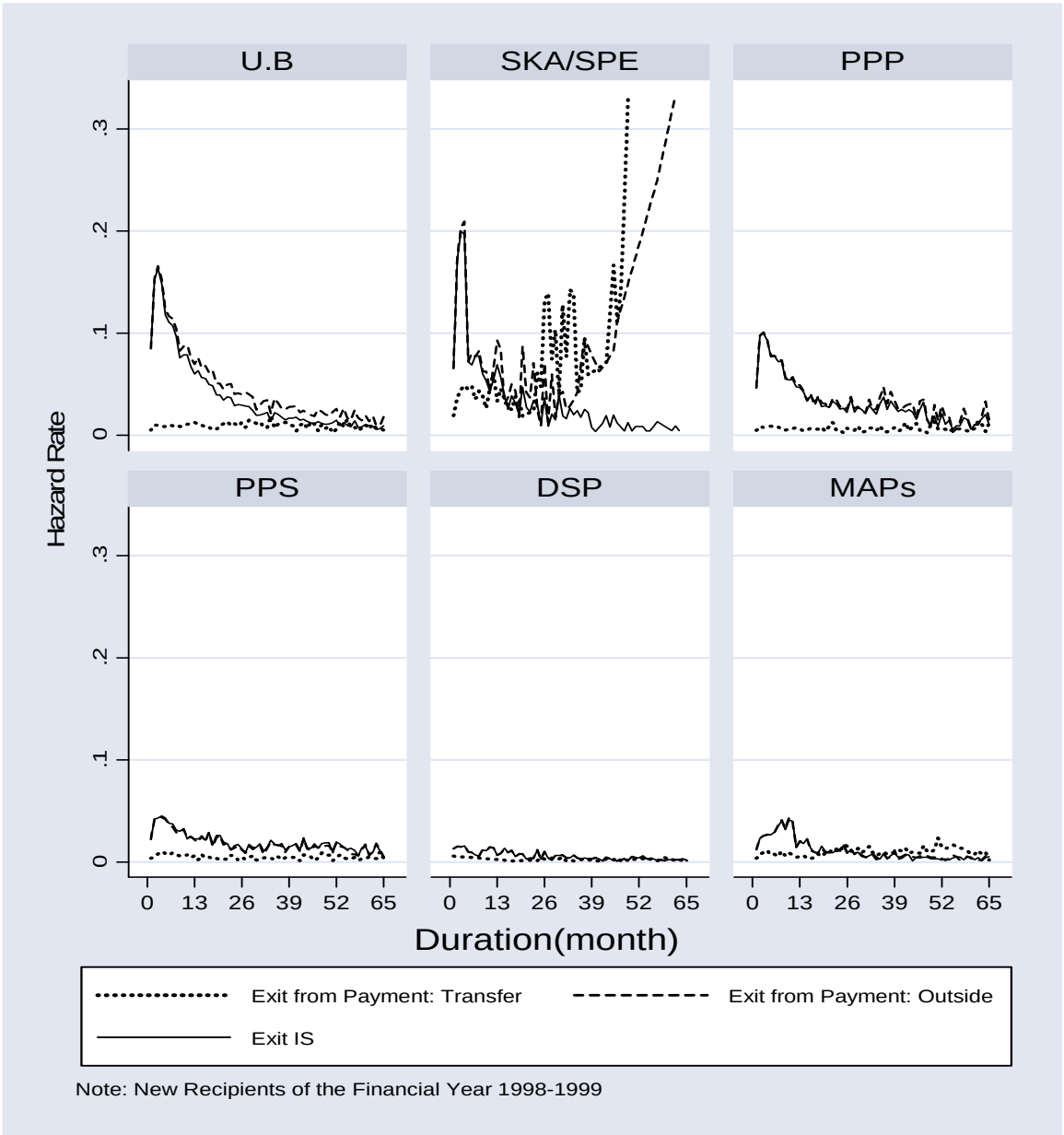


Note: New Recipients of the Financial Year 1998-1999

Finally, when repeating the analysis disaggregated by the initial start payment type (Figure 5) we see that Parenting Payment Partnered and unemployment benefits still display the earlier pattern of high exit probabilities early in the spell that sharply decline over time. When disaggregating by payment type it becomes important to distinguish the three different events: transferring from the initial payment type to a different payment type ('exit from payment – transfer'), exiting IS directly from the initial payment type (exit from payment – outside'), and exiting IS regardless of the current payment ('exit IS'). It is important to realise the difference because it is possible to have a single long IS spell even though the initial payment type would imply a (short) maximum spell length (e.g. Sickness Allowance or Special Benefits). For instance, exiting IS irrespective of whether the recipient is still on the initial payment type or has transferred (the solid line) shows a path that is ever declining. That is because it does not matter what your initial payment type was; the longer you are on IS, the smaller is the probability of exiting IS. In contrast, the probability of exiting IS directly from the initial payment type, as well as the probability of transferring to a different payment type, are

increasing over time for those whose initial payment type was Sickness Allowance or Special Benefits. This is due to the nature of the IS payment type.

Figure 5: Empirical Hazard Rates by Initial Payment Type



Note: New Recipients of the Financial Year 1998-1999

3.1.2 Numerical approach: distribution of durations

In subsection 3.1.1. hazards plotted over time provide a graphical representation of the probability of exiting IS over time. What this does not show is the distribution of the IS spell durations, which is the topic of interest in this subsection. We use tables displaying the distribution of the duration of the first IS spell. For these tables we distinguish three different

time horizons: a short term horizon of one year; a medium term horizon of 3 years; and a long term horizon of 5 years. The longer the forward looking horizon, the further back the individual needs to be defined as a new IS recipient. This is because our observation window ends in 2004.

Table 7 shows the distribution of the duration of the first IS spell of new recipients. The long-term 5 year horizon is only available for those classified as new IS recipients in the financial year 1998-1999. For the new recipients in 2002-2003 only the short-term 1 year horizon is defined. We do not show the results for the new recipients in the financial year 2003-2004 since we have relatively little extra insight to gain as only a short period (less than a year) is available to follow these new recipients.

Table 7: Distribution of the first IS spell duration of new recipients

	1998-99	1999-00	2000-01	2001-02	2002-03
Duration	(%)	(%)	(%)	(%)	(%)
<3 months	34.5	35.5	34.8	34.1	33.1
3- 6 months	16.3	16.8	16.6	17.3	16.7
6-9 months	9.3	8.8	9.0	9.3	9.4
9-12 months	6.1	5.5	5.5	5.4	5.3
1-1.5 years	7.1	6.6	6.6	6.2	.
1.5-2 years	2.1	1.8	2.2	1.9	.
2-3 years	5.2	5.0	5.2	.	.
3-4 years	3.0	2.8	.	.	.
4-5 years	1.8	.	.	.	.
Right-censored	14.8	17.3	20.1	25.8	35.5
Censored if duration	(≥ 5 years)	(≥4 years)	(≥3 years)	(≥2 years)	(≥1 year)

The picture that emerges from Table 7 shows that the distribution of the duration of the first IS spell is remarkably stable over the period 1998-2003. Approximately 34 percent of IS spells last less than 3 months, another 16 percent last between 3 and 6 months. After 5 years, the longest available horizon, about 15 percent of IS spells have not yet ended and are (right)

censored. [5] Given that the probability of transferring was rather small and stable over time, analysing the first payment type spell results in a picture similar to that for the first IS spell. That is, approximately 37 percent last less than 3 months; 18 percent last between 3 and 6 months; 17 percent last between 6 and 12 months; 10 percent last between 1 and 2 years; 11 percent last between 2 and 5 years; and 8 percent last 5 years or more.

After having established that the distribution over time is stable, to maximize the available time horizon, Table 8 and Table 9 focus on individuals classified as new IS recipients in 1998.

Table 8: Distribution of the first IS spell duration of new recipients in 1998 by age-at-grant

	Age-at-grant					
	16-19	20-24	25-34	35-44	45-54	55-59
Duration						
<3 months	43.0	46.1	36.0	29.6	23.1	13.3
3- 6 months	18.6	19.6	17.1	15.8	13.1	7.7
6-9 months	8.8	10.2	10.0	8.9	9.3	7.2
9-12 months	5.9	5.7	6.4	6.2	6.4	6.4
1-1.5 years	6.1	6.6	7.8	8.3	7.3	4.9
1.5-2 years	1.7	1.9	2.2	2.6	2.5	1.4
2-3 years	3.7	3.9	5.4	7.2	6.2	4.4
3-4 years	1.9	1.8	3.6	4.6	3.1	2.3
4-5 yeas	1.2	1.1	2.2	2.4	2.1	1.3
≥ 5 years	9.1	3.3	9.4	14.5	27.0	51.1
All	8,325	6,195	8,907	7,223	5,607	2,734

Table 8 displays the distribution of the duration of the first IS spell of new recipients disaggregated by age-at-grant. In general, the older a new recipient is at grant, the longer his IS duration. For instance, only 3.3 percent of new recipients between 20 and 24 years of age-at-grant have a first IS spell duration of 5 years or more, compared to 51.1 percent of new

[5] Recall that we speak of a censored spell if the event of interest (here: exiting IS) has not yet occurred, but our observation period has ended.

recipients between 55 and 59 years of age-at-grant. However, 9.1 percent of new recipients aged 16 to 19 at grant have durations of 5 years or longer. This result is most likely due to young disabled recipients moving on to IS payments in their own right.

Table 9: Distribution of the first IS spell duration of individuals classified as new IS recipients in 1998 by initial payment type*

	UB	SKA	SPE	PPP	PPS	DSP	MAPs
Duration							
<3 months	40.7	52.4	25.3	26.1	12.1	5.0	7.4
3- 6 months	18.4	14.3	12.0	16.4	10.6	2.9	7.5
6-9 months	9.8	7.2	9.5	10.3	7.1	2.1	9.0
9-12 months	6.3	3.8	8.3	6.7	5.5	3.4	6.2
1-1.5 years	7.0	4.2	11.2	8.2	8.3	4.6	6.4
1.5-2 years	1.9	1.6	2.9	2.7	3.8	1.3	1.9
2-3 years	4.3	3.4	9.7	8.1	8.5	5.2	6.4
3-4 years	2.1	1.9	4.1	5.9	7.9	2.7	3.4
4-5 yeas	1.2	0.9	1.4	2.4	6.0	2.6	2.1
≥ 5 years	8.2	10.2	15.8	13.1	30.4	70.1	49.8
All	27,001	1,409	518	4,021	2,638	1,399	2,005

*Note: An IS spell can have a duration that is longer than the eligibility period of the initial payment type. This happens if the recipient transfers to a different payment without leaving IS.

Table 9 shows the distribution by initial payment type of the duration of the first IS spell for individuals who were classified as new IS recipients in 1998. There are large differences in the distribution of the duration of the first IS spell when disaggregated by initial payment type. The majority of IS spells that started on unemployment benefits or sickness allowances last less than 6 months. Only around 10 percent of IS spells that started on unemployment benefits or sickness allowance last 5 or more years, i.e. are right censored. When comparing the IS spells starting with parenting payments one sees that the IS spells initiated with Parenting Payment Single are characterised by longer durations. As the initial payment type the disability support

programme really stands out as being characterised by 70 percent of first IS spells that started with disability payments lasting 5 years or longer. Mature age payments as the initial payment type too, are characterised by close to half the IS spell durations lasting 5 years or more.

3.2 First off-IS Spell Duration: time until a return to IS

3.2.1 A numerical representation

Thus far the analysis has focussed on the first IS spell, the moment starting with a new recipient receiving an IS payment until the moment this person leaves IS for the first time. In this section we analyse the first off-IS spell, that is the period between the new recipient exiting IS for the first time and the moment until a return (for the first time) to IS. Of course, some new recipients enter IS, exit IS, and never return. We investigate how long it takes before new recipients return to IS for the first time, i.e. durations of the first off-IS spell. This is very closely related to studying the durations of the first IS spell. Instead of a spell starting with entering IS where the event of interest is exiting IS (when studying durations of the first IS spell), a spell now starts with exiting IS and the event of interest is returning to IS. The LDW data does not collect information about a person when they are not receiving any IS, hence the analysis is limited to what we know about the individual when they are not on IS. This is actually quite a lot when one makes some reasonable assumptions. The econometric modelling of the first off-IS spell is undertaken in section 6.6. In this section of the report we limit the analysis to the same technique, the empirical hazard analysis, as in section 3.1.1.

It should be noted that the sample used here is slightly different from the sample used in the analysis of the first IS spell. The reason is that it is necessarily limited to persons who came off IS after their first spell. Those who remained on their first IS spell are hence not represented. The sample for the analysis of the first off-IS spell consists of new recipients who entered IS in the financial year 1998-99 and exited IS within the subsequent 2 year time window. Upon exiting IS they are followed for 3 years.

Table 10 below presents the cumulative proportion of persons who have left IS, but returned within a 3 year window. As has been established previously in looking at IS patterns for new recipients, there is no discernable gender difference, but the youngest and oldest age-at-grant groups are most likely to return to IS. The age-at-grant is the age of the new recipients when they first received an IS payment, not the age at which they left IS for the first time. The risk of returning to IS is highest at the start of the off-IS spell. This is reflected in the pattern of the

cumulative proportion of persons who have returned to IS. This proportion is about 20 percent at the end of the first half year and 30 percent at the end of the first year. At the end of the second year it is increased from 30 to just over 40 percent. At the end of the third year it rises further to 50 percent. Overall, exactly half the people who left IS returned to the IS system at some point within 3 years. Phrased differently, half the new IS recipients only have one IS spell in 3 years, that is they do not return to IS.

Table 10: Cumulative proportion returning to IS system by off payment duration

	0.5 year	1 year	2 years	3 years	Total of Obs.
Gender					
Male	0.21	0.31	0.44	0.50	16,264
Female	0.19	0.30	0.42	0.50	14,062
Age at first payment					
Age 15-24	0.22	0.34	0.48	0.56	12,831
Age 25-44	0.18	0.28	0.38	0.45	12,686
Age 45-54	0.19	0.28	0.39	0.45	3,628
Age 55+	0.24	0.33	0.48	0.57	1,181
Initial Payment					
UB	0.21	0.31	0.44	0.51	23,306
SKA/SPE/PPP	0.17	0.27	0.38	0.44	4,550
PPS	0.21	0.32	0.44	0.51	1,332
DSP/MAPs	0.22	0.31	0.42	0.51	1,138

Sample: New recipients in Financial Year 1998-99 who exited IS within the subsequent two year period.

When disaggregating the duration of the first off-IS spell by the initial payment type we see that, as a group, those who started their spell with Sickness Allowance, Special Benefit or Parenting Payment Partnered, and who subsequently exited IS, are most successful in staying off IS. In fact, on average, they are more likely to have stayed off IS over a three year period (56 percent chance) than to have returned to IS (44 percent chance). When disaggregating by initial payment type, the variation in the cumulative proportion returning is not as great as

when disaggregating by different age groups. This suggests that, conditional on having exited IS, what matters more than the initial payment type that started the first IS spell is the age-at-grant of the new recipient.

3.2.2 A graphical representation

Table 10 has a graphical counterpart. Instead of displaying the distribution in a table we can graph the same information. To do so we combine two graphs into one: the hazard function and the cumulative proportion that returns over time. The hazard is the probability of returning to IS for the first time, that is, the probability of starting a second IS spell. For example, suppose 100 recipients leave IS on 1 January. In the first fortnight 10 of them return to IS. The hazard is then 10/100 or 10 percent. The cumulative proportion of persons who have returned is also 10/100 or 10 percent. If in the next fortnight 45 persons return, the hazard in that fortnight is 45/90 or 50 percent. The cumulative percentage of persons who have returned is now (10+45)/100 or 55 percent. If the next fortnight 9 people return the hazard that fortnight is 9/45 or 20 percent. The cumulative percentage of persons that have returned is now (10+45+9)/100 or 64 percent, etc. etc.

The empirical hazard of returning to IS is graphed disaggregated by gender, by age-at-grant, by initial payment type of the first IS spell, and by the duration of the first IS spell, in Figure 6, Figure 7, Figure 8, and Figure 9, respectively. The empirical hazard of returning to IS is the dotted line that starts high in the top left hand corner and declines over time towards the bottom right hand corner. The corresponding legend is on the left side of the graph, with a range between 0 and 0.1 (or 0 and 10 percent chance). Plotted in the same graph is the cumulative proportion of new recipients who have returned to IS for the first time, that is, started a second IS spell. That line is the solid line that starts in the bottom left hand corner, quickly rises, and then ends in the top right hand corner of the graph. It shows the same patterns as observed in Table 10. The legend for the cumulative proportion that has returned to IS is on the right hand side of the graph. It ranges between 0 and 0.6 (or 0 and 60 percent).

Figure 6: Hazard Rate and Cumulative Proportion returned to IS by Gender

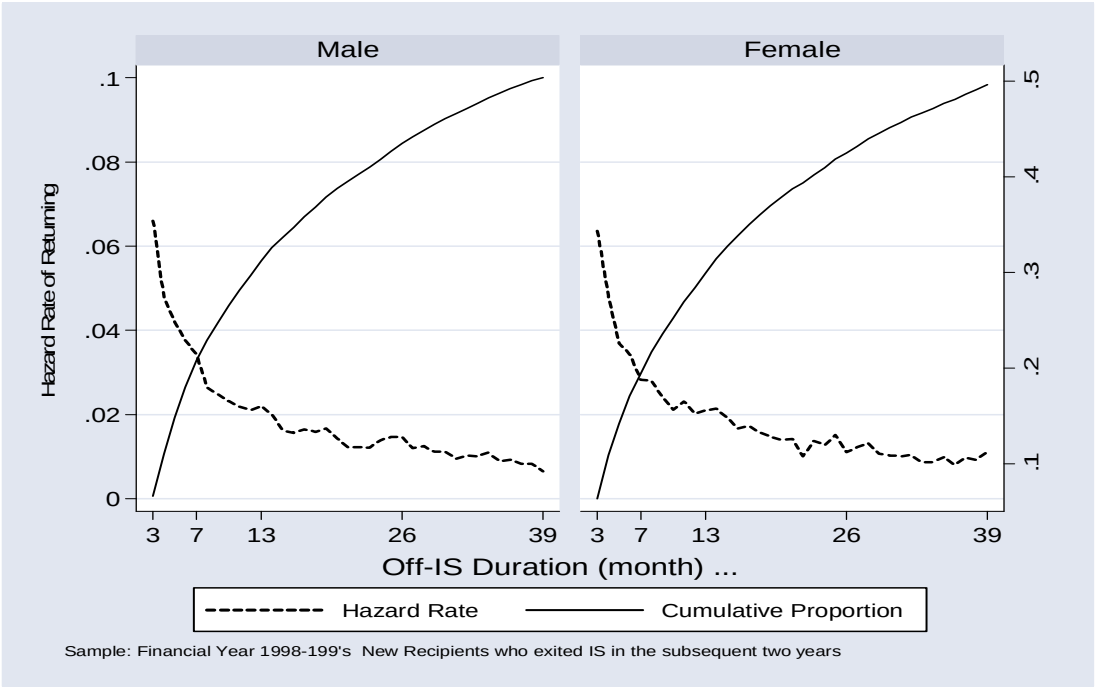
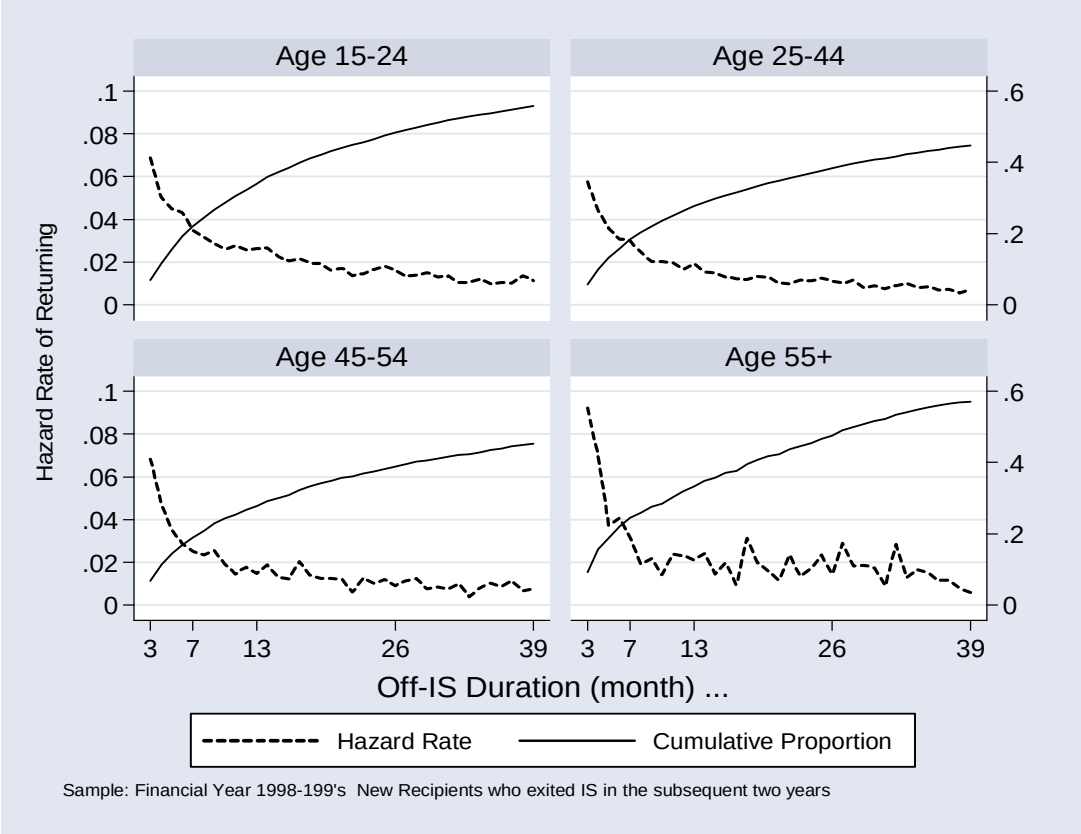


Figure 7: Hazard Rate and Cumulative Proportion returned to IS by Age-at-grant



Note: Legend for the hazard (dotted line) is on the left. The legend for the cumulative proportion that has returned (solid line) is on the right.

Figure 8: Hazard Rate and Cumulative Proportion returned to IS by initial Payment Type of first IS spell

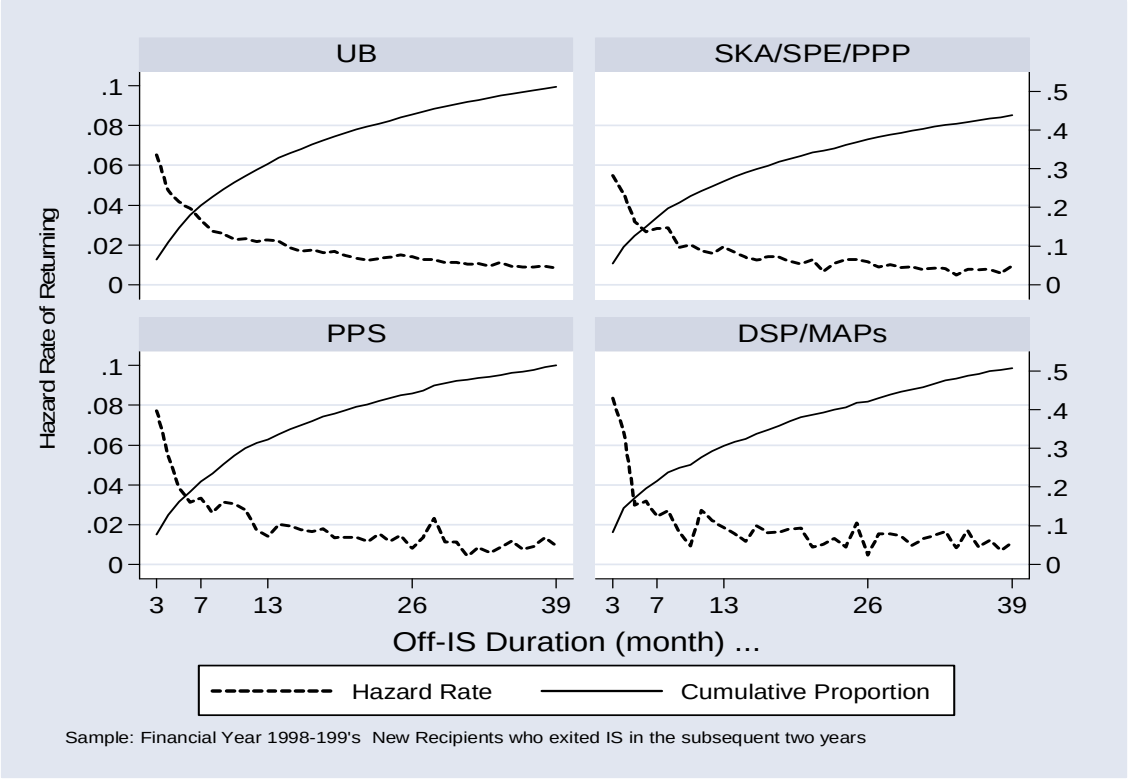
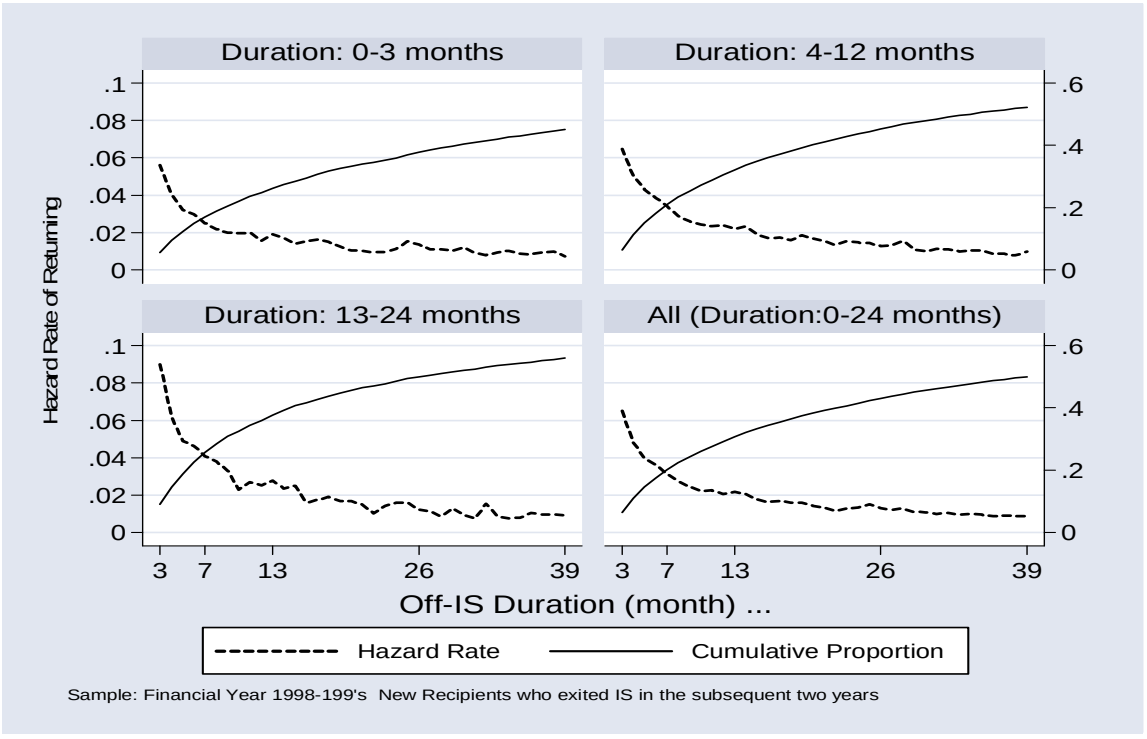


Figure 9: Hazard Rate and Cumulative Proportion returned to IS by duration of first IS spell



Note: Legend for the hazard (dotted line) is on the left. The legend for the cumulative proportion that has returned (solid line) is on the right.

4 Dynamics of IS: Churning, Transferring and TTO

4.1 Churning

Churning is defined as moving on and off IS. To be considered off IS one needs to be not receiving an IS payment for three consecutive fortnights. To be classified as receiving an IS payment one needs to be receiving an IS payment for three consecutive fortnights. Table 11 displays, for each individual classified as a new IS recipient in the financial year 1998-1999 to 2002-2003, the fraction of new recipients who churn when viewed over the short term (one year), medium term (three years), and long term (5 years) horizon. The long term horizon is only available for those individuals classified as a new recipient in 1998-1999 due to our data ending in June 2004. Table 11 also displays the number of times the new clients churn, conditional on churning at least once. What is immediately apparent, and which was also the case in Table 7, which investigated the distribution of the duration for different years, is that the fraction of new recipients who churn is very stable across time. The only difference is that for new recipients who are classified as new earlier on we have more forward looking data available. For the years that the new recipients have in common, the fraction of churners is almost identical. Conditional on having churned at least once, the second half of Table 11 shows the number of times new recipients churned. Here too the distribution is very stable over time. When looking at a short horizon of one year, more than 90 percent of new recipients who churn, churn only once. Even when taking a long term window of 5 years the majority of new recipients who churn, churn only once. About 18 percent churn three or more times over the 5 year window, conditional on having churned at least once. Table 11 has a direct counterpart in Tseng et al. (2004). Table 2 in that report gives a distribution of churning for new and existing recipients aged between 15 and 64. When comparing the distributions with churning incidence for all recipients in 1995-96 with new recipients only in 1998-99 we find that the rate of incidence is lower for new recipients. This is not due to the difference in the years compared (as the distribution is stable over time) and hence is attributable to focussing on new recipients only. Measured over a 5 year window, general churning incidence as reported in Tseng et al. (2004) is 55.7 percent, compared to 47.1 percent for new recipients only. Conditional on having churned however, there are almost no differences in IS patterns for the new versus all recipients.

Table 11: Distribution of churning by new IS recipients

	1998-99	1999-00	2000-01	2001-02	2002-03
Churning incidence (%)					
1 year time horizon	14.7	15.4	15.9	14.6	13.8
3 year time horizon	37.9	37.6	36.2		
5 year time horizon	47.1				
Proportion (%) of churners who churn					
1 year time horizon					
Once	93.8	93.0	93.7	94.4	94.5
Twice	6.0	6.7	6.1	5.5	5.4
Three or more times	0.2	0.3	0.2	0.1	0.1
3 year time horizon					
Once	68.1	67.4	68.3		
Twice	23.5	23.8	23.7		
Three or more times	8.49	8.82	8.02		
5 year time horizon					
Once	56.3				
Twice	25.6				
Three or more times	18.1				
Number of observations	38,991	39,368	40,527	40,009	36,027

Table 12 displays a breakdown of the number of churns for the short, medium and long term horizons by different characteristics. Frequent churning unambiguously implies frequent IS dependence. A churning count of zero implies one of two scenarios: a person enters IS and has a single long IS spell (that is, doesn't exit IS and hence doesn't churn) or a person enters IS, has a short IS spell, exits IS and does not return during the observation window. Hence those who don't churn are a combination of IS recipients who rely heavily on IS and those who only temporarily rely on IS.

Table 12: Distribution of churns by selected characteristics (row %)

	Number of churns								
	One - year		Three - year			Five - year			
	0	1+	0	1	2+	0	1	2	3+
Male	83.3	16.7	*59.8*	*26.0*	*14.3*	50.3	26.1	12.8	10.7
Female	86.9	13.1	*65.9*	*24.6*	*9.5*	55.7	26.8	11.2	6.3
Age-at-grant 15 – 19	76.7	23.3	*45.8*	*31.2*	*23.0*	35.5	27.3	18.5	18.8
Age-at-grant 20 – 24	84.0	16.0	*60.7*	*26.4*	*12.9*	50.4	27.2	13.5	8.9
Age-at-grant 25 - 34	86.5	13.5	*65.5*	*24.9*	*9.7*	54.7	27.4	11.3	6.6
Age-at-grant 35 – 44	88.1	11.9	*68.8*	*23.3*	*8.0*	58.7	26.8	9.6	4.8
Age-at-grant 45 – 54	89.5	10.5	*71.9*	*21.5*	*6.6*	63.4	24.4	8.3	3.9
Age-at-grant 55+	91.9	8.1	*76.5*	*18.9*	*4.5*	69.9	22.7	5.6	1.8
Initial payment: UB	82.5	17.5	*57.7*	*27.5*	*14.8*	47.9	27.3	14.0	10.9
Initial payment: SKA	85.8	14.2	*65.3*	*26.6*	*8.2*	55.2	30.0	9.4	5.4
Initial payment: SPE	76.5	23.5	*50.9*	*34.0*	*15.1*	48.9	31.6	11.0	8.5
Initial payment: PPP	89.0	11.0	*70.4*	*23.3*	*6.4*	59.0	28.1	9.1	3.8
Initial payment: PPS	92.6	7.4	*75.6*	*19.3*	*5.1*	63.4	24.2	9.1	3.3
Initial payment: DSP	98.2	1.8	*92.6*	*6.4*	*1.1*	87.5	10.5	1.6	0.5
Initial payment: MAPs	94.5	5.5	*79.7*	*17.0*	*3.2*	71.1	23.0	4.7	1.2
Single	83.2	16.8	*58.9*	*26.6*	*14.5*	48.8	26.5	13.7	11.0
Partner on not on IS	88.8	11.2	*71.5*	*21.7*	*6.8*	61.5	25.9	8.7	4.0
Partner on IS	88.6	11.5	*69.1*	*23.4*	*7.5*	59.4	26.8	9.3	4.5
No dependent child	83.8	16.2	*60.2*	*26.2*	*13.7*	50.8	26.3	12.9	10.0
Youngest aged 0-5	88.4	11.6	*68.9*	*23.5*	*7.7*	57.0	28.3	10.0	4.8
Youngest aged 6-9	90.2	9.8	*71.9*	*21.7*	*6.5*	61.9	24.8	8.7	4.7
Youngest aged 10-12	89.9	10.2	*71.8*	*22.0*	*6.2*	61.6	25.3	9.5	3.6
Youngest aged 13+	88.8	11.2	*71.1*	*22.1*	*6.9*	61.8	25.0	10.0	3.2
Non ATSI-AUS	84.8	15.2	62.4	25.3	12.3	52.9	26.3	12.1	8.8
ESB	85.7	14.3	63.5	25.0	11.5	52.7	26.3	13.1	7.9
NESB	87.2	12.8	65.9	24.7	9.4	55.8	27.4	10.6	6.2
ATSI	81.0	19.0	56.4	27.5	16.1	45.7	26.8	14.2	13.3

4.2 Transferring

Closely related to the concept of churning is the concept of transferring. Transferring is moving from one type of IS payment to another type of IS payment. The time in between these two different payment types should be less than 3 consecutive fortnights. One also needs to receive the two different payment types for at least 3 consecutive fortnights each.

Table 13 shows the fraction of new IS recipients who transfer when analysed for different time horizons. Here too the distribution over time is very stable. In comparison to churning, transferring is less common.

Table 13: Distribution of transferring by new IS recipients

	1998-99	1999-00	2000-01	2001-02	2002-03
Transferring incidence (%)					
1 year time horizon	6.8	6.4	6.5	6.2	6.9
3 year time horizon	12.8	12.6	12		
5 year time horizon	16.8				
Proportion (%) of transferrers who transfer:					
1 year time horizon					
Once	91.9	91.2	91.8	93.7	92.8
Twice	6.6	7.8	7.3	5.6	6.7
Three or more times	1.5	1.0	0.9	0.7	0.5
3 year time horizon					
Once	83.0	83.4	83.6		
Twice	12.5	12.7	13.1		
Three or more times	4.5	3.9	3.3		
5 year time horizon					
Once	78.6				
Twice	14.7				
Three or more times	6.7				
Number of observations	38,991	39,368	40,527	40,009	36,027

Conditional on having transferred at least once, the second half of Table 13 shows the number of times new recipients transferred. When looking at a short horizon of one year, more than 90 percent of new recipients who transfer, transfer only once. Even when taking a long term window of 5 years, the vast majority, almost 80 percent, of new recipients who transfer, transfer only once. Less than 7 percent transfers three or more times over the 5 year window, conditional on having transferred at least once.

This pattern for new recipients is different to the pattern of IS receipt for the population as a whole, as reported in Table 3 of Tseng et al. (2004). New recipients are less likely to transfer and conditional on transferring, they are more likely to transfer only once and less likely to transfer twice or three or more times. Over a five year horizon for instance, conditional transfer probabilities for new recipients in 1998-99 were 78.6, 14.7, and 6.7 percent to transfer once, twice, or three times or more, respectively (bottom left Table 13). For all recipients aged 15-64 starting an IS spell in 1995-96 these numbers compare to 69.5, 19.5, and 11.0 percent in Tseng et al. (2004), respectively. The actual incidence of transferring for new recipients in 1998-99 was 6.8 percent after a one year time horizon, after 3 years it was 12.8 percent and after 5 years it was 16.8 percent (top left Table 13). For all recipients aged 15-64 starting an IS spell in 1995-96 these numbers compare to 8.0, 15.3 and 20.4 percent in Tseng et al. (2004), respectively. Although the lower rates for new income support recipients could be due to the difference in the years, this is highly unlikely as the distribution of transfers is very stable over time.

Table 14 displays the number of transfers by different characteristics. In terms of age-at-grant we see that those 55 and over are most likely to transfer. This is in part driven by the fact that at age of grant, individuals are restricted to be less than 60 years of age but during the observation period can become eligible for the Age Pension. This is only an issue for women in the long term 5 year view as men are not eligible until age 65. The nature of the initial benefit also plays an important role. Payments that have limited durations by design, such as Special Benefits or Sickness Allowance are characterised by above average probabilities of transferring once of 34.1 and 27.2 percent, respectively. Also, the younger the youngest child in the household, the less likely the new recipient is to transfer payment types.

Table 14: Distribution of transferring by selected characteristics (row %)

	Number of transfers								
	One - year		Three - year			Five - year			
	0	1+	0	1	2+	0	1	2	3+
Male	95.2	4.8	*91.5*	*7.5*	*1.0*	88.8	9.4	1.2	0.5
Female	91.7	8.3	*83.6*	*13.3*	*3.2*	77.6	17.0	3.7	1.7
Age-at-grant 15 – 19	95.5	4.5	*89.6*	*7.7*	*2.7*	85.7	9.8	2.4	2.1
Age-at-grant 20 – 24	96.3	3.7	*93.5*	*5.5*	*1.0*	91.7	6.9	1.0	0.5
Age-at-grant 25 - 34	94.3	5.7	*90.1*	*8.1*	*1.8*	86.9	10.2	2.1	0.8
Age-at-grant 35 – 44	93.6	6.4	*88.1*	*10.1*	*1.9*	83.8	12.7	2.4	1.1
Age-at-grant 45 – 54	90.1	9.9	*81.4*	*16.3*	*2.3*	75.6	20.4	3.1	0.9
Age-at-grant 55+	85.1	14.9	*71.8*	*24.9*	*3.4*	58.5	34.6	5.8	1.2
Initial payment: UB	93.8	6.2	*88.7*	*9.6*	*1.7*	85.5	11.6	1.9	1.1
Initial payment: SKA	80.4	19.6	*70.1*	*24.0*	*5.9*	65.5	27.2	6.1	1.2
Initial payment: SPE	84.2	15.8	*76.4*	*20.0*	*3.6*	54.7	34.1	8.9	2.3
Initial payment: PPP	93.8	6.2	*88.2*	*9.6*	*2.2*	84.7	11.9	2.5	0.9
Initial payment: PPS	94.9	5.1	*88.0*	*8.6*	*3.4*	81.7	12.0	4.2	2.1
Initial payment: DSP	99.9	0.1	*97.2*	*2.5*	*0.3*	92.2	7.2	0.5	0.1
Initial payment: MAPs	92.5	7.5	*79.2*	*17.5*	*3.3*	65.2	28.4	5.2	1.2
Single	95.0	5.0	*89.8*	*8.4*	*1.8*	86.1	10.7	2.1	1.2
Partner not on IS	91.4	8.6	*86.5*	*11.6*	*1.9*	83.4	13.6	2.4	0.7
Partner on IS	90.1	9.9	*81.6*	*15.4*	*3.0*	75.3	20.0	3.5	1.2
No dependent child	93.5	6.6	*87.5*	*10.6*	*1.9*	83.2	13.5	2.2	1.1
Youngest aged 0-5	94.1	5.9	*89.4*	*8.2*	*2.5*	85.9	10.3	2.7	1.1
Youngest aged 6-9	94.2	5.9	*89.2*	*8.8*	*2.0*	84.4	11.7	2.7	1.3
Youngest aged 10-12	93.7	6.3	*87.5*	*10.6*	*1.9*	78.1	16.9	3.8	1.3
Youngest aged 13+	88.7	11.3	*76.3*	*19.6*	*4.1*	71.6	21.2	5.4	1.8
Non ATSI-AUS	93.9	6.1	*88.8*	*9.3*	*1.9*	84.8	11.9	2.2	1.1
ESB	92.6	7.5	*87.0*	*10.9*	*2.2*	82.2	13.9	2.8	1.1
NESB	92.4	7.6	*83.7*	*14.1*	*2.2*	78.6	17.4	3.1	0.9
ATSI	91.9	8.1	*83.9*	*12.3*	*3.8*	78.1	15.7	3.7	2.6

4.3 Total Time on Income Support (TTO)

The transfer and churning incidence provide information about how often new recipients change payment types and how often they enter and exit IS. It does not show how reliant they are in IS. To analyse how intensively new IS recipients rely on IS we use the concept of total time on IS (TTO). This measure, defined for any arbitrary chosen length of time, measures the fraction of the time that one received IS payments. It thus groups all types of IS and adds to interpreting the tables detailing the churn and transfer incidences. For instance, those with a single long IS spell and those with a short IS spell followed by successful labour market re-entry both have a churning count of zero. The TTO measure will disentangle them. A single long IS spell will have a TTO of 100 percent. A single spell followed by a permanent exit from IS will have a TTO of less than 100 percent.

Table 15: Average Total Time On IS (TTO) by new IS recipients

	1998-99	1999-2000	2000-01	2001-02	2002-03
TTO					
1 year time horizon	58.4	57.7	58.7	58.2	59.4
3 year time horizon	43.7	44.1	43.8	.	.
5 year time horizon	39.3		.	.	.

For the years that new IS recipients classified in different financial years have in common, the levels of TTO are almost identical (Table 15). New IS recipients, on average, receive an IS payment about 58 percent of the time when viewed over a short term 1 year horizon. This reduces to about 44 percent when viewed over a medium 3 year horizon, and drops further to about 39 percent when viewed over a long 5 year horizon. This is, of course, a statistical construct. In reality some new recipients have a very small TTO; others have a TTO of 100 percent.

4.4 Combined analysis of churning and transferring

Table 16 presents, for individuals classified as new IS recipients in each financial year 1998-99 to 2000-01, the distribution of individuals commencing a spell across churn and transfer combinations. The four possible combinations for new IS recipients are: neither churn nor transfer; transfer only; churn only; and both churn and transfer.

Table 16: Distribution of new IS recipients by churning/transfer combinations (%)

	1998-99	1999-00	2000-01
3 year time horizon			
Neither churn nor transfer	53.7	54.2	55.9
Transfer only	8.4	8.3	7.9
Churn only	33.5	33.3	32.2
Churn & transfer	4.4	4.3	4.1
Total	100	100	100
5 year time horizon			
Neither churn nor transfer	44.0		
Transfer only	8.9		
Churn only	39.2		
Churn & transfer	7.9		
Total	100		
Number of observations	38,991	39,373	40,534

The distribution over time, analysed over a medium 3 year horizon, is very stable. A majority, close to 54 percent, do not churn or transfer. These consist of new recipients who have only one spell, be it a short one, or one that lasts 3 or more years. Relatively few new recipients, about 4 percent, both churn and transfer. Twice as likely, but still relatively uncommon is to transfer only, with about 8 percent of new recipients transferring only over a 3 year horizon. When one increases the time horizon to 5 years one sees more churning, but not more transferring. This implies that transfers, if they occur, happen within the first 3 years after commencing the IS spell. However, it is possible too that transfers will occur beyond the maximum observation window of 5 years. Table 16 can be compared to Table 5 in Tseng et al. (2004) for the distribution over the four churn and transfer combinations. In 1998-99 the probabilities of 53.7, 8.4, 33.5, and 4.4 percent for new recipients (Table 16, top left) compare to 45.0, 9.3, 39.8, and 5.9 percent, respectively, for the population of all recipients who started an IS spell in 1998-99. That is, new recipients are more likely to neither churn nor transfer and

less likely to churn only. The other combination, churn and transfer and transfer only are approximately equally common.

4.5 Combined analysis of churning, transferring, and total time on IS

Table 17 displays the different levels of IS usage intensity, measured by TTO, and its relation to the churn and transfer incidence of new IS recipients. The horizon is again either 3 years or 5 years. All new recipients for whom we have 3, or alternatively 5 years, of forward looking data are included.

Table 17: Churning/transferring group and TTO (cell percentage)

	TTO groups					
	<25%	25-50%	50-75%	75-99%	100%	All
3 year time horizon						
Neither churn nor transfer	32.5	5.8	2.6	1.8	12.0	54.6
Transfer only	0.4	0.5	0.4	0.5	6.4	8.2
Churn only	11.3	9.8	6.7	5.1	0.0	32.9
Churn & transfer	0.2	0.8	1.3	2.0	0.0	4.3
Total	44.5	16.8	11.1	9.3	18.4	100.0
5 year time horizon						
Neither churn nor transfer	31.1	3.3	1.5	0.9	7.2	44.0
Transfer only	0.7	0.5	0.5	0.4	6.8	8.9
Churn only	17.7	10.1	6.4	4.9	0.0	39.2
Churn & transfer	0.5	1.5	2.3	3.5	0.0	7.9
Total	50.1	15.4	10.7	9.8	14.0	100.0

The percentages in Table 17 are cell percentages and provide a quick insight into the distribution of churn and transfer incidence and TTO. To help interpret the cell percentages we briefly describe how they are calculated. There are four transfer and churn combinations and five TTO groups resulting in 20 (4*5) cells. The cell percentages in these 20 cells sum to 100.

For instance, 32.5 percent of all observations are new recipients who neither churn nor transfer and have a TTO of less than 25 percent (Table 16, top left cell). This is the most common combination. Another example is that 6.7 percent of all observations can be characterised as churning only and having a TTO of 50 to 75 percent. Using cell percentages has the added advantage of being able to add the cells by rows to see how common each churn and transfer combination is (Table 16, far right column). One can also add the cells in each column, indicating how common a certain TTO group is.

When investigating Table 17 row by row one also sees that those who neither churn nor transfer typically have either low TTO (i.e. less than 25 percent) or the maximum level of TTO (100 percent). As stated earlier, neither churn nor transfer implies only one spell which, based on Table 17, is either a short single spell or one very long continuous spell. Those new recipients who transfer only are mainly recipients who stay on IS for a very long period of time, i.e. have a TTO of 100 percent. This contrasts with new recipients who churn only, whose TTO realisations are much more spread out but are predominantly 50 percent or less.

Table 17 for new recipients can be compared to the results in Table 7 in Tseng et al. (2004) for all recipients starting an IS spell between 1995-96 and 1998-99. The same transfer and churn combinations and TTO groups are used. Overall, the distribution of all possible combinations is very similar except that for new recipients the combination to neither churn nor transfer and have a TTO of less than 25 percent is much more likely (32.5 percent) than for all recipients as a whole (23.0 percent).

Finally, Table 18 displays the combinations of churning and transferring by different characteristics. Because a single IS spell without exiting IS and a single IS spell followed by a successful permanent exit from IS both result in being classified as neither transfer nor churn we distinguish this category by having a TTO of less than 50 percent or 50 percent or more.

Table 18: Distribution of churning and transferring dynamics within the subsequent three-year period by selected characteristics (row %)

	Neither churn nor transfer: TTO<50%	Neither churn nor transfer: TTO>50%	Transfer only	Churn only	Churn & transfer
Male	41.4	12.7	5.7	37.4	2.9
Female	35.0	20.1	10.7	28.4	5.7
Age-at-grant 15 – 19	30.4	10.4	5.0	48.7	5.5
Age-at-grant 20 – 24	50.6	6.7	3.5	36.2	3.1
Age-at-grant 25 - 34	44.4	15.1	6.0	30.7	3.9
Age-at-grant 35 – 44	40.4	20.4	8.0	27.2	4.0
Age-at-grant 45 – 54	34.3	23.4	14.2	23.8	4.3
Age-at-grant 55+	18.6	34.7	23.3	18.5	4.9
Initial payment: UB	42.5	8.0	7.2	38.2	4.1
Initial payment: SKA	45.6	1.3	18.4	23.2	11.5
Initial payment: SPE	23.7	13.3	14.0	39.5	9.6
Initial payment: PPP	41.4	21.0	7.9	25.7	3.9
Initial payment: PPS	22.0	45.3	8.4	20.8	3.6
Initial payment: DSP	11.5	78.7	2.4	7.0	0.4
Initial payment: MAPs	18.4	44.6	16.7	16.2	4.1
Single	38.4	14.2	6.2	37.1	4.0
Partner not on IS	42.4	19.9	9.1	24.1	4.4
Partner on IS	35.3	20.4	13.5	26.0	4.9
No dependent child	38.5	13.5	8.2	35.5	4.3
Youngest aged 0-5	38.0	24.2	6.7	27.2	4.0
Youngest aged 6-9	36.7	28.1	7.1	24.4	3.8
Youngest aged 10-12	36.2	26.6	9.0	24.7	3.5
Youngest aged 13+	37.7	15.9	17.5	22.7	6.2
Non ATSI-AUS	40.2	15.0	7.3	33.6	4.0
ESB	39.1	16.0	8.4	31.9	4.6
NESB	33.2	21.1	11.7	29.5	4.6
ATSI	26.8	20.4	9.3	36.8	6.8

5 SUMMARY: DESCRIPTIVE STATISTICS

Below is a summary of the main findings from the descriptive statistics. They are divided into four parts. The first part defines new recipients and provides analysis on the number of new recipients over time. The three subsequent parts discuss the first IS spell, the first off-IS spell, and the patterns of churning and transferring. This reflects the timeline for entering IS for the first time, exiting IS for the first time, and patterns of transferring and repeated IS entry and exit.

5.1 Preliminary

5.1.1 How new are 'new' recipients

New recipients are classified as new if they have not received an IS payment in the previous 3.5 years. Overall, three quarters of the sample of IS recipients classified as new in 2002-03 did not have a prior IS spell during the period for which we have data. That means they have either never had an IS spell, or had a spell 8 or more years ago. On average, 75 percent of new recipients can thus be expected to be truly new. This fraction is different for different age-at-grant groups. For the youngest, 15 to 19 year olds, it is 100 percent. For the oldest, 55 plus, it is still over 80 percent. The age groups that most likely capture new IS recipients with a previous IS spell are the 25 to 34 and the 35 to 44 groups, with 56 and 64 percent expected to be truly new, respectively.

5.1.2 The number of new recipients

The number of new recipients in the sample was approximately 40,000 a year from the fiscal years 1998-99 to 2001-02. The years after that, 2002-03 and 2003-04, are signified by a steep drop in the absolute number of new recipients by about 4,000 per year, which could be related to the strong economic performance of Australia during that time. Approximately equal numbers of new recipients are male and female. By far the largest contributor to the number of new IS recipients is unemployment benefits. Parenting Payment, Partner Allowance, Sickness Allowance, and Disability Support Pension payments are also large contributors. In absolute numbers most new IS recipients are to be found in the youngest age group (between 16 and 19 at age-at-grant). Relatively few new recipients, about 8 percent of all new recipients in a given year, are over 55.

5.2 The first IS spell

The probability of exiting IS over time shows a pattern with a high probability of exiting IS early in the spell which declines rapidly over the next year. For new recipients, the probability

of exiting IS is relatively high early on the spell, at about 16 percent or 12 percent on a fortnightly basis for men and women, respectively. This probability rapidly declines over time and as a rule of thumb is halved every 12 months. So for new recipients, the probability of exiting IS after one year is approximately 8 and 6 percent on a fortnightly basis for men and women, respectively. After two years these probabilities are 4 and 3 percent on a fortnightly basis for men and women, respectively. This pattern is strongest for the younger age-at-grant groups, who are also characterised by having shorter first IS spells than older age-at-grant groups.

The initial payment type captures the different nature of the various payment types. Payments that are short-term by nature, such as Special Benefit or Sickness Allowance, show an *increased* probability over time of transferring or exiting IS directly from the initial payment.

5.3 The first off-IS spell

New recipients who exit IS are followed for three years after they end their first IS spell. A year after exiting IS, about 30 percent will have returned to IS. This percentage of the number of IS recipients who have returned increases to about 40 percent after two years, and further to 50 percent after three years. Overall, there is thus a 50 percent chance a new IS recipient who exited IS will not return to IS for at least three years. When distinguishing the experience of men and women we find that these are virtually identical.

When distinguishing the experiences of the first off-IS period for new recipients by the initial first IS spell payment type we do find some small differences. New recipients who have exited IS for the first time after starting their initial IS spell on Sickness Allowance, Special Benefits, or Parenting Payment Partnered are most likely to have made a successful exit and not return to IS within a three year window. This in part reflects the nature of the payment, such as Sickness Allowance, which implies a temporary work incapacity, but with a job to return to after work capacity is restored. However, these differences by initial payment type are much smaller than the differences by age. There is a clear age effect that shows that the most permanent exits from IS are obtained for those aged between 25 and 54 ('prime age'). Both the youngest (15-24) and oldest (55+) age group have the same higher probability of returning to IS.

5.4 Churning and Transferring

Churning is defined as exiting and re-entering IS with at least 3 fortnights in between IS spells. A transfer is a switch to a different payment type with less than 3 fortnights in between the different payment types, therefore it is not considered to be an exit from IS. The data shows

that the churning and transferring behaviour of new recipients is very stable over time, implying that the experiences of new recipients are comparatively the same irrespective of the financial year. Over a five year period only 47 percent of all new IS recipients churned. Of those who churned, 56 percent churned only once. As a rule of thumb we find that over half the new recipients who churn, actually only churn once. Transferring appears less common (17 percent) than churning and of those who do transfer, about 80 percent only transfer once.

5.4.1 Churning, transferring and TTO

TTO reveals that the group that does not churn consists of two extremes: new recipients with a single short IS spell, that is a short IS spell followed by an exit from IS without returning over a 5 year horizon resulting in a low TTO, and new recipients with a single long IS spell, that is recipients entering IS and remaining on IS for the complete observation period resulting in a TTO of 100 percent. The ratio is approximately 3 short single IS spell recipients for every 1 single long IS spell recipient. TTO provides a good summary measure to describe reliance on IS. New recipients have, on average, a TTO of 58 percent when evaluated over a one year horizon, a TTO of 44 percent when evaluated over a 3 year horizon and a TTO of 39 percent when evaluated over a 5 year horizon.

A comparison of the results with those of Tseng et al. (2004), who considered spell commencements for both new and returning IS recipients, reveals that new recipients are more likely to not churn and not transfer, or churn only once or transfer only once. Furthermore, new recipients are more likely to 'neither churn nor transfer' and have a single short IS spell, but otherwise have experiences comparable to the recipient base as a whole.

6 Econometric Analysis

6.1 Introduction

The econometric analysis consists of two main parts. The first part is a revisiting of the previous study by Tseng et al. (2004). Their analysis has been replicated on a restricted data set including only new IS recipients. The results for new IS recipients are discussed from the perspective of contrasting them to the findings for all IS recipients as a whole in the Tseng et al. (2004) study.

The second part of the econometric analysis consists of new results and uses a duration approach. The concept of duration and the hazard are described in more detail in sections 3.1 and 3.2 but recall that the duration is the length of an IS spell and the hazard is the probability of the event of interest happening in a given fortnight. This event could be exiting IS when analysing the duration of the first IS spell, or returning to IS when analysing the first off-IS spell. In sections 3.1 and 3.2 the empirical hazard was shown disaggregated by gender or age-at-grant, but otherwise not being allowed to depend on covariates. To explore the role of covariates on modelling the hazard is the purpose of this part of the report.

There are different ways to model the hazard but a flexible and popular choice is the piecewise-constant hazard rate model. Rather than formally specifying the model we outline the basic intuition behind the model.

The piecewise-constant hazard rate model consists of a baseline hazard, i.e. a base probability of the event of interest (e.g. exiting IS) occurring, that varies over time and which is scaled up or down depending on the value the covariates take on. The covariates include any (personal) characteristic or business cycle indicator that are thought to influence the probability of the event of interest occurring such as age, gender, marital status, local unemployment rate, etc. In other words, we have

Probability ‘event’ occurs at time t =

(baseline probability at time t) * (scaling factor depending on covariates)

The advantage of the duration analysis is that it allows for a great deal of flexibility in modelling the generic underlying probability of the event of interest occurring (i.e. the baseline hazard) while at the same time it can account for personal characteristics and other variables

that change over time and which can be expected to influence the probability of the event of interest occurring. This is where the econometric analysis provides a deeper understanding of exiting IS and transfer rates over the descriptive analysis in section 3. In section 3.1.1 the empirical hazard described the time pattern until exit from IS but did not answer the question of what role personal characteristics play in the probability of that occurring.

6.2 Interpreting the coefficients

6.2.1 The piecewise-constant hazard rate model

The estimated coefficients of the piecewise-constant hazard rate model have a very intuitive interpretation. The coefficients on the time pieces describe the baseline hazard over time, which is common to every new recipient. For most, if not all models that are estimated, the probability of exiting IS (one particular event of interest) is declining over time. In contrast, the probability of transferring to another payment type (a different type of event of interest) is typically fairly constant over time. These findings also came to light in section 3 where the hazard of exiting IS was shown to be a downward sloping curve, steeper at the start and bottoming out as spell length increased, and where the transfer probability was characterised by a steady straight line.

The coefficients on the covariates such as age, number of children, marital status, etc. can be interpreted as scaling factors. A coefficient greater than 1 means that an increase in this covariate is associated with an increase in the probability of the event of interest occurring. A coefficient of less than 1 means that an increase in this covariate is associated with a decrease in the probability of the event of interest occurring.

6.2.2 The (multiple event) competing risk model

A single event duration model is a model where there is only one event of interest. An example of a single event duration model is one where the time until exiting IS is described for a person who started his IS spell on NewStart allowance. An example of a multiple event (or 'competing risk') duration model is one where a person who starts on NewStart allowance is observed until she transfers to DSP, transfers to PPS, transfers to another payment, or exits IS. When one assumes the probabilities of each event of interest occurring are independent (a strong but commonly made assumption) one can estimate the different event probabilities by treating each of the different outcomes as a single event and regarding all other outcomes as right-censored. In practice this means that we estimate a series of (single event) piecewise-constant hazard rate

models for persons starting an IS spell on NewStart, with each of the outcomes representing the event of interest in turn. That is, we estimate the duration model with the event of interest 'transfer to DSP'. Next we estimate the same model but the event of interest is now 'transfer to PPS'. We do the same for the event of interest 'transfer to a different payment' and 'exiting IS'. The starting payment NewStart and the different events of interests are just taken as examples. The starting payment can be any payment and the outcomes depend on the particular application.

An alternative to estimating the series of single event hazard models when there are several possible events that can occur is to estimate them in a single estimation as a Multinomial Logit (MNL), with each of the possible events representing a possible outcome. In our example the possible outcomes for a person starting an IS spell on NewStart are to remain on NewStart, transfer to DSP, transfer to PPS, transfer to another payment, or exit IS. Exactly which outcomes are possible depends on the payment type.

The MNL, too, treats each of the different outcomes as independent. The advantage of the MNL specification, which is undertaken in addition to the piecewise-constant hazard rate model analysis, is that we can represent the coefficients on the covariates in terms of their marginal effect. The interpretation of the marginal effect is most easily understood by using an example. A person starting a payment spell on NewStart can either remain on NewStart, exit IS, or transfer to a different payment type. A typical covariate could be the state a person resides in, e.g. New South Wales. The marginal effect for New South Wales represents the change in probability of remaining on NewStart, transferring, or exiting IS when we change the value of the covariate NSW from 0 to 1. Since one has to either remain on Newstart, transfer, or exit IS, the sum of the marginal effects must always be zero. If living in NSW makes you more likely to transfer, then it must make you less likely to exit IS or remain on NewStart. The marginal effects thus provide a very convenient way to summarize which factors are associated with which outcomes. They also nicely complement the estimates from the piecewise-constant hazard rate models which give an immediate and intuitive insight into the time pattern until the event of interests occurs, with the covariates operating as scale factors.

The remainder of this section is structured as follows. Section 6.3 describes the replication of an earlier study but this time limited to new IS recipients. Section 6.4 describes the duration of the first IS spell, which has only one event of interest, which is exiting IS. Section 6.5 describes the duration of the first payment spell, identifying different possible events of interests for different payment types. A broad grouping of staying on, exiting IS, or transferring is made. In

the appendix a greater number of possible outcomes is allowed for some payment types. Finally, Section 6.6 describes the duration of the first off-IS spell, i.e. the time until a return to IS after having left the first IS spell.

6.3 Revisiting Previous Studies

This section revisits the previous study of Tseng et al. (2004) which focused on the identification of factors that are associated with the five distinctive dynamic patterns of churning and transferring. The five groups are

- Neither churn nor transfer, and TTO is less than 50 percent
- Neither churn nor transfer, and TTO is greater than or equal to 50 percent
- Transfer only
- Churn only
- Both churn and transfer

The results presented here apply exclusively to new IS recipients, compared to the results in Tseng et al. (2004) which used data for new and existing IS recipients.

The econometric model is a Multinomial Logit with the 5 distinct states as the possible outcome of the dependent variable. The dependent variable is computed for each of the persons starting an IS spell based on the first 3 years after commencement of the IS spell. As one of the covariates in the original study, a history variable of churning and transferring in the two years prior to the observation period is included as an explanatory variable. This captures the effect of new recipients only indirectly as the history of new recipients would be classified as "neither churn nor transfer, low TTO". However, this history category also captures recipients who had a single (relatively short) IS spell in the previous two years. Since the analysis is repeated here for new recipients only, and new recipients have no history, the original history variables are no longer included as covariates. All other original variables are maintained.

6.3.1 Explanatory variables and sample selection

As we need a three and a half year observation window from the first payment, we restrict the sample to new recipients commencing a spell in the period 1 July 1998 to 30 June 2000. Furthermore, to be consistent with the descriptive analysis in section 4, an individual must be under 60 years of age at their spell commencement to be included in the sample. The set of covariates used is as closely comparable to Tseng et al. (2004) as possible, and includes age

groups, country of birth, marital status, number of children and the age of the youngest child, initial payment type, income, state of residence, and housing status.

6.3.2 Sources of differences with previous research

As noted before, we would like to contrast and compare the estimates for new IS recipients with the previous results obtained for new and existing recipients combined in Tseng et al. (2004). Hence, ideally we would like to have the exact same sample period, and the exact same set of explanatory variables (minus the history variables as new recipients have no history). However, there are two differences between the two samples. First, our sample is restricted to those aged less than 60 at grant whereas in Tseng et al. (2004) persons are restricted to be 64 or less during the observation window. Second, while their sample period spans from the financial year 1997-98 to the financial year 1998-99, our sample period spans the financial year 1998-99 and the financial year 1999-00 for the comparison. The reason is that Tseng et al. (2004) use the history in the previous 2 years and hence can use spell commencements from 1997-1998. Our definition of new recipients uses a three and a half year period to establish whether a recipient is new and hence can only use observations one year later. Yet, we think that these two differences are minor.

6.3.3 Regression results

Table 19 and Table 20 present mean marginal effects of characteristics on the predicted probability of being in each outcome category for males and females, respectively. The omitted categories, making up the reference group, are 15 to 19 years old at grant, Australian born not of indigenous or Torres Strait Islander descent, single, no dependent children, initial payment type Unemployment Benefits, residing in Victoria, and paying private rent. Reported effects represent the difference with respect to the omitted category. For instance, a very small effect for a NSW implies there is no discernable difference between residing in NSW or Victoria (the omitted category). The main message from Table 19 and Table 20 is that the observed effects of characteristics for new IS recipients are found to be statistically more significant and often stronger than the estimates obtained in Tseng et al. (2004), but that the implications (i.e. the signs on the coefficients) are almost always the same. The differences between the two studies will be highlighted below.

Age-at-grant effects reflect differences in the nature of payment receipt by age, due to lifecycle factors as well as differences across birth cohorts. When compared with the estimates of Tseng et al. (2004), the age trends are very similar. The only notable difference is that 20 to 44 year

old males and females are associated with a greater likelihood of experiencing a single payment spell for new recipients, as opposed to the lower estimates obtained in Tseng et al. (2004).

The effects of country of birth and Torres Strait Islander and Indigenous status are similar for both males and females, but different and more pronounced for new recipients than was the case in Tseng et al. (2004). Indigenous Australians or recipients born in a non-English speaking country have a significantly reduced probability of having one short IS spell, i.e. fall under the "neither churn nor transfer: TTO<50 percent" group. They are also more likely to stay on IS longer by being on a single long payment spell. These effects were only identified for females of Torres Strait Islander or Indigenous descent, and were much smaller in magnitude when using the sample of new and existing IS recipients. This could be interpreted as Australians of Torres Strait Islander or Indigenous descent and recipients born in a non-English speaking country standing out among both male and female new recipients, but not among all male recipients when including new and existing recipients.

In terms of the partnering status variables, the results for both men and women are almost identical to the ones in Tseng et al. (2004). The only difference is observed for females. Whereas Tseng et al. (2004) did not identify a significant increase in the probability of a single short spell for women with a partner on IS, relative to single females, we do find such an effect now.

Presence of children has stronger effects on females than males. This is in line with a large body of research regarding the labour supply of men and women that shows that the presence of children significantly reduces the labour supply of women, but has almost no effect on the labour supply of men. The effect of children is, however, sometimes different from Tseng et al. (2004). For men, we now observe children significantly reducing the probability of having a single long spell on IS, which was not observed in Tseng et al. (2004). Other than that the results for men are very similar, albeit stronger than in Tseng et al. (2004). For females, Tseng et al. (2004) associated the presence of children with higher probabilities of transferring only and lower probabilities of churning only. When limiting the analysis to new IS recipients only these effects are reversed, i.e. children are associated with a reduced probability of transferring only and an increased probability of churning only.

Table 19: MNL Mean Marginal Effects (MME) for transfer/churn combinations - Males

	Neither churn nor transfer TTO<50%		Neither churn nor transfer TTO≥50%		Transfer only		Churn only		Churn & transfer	
Variable name	MME	S.E	MME	S.E	MME	S.E	MME	S.E	MME	S.E
Year – 1999-00	0.000	0.004	0.005	0.003	-0.002	0.002	-0.002	0.005	0.000	0.002
Year – 2000-01	0.018**	0.005	0.010**	0.003	-0.004	0.002	-0.019**	0.005	-0.004**	0.002
Age-at-grant										
20-24	0.160**	0.008	-0.013**	0.004	-0.016**	0.005	-0.125**	0.005	-0.006**	0.003
25-34	0.108**	0.007	0.013**	0.005	0.034**	0.006	-0.161**	0.005	0.006**	0.003
35-44	0.055**	0.008	0.048**	0.006	0.079**	0.007	-0.194**	0.006	0.013**	0.003
45-54	-0.018**	0.008	0.063**	0.006	0.146**	0.010	-0.207**	0.006	0.015**	0.004
55-59	-0.169**	0.010	0.109**	0.009	0.255**	0.015	-0.224**	0.007	0.030**	0.006
Country of birth & indigenous status										
ESC	-0.004	0.008	-0.013**	0.004	-0.010**	0.003	0.025**	0.007	0.003	0.002
NESC	-0.066**	0.006	0.056**	0.004	0.003	0.002	0.006	0.006	0.001	0.002
ATSI	-0.102**	0.009	0.064**	0.006	0.002	0.005	0.031**	0.010	0.005	0.004
Partner status										
Partner on IS	0.022**	0.008	-0.001	0.004	0.013**	0.003	-0.035**	0.008	0.001	0.003
Partner not on IS	0.093**	0.009	-0.033**	0.004	-0.010**	0.003	-0.047**	0.008	-0.003	0.002
Presence of children										
Youngest 0-2	-0.012	0.010	-0.012**	0.006	0.004	0.004	0.011	0.009	0.010**	0.004
Youngest 3-5	-0.001	0.011	-0.017**	0.006	0.000	0.005	0.013	0.010	0.005	0.004
Youngest 5-12	-0.003	0.009	-0.006	0.006	-0.001	0.004	0.002	0.010	0.008**	0.004
Youngest ≥13	0.010	0.015	-0.027**	0.007	0.009*	0.005	0.002	0.015	0.005	0.004
Initial payment type										
OS	-0.003	0.008	-0.039**	0.004	0.041**	0.004	-0.059**	0.007	0.061**	0.005
PP	-0.086**	0.011	0.141**	0.010	0.023**	0.006	-0.104**	0.011	0.027**	0.005
DSP	-0.260**	0.008	0.640**	0.010	-0.060**	0.001	-0.293**	0.006	-0.026**	0.002
MAP	-0.167**	0.021	0.282**	0.020	0.018**	0.007	-0.152**	0.019	0.019**	0.007
Earned Income										
Amount	0.001	0.001	0.002**	0.000	-0.002**	0.000	0.000	0.001	0.000	0.000
Time	0.100**	0.010	0.017**	0.006	-0.057**	0.007	-0.045**	0.010	-0.015**	0.004
State or territory of residence										
NSW	-0.012**	0.005	-0.007**	0.003	0.002	0.003	0.010**	0.005	0.007**	0.002
QLD	-0.031**	0.006	-0.008**	0.003	-0.007**	0.003	0.038**	0.006	0.008**	0.002
SA	-0.044**	0.007	0.014**	0.005	0.013**	0.004	0.010	0.007	0.008**	0.003
WA	-0.031**	0.006	-0.008**	0.004	-0.008**	0.003	0.045**	0.006	0.002	0.002
TAS	-0.076**	0.013	0.041**	0.008	0.021**	0.006	-0.004	0.012	0.018**	0.006
NT	-0.169**	0.015	0.084**	0.012	-0.019**	0.006	0.098**	0.018	0.006	0.007
ACT	0.010	0.025	-0.033**	0.013	0.001	0.012	0.026	0.025	-0.004	0.011
Housing status										
Owner-outright	0.043**	0.007	-0.009**	0.004	0.001	0.003	-0.028**	0.007	-0.007**	0.002
Home-purchasing	0.092**	0.009	-0.036**	0.004	-0.008**	0.003	-0.046**	0.009	-0.003	0.002
Owner-other	0.059**	0.025	-0.038**	0.009	0.006	0.009	-0.022	0.024	-0.005	0.005
Public renting	-0.096**	0.016	0.042**	0.012	0.040**	0.008	0.004	0.015	0.010*	0.006
Other non-owner	0.019**	0.005	0.011**	0.004	-0.003	0.003	-0.025**	0.005	-0.003*	0.002

Note: SE: Standard errors derived from 100 bootstrap samples. **and *indicate significance at the 5 percent and 10 percent level, respectively.

Table 20: MNL Mean Marginal Effects (MME) for transfer/churn combinations - Females

	Neither churn nor transfer TTO<50%		Neither churn nor transfer TTO≥50%		Transfer only		Churn only		Churn & transfer	
Variable name	MME	S.E	MME	S.E	MME	S.E	MME	S.E	MME	S.E
Year – 1999-00	0.002	0.004	0.002	0.003	0.001	0.003	-0.003	0.004	-0.002	0.002
Year – 2000-01	-0.001	0.005	0.014**	0.004	-0.001	0.003	-0.007	0.005	-0.004*	0.002
Age-at-grant										
20-24	0.214**	0.006	-0.049**	0.006	-0.042**	0.004	-0.086**	0.005	-0.036**	0.002
25-34	0.178**	0.007	-0.007	0.006	-0.013**	0.005	-0.121**	0.006	-0.037**	0.002
35-44	0.136**	0.009	0.028**	0.007	-0.005	0.005	-0.118**	0.007	-0.040**	0.002
45-54	0.055**	0.010	0.062**	0.009	0.056**	0.006	-0.137**	0.006	-0.036**	0.003
55-59	-0.118**	0.009	0.088**	0.012	0.201**	0.011	-0.146**	0.007	-0.025**	0.003
Country of birth & indigenous status										
ESC	-0.007	0.007	-0.005	0.005	-0.006	0.005	0.011	0.008	0.007**	0.003
NESC	-0.084**	0.005	0.055**	0.004	0.028**	0.004	-0.005	0.006	0.006**	0.003
ATSI	-0.108**	0.008	0.024**	0.006	0.061**	0.007	-0.017**	0.008	0.040**	0.005
Partner status										
Partner on IS	0.034**	0.006	-0.094**	0.004	0.042**	0.004	-0.004	0.006	0.022**	0.004
Partner not on IS	0.088**	0.007	-0.084**	0.004	0.018**	0.005	-0.040**	0.005	0.018**	0.004
Presence of children										
Youngest 0-2	-0.107**	0.011	0.108**	0.014	-0.025**	0.009	0.027*	0.014	-0.003	0.006
Youngest 3-5	-0.109**	0.012	0.106**	0.014	-0.029**	0.007	0.033**	0.015	-0.002	0.007
Youngest 5-12	-0.077**	0.011	0.082**	0.013	-0.027**	0.007	0.028**	0.014	-0.005	0.006
Youngest ≥13	-0.033**	0.013	-0.075**	0.010	0.066**	0.010	-0.012	0.014	0.054**	0.010
Initial payment type										
OS	-0.069**	0.010	-0.052**	0.012	0.037**	0.007	0.028**	0.010	0.055**	0.007
PP	-0.068**	0.011	0.207**	0.012	-0.032**	0.007	-0.075**	0.011	-0.031**	0.005
DSP	-0.274**	0.006	0.672**	0.007	-0.094**	0.002	-0.249**	0.004	-0.055**	0.002
MAP	-0.187**	0.007	0.415**	0.010	-0.070**	0.003	-0.126**	0.008	-0.031**	0.003
Earned Income										
Amount	0.001	0.001	0.002**	0.001	0.002**	0.000	-0.004**	0.001	0.000	0.000
Time	0.072**	0.007	0.032**	0.005	-0.105**	0.006	0.030**	0.008	-0.029**	0.004
State or territory of residence										
NSW	-0.015**	0.006	0.000	0.004	0.008**	0.004	0.001	0.004	0.005**	0.003
QLD	-0.029**	0.006	-0.012**	0.005	-0.005	0.004	0.037**	0.006	0.009**	0.003
SA	-0.034**	0.007	0.015**	0.006	0.013**	0.005	0.001	0.008	0.005	0.004
WA	-0.024**	0.007	-0.010**	0.005	-0.005	0.005	0.028**	0.007	0.010**	0.004
TAS	-0.062**	0.011	0.040**	0.010	0.020**	0.009	-0.015	0.010	0.016**	0.007
NT	-0.088**	0.017	0.056**	0.013	-0.007	0.011	0.019	0.015	0.021**	0.010
ACT	0.037	0.023	-0.020	0.020	-0.008	0.016	-0.010	0.020	0.001	0.013
Housing status										
Owner-outright	0.033**	0.006	0.000	0.005	-0.015**	0.003	-0.006	0.006	-0.011**	0.003
Home-purchasing	0.058**	0.007	-0.024**	0.005	-0.029**	0.004	-0.004	0.007	-0.001	0.004
Owner-other	-0.042**	0.018	0.023*	0.012	0.019*	0.010	0.012	0.018	-0.012	0.009
Public renting	-0.019	0.018	0.020	0.013	0.038**	0.010	-0.043**	0.014	0.005	0.009
Other non-owner	0.047**	0.004	0.004	0.004	-0.028**	0.003	-0.010**	0.004	-0.013**	0.002

Note: SE: Standard errors derived from 100 bootstrap samples. ** and * indicate significance at the 5 percent and 10 percent level, respectively.

The effects of the initial payment type for new IS recipients are of approximately the same sign and magnitude for both males and females. The only difference is that women starting on Parenting Payment (PP) or Mature Age Payments (MAP) are less likely to transfer only or churn and transfer whereas men are more likely to do so, relative to starting on unemployment benefits (the omitted category). The difference with Tseng et al. (2004) for males is that new IS recipients starting on short term payment types are no longer more likely to have one short IS spell, relative to starting on unemployment benefits. Starting on MAP is now associated with a significant increase in the probability of transferring only, relative to starting on unemployment benefits. The results for women are even more similar across the two studies. The only difference is that starting the IS spell on a short duration type payment is associated with a higher probability of churning only for new IS recipients, relative to starting on unemployment benefits.

The effects of earned income for male new IS recipients are different in two ways. The overriding observation for males is that the effects of the average amount of earned income per fortnight on the transfer and churning probabilities all but disappeared for new recipients, that is, the effects are now negligible in absolute values. This is not so for the effects of the proportion of time with positive earnings, where the order of magnitude is about the same. An increased proportion of time having received earned income is now associated with a small increased probability of a single long IS spell, rather than a larger reduced probability in Tseng et al. (2004).

The effects of earned income for female new IS recipients are different in three ways, compared to Tseng et al. (2004). Higher incomes are now no longer associated with a lower probability of a single short IS spell, although it should be noted that the effects of the average amount of earnings in Tseng et al. (2004) were very small in absolute values to begin with. An increased proportion of time having received earned income is now associated with a small increased probability of a single long IS spell, rather than a larger reduced probability in Tseng et al. (2004), and with a significantly increased probability of churning only.

For the other controlling variables, i.e. the state of residency and housing status, the estimates are very similar to the respective estimates in Tseng et al. (2004). One thing that does stand out, but that has been observed in general, is that the effects for new IS recipients are, on average, stronger.

6.4 Duration of the first IS spell

An IS spell is different from a payment type spell. For a payment type spell one either remains on the payment that initiated the IS spell, or one transfers or exits IS, in both cases ending the payment type spell. In contrast, a person can start an IS spell on one payment, transfer to another payment once or more than once, still be on the same IS spell and only then exit IS (or remain on IS).

The duration of the first IS spell is done for all starting payments together - results for which are presented here - and for each of the different starting payments separately. Given the amount of material to cover the reader is referred to Table 24 and Table 25 in the Appendix for the results split by the different starting payments[6] for females and males, respectively. The interpretation of the coefficients is identical to the one discussed below.

Table 21 below presents the results from the (single event) piecewise-constant hazard rate model. Recall that the probability of the event of interest occurring (here: exiting IS) is the product of two building blocks: the common baseline probability at time t and the scaling factor that depends on the covariates. Omitted from Table 21 is the common baseline probability over time, which suggests a 10 percent probability of exiting IS in any given fortnight for the first few fortnights, to about 2 percent per fortnight after 4 years. The reported coefficients in Table 21 can be interpreted as scaling factors for the generic probability of exiting IS, or baseline hazard.[7] A coefficient greater than 1 implies an increased probability of exiting IS. A coefficient smaller than 1 implies a reduced probability of exiting IS. The findings are the following:

- All coefficients on the age-at-grant groups are less than 1, meaning that the 25 to 34 year old group (omitted category) have the highest rates of exiting IS.
- Having a partner increases the probability of exiting IS when the partner is not on IS, but if the partner is on IS the probability of exiting IS relative to not having a partner (the omitted category) is reduced. This could be interpreted as a 'contagious' partner effect. If the partner is on IS then the recipient is more likely to remain on IS too. If the partner is not on IS then the recipient is more likely to exit IS as well. The effect of being single lies in between these two effects.

[6] Because it is possible to transfer and still remain on IS, it is possible to observe long durations for payments that have a time cap.

[7] The reference group consists of singles, aged between 25 and 34 at grant, Australian born not of indigenous or Torres Strait Islander descent, paying private rent, living in (non-Urban) Victoria, who entered in the first quarter of 1998, who started, and are currently, on unemployment benefits.

- A higher unemployment rate reduces the probability of exiting IS. A more careful investigation reveals that this finding is mainly driven by the NewStart and DSP programmes (Table 24 and Table 25 in the Appendix). It implies that the state of the economy matters and that the local unemployment rate captures the opportunity of exiting IS by means of obtaining paid employment. The stronger the economy, the lower the unemployment rates and the greater the opportunities to find paid employment and exit IS.

- Having children reduces the probability of exiting IS. There could be several reasons for this. First, certain payment types such as Parenting Payment have no activity test associated with them when the youngest child is less than 16 years of age. Second, children also introduce responsibilities that may restrict the pool of potential jobs. For instance, jobs with irregular shifts or outside normal school and childcare centre hours would most likely be infeasible for sole parents.

- State effects suggest that the recipients in the ACT have the highest probability of exiting IS, at 116 percent of that of Victoria (the omitted State), but only for women. Tasmania has the lowest exit rate from IS, at 85 percent for women. For men, Tasmania and the NT have the lowest exit rates from IS at about 80 percent for men, ceteris paribus. Recipients in NSW, WA, and the ACT all have probabilities of exiting IS that are approximately equal to Victoria for men, ceteris paribus.

- Because we observe both the current payment type and the starting payment type we can identify the effect of both these payment types because we observe enough people transferring payments. Starting on PPS is associated, ceteris paribus, with higher rates of exit from IS than starting on unemployment benefits. However, currently receiving PPS is associated with lower probabilities of exiting IS relative to receiving unemployment benefits. What this implies is that there are two 'types' of PPS recipients. The first type enters IS and relatively quickly exits IS, quicker even than persons starting an IS spell on unemployment benefits. A reason for exiting so quickly can be re-partnering for instance. This type of recipient has a single short IS spell. The other type of PPS recipients have a long IS spell. The way these two types effect the estimation is that starting on PPS is a good thing, for the probability of exiting IS, but over time, being on PPS signifies that the recipient is of the second type that is characterised by having a long IS spell.

- Starting payment on Sickness Allowance, Mature Age payments, or Special and Emergency payments all indicate approximately identical rates of exit from IS relative to starting on unemployment benefits for women, ceteris paribus. However, currently receiving Sickness Allowance is associated with much higher rates of exit from IS, reflecting the short term nature of this payment type. The intuition is the following. Starting on Sickness Allowance per se doesn't set you apart in exit probabilities from those starting on unemployment benefits. That is because people transfer from Sickness Allowance to a different payment type fairly quickly and relatively often. These recipients have exit rates that do not necessary reflect the nature of Sickness Allowance. The nature of Sickness Allowance is captured by currently receiving Sickness Allowance: a much higher probability of exiting IS.

- Starting payment on DSP, on its own, is associated with a much lower rate of exit from IS compared with any other payment type, at 65 percent of the exit rate of starting on unemployment benefits for women, and 71 percent for men. However, currently receiving DSP reduces the probability of exiting IS even further, to about 14 percent of the exit rate for those currently receiving unemployment benefits for women, and 16 percent for men, ceteris paribus. What this captures is that DSP signals the same thing twice. As a starting payment, it signals recipients with reduced probabilities of exiting IS compared to starting on a different payment type. Currently receiving DSP only strengthens that signal.

- Although the probability of exit based on the specific start payment indicates a variation in probability of exiting IS of between 65 percent (DSP) to 119 percent (PPS) for women, relative to starting on unemployment benefits, and between 71 percent (DSP) to 116 percent (PPS or MAP) for men, the variation in probability based on current payment is much stronger. For women, it ranges between 14 percent (DSP) and 126 percent (SKA) and for men it ranges between 16 percent (DSP) and 146 percent (SKA), relative to currently receiving unemployment benefits. This suggests that it is not so much the type of payment that one starts IS with, but rather the payment type one currently receives that influences the probability of exiting IS.

Table 21: Effect of covariates on exiting IS (males and females)

	Females		Males	
	Coeff	z-value	Coeff	z-value
age1524	0.93	6.61***	1.07	7.14***
age3544	0.81	16.91***	0.81	19.19***
age4554	0.64	29.93***	0.64	33.93***
age55p	0.37	45.62***	0.42	47.12***
partner not on IS	1.27	15.98***	1.49	26.69***
partner on IS	0.74	21.26***	0.89	8.83***
ATSI	0.76	15.05***	0.77	15.38***
FB – English	1.05	3.97***	1.09	7.26***
FB – non-English	0.72	30.05***	0.77	26.67***
government_rent	0.72	9.83***	0.78	8.44***
Home Owner	1.16	13.98***	1.17	15.05***
Free Rent	1.13	13.92***	1.06	6.77***
youn02	0.65	16.42***	1.05	2.75***
youn35	0.73	10.92***	1.07	3.35***
youn612	0.81	7.95***	1.06	3.11***
youn13p	1.16	5.29***	1.22	8.19***
Urban dummy	1.10	12.14***	1.08	9.66***
Local UE rate	0.98	11.25***	0.97	16.15***
NSW	0.96	4.65***	0.97	4.22***
SA	0.89	7.89***	0.88	9.66***
WA	1.01	0.79	1.01	1.18
TAS	0.85	6.87***	0.80	10.47***
NT	0.89	3.49***	0.79	7.37***
ACT	1.16	3.74***	1.00	0.02
number of transfers	0.85	10.68***	1.00	0.14
entry_quarter2	0.93	6.70***	0.94	5.77***
entry_quarter3	0.95	5.20***	0.97	3.55***
entry_quarter4	0.99	0.75	0.99	1.63
entry_fyear1999	1.00	0.12	1.01	1.33
entry_fyear2000	1.00	0.32	1.02	1.75*
entry_fyear2001	0.98	1.71*	1.01	1.1
entry_fyear2002	0.91	7.19***	0.98	1.53
entry_fyear2003	0.75	17.88***	0.85	11.21***
SKA	1.26	3.49***	1.46	7.64***
SPE	0.70	4.34***	0.51	7.13***
PPP	0.74	8.07***	0.55	12.32***
PPS	0.29	33.38***	0.33	16.88***
DSP	0.14	36.17***	0.16	41.73***
MAP	0.36	25.64***	0.26	19.21***
started_on_SKA	1.03	0.47	0.94	1.25
started_on_SPE	1.16	1.91*	1.13	1.37
started_on_PPP	1.05	1.61	1.01	0.22
started_on_PPS	1.19	5.80***	1.16	2.31**
started_on_DSP	0.65	6.72***	0.71	6.57***
started_on_MAP	0.98	0.56	1.16	2.02**
Observations	3,367,456		2,363,883	

6.5 Duration of the first payment type spell

A payment type spell is different from an IS spell. For a payment type spell one either remains on the payment that initiated the spell, or one transfers or exits IS, in both cases ending the payment type spell. Whereas the IS spell only had one possible event of interest, i.e. exiting IS, a payment spell has at least two: transferring to another payment type and exiting IS.

A transfer can be further disaggregated into transfers to specific payment types. Although in principle there are as many transfer destinations as there are payment types, in practice one only observes certain transitions. In general we are able to identify more varied transitions for women than for men. Table 26 and Table 27 for females, and Table 28 and Table 29 for males, both in the appendix, contain the results for (single event) piecewise-constant hazard rate models. In turn, the event of interest is coded as either exiting IS (treating transfers as right-censored observations) or as a transfer to a different payment (treating exiting IS as right-censored observations). The analysis is repeated for each of the different payment types. The interpretation of the coefficients is identical to section 6.4 with the coefficients on the time trend representing the common baseline probability of the event of interest occurring over time with the coefficients on the covariates acting as scaling variables. These results from the piecewise-constant hazard rate models are not discussed here. Instead, because we now have more than one event of interest, we present here the effects of the covariates on remaining on a payment, exiting IS, and transferring to a different payment using the marginal effects representation as discussed in section 6.2. This will describe, for each covariate, if it makes you more likely to remain on a payment, exit IS, or transfer[8]. The findings are the following:

- The marginal effects reflect absolute changes in probabilities that apply to each fortnight. It is therefore important to first put the size of the numbers presented in Table 22 into perspective. Assume that one has a 0.05 (i.e. 5 percent) probability of exiting IS in each fortnight. A 10 percent increase in the probability would raise this to 0.055. In the marginal effects framework, which is an absolute measure, this is a change of 0.055-0.05 = 0.005. This magnitude of a third decimal place is hence not out of proportion in the tables displaying marginal effects. To put the same 0.05 and 0.055 probabilities that apply per fortnight in an annual perspective, the probability of still being on IS after one year (26 fortnights) is 0.95 to the power 26, or 26.35 percent

[8] The results presented here are for all payment types combined, and hence is only a subset of the results from Table 35 and Table 37 that repeat the same analysis for each of the initial payment types separately. The most disaggregated analysis for different payment types comprise Table 39 to Table 42 for women, and Table 43 for men. These results will not be discussed here.

when the fortnightly probability of exiting IS is 0.05 versus 22.97 percent when the fortnightly probability of exiting IS is 0.055. This is a much larger effect than the marginal effect of 0.005 would suggest. In other words, small differences matter when looking at exiting IS and transfer probabilities using a marginal effects representation.

- The results also show that most of the impact in a change in the covariate works through the probability of exiting IS and remaining on a payment, and not on the probability of transferring. Overall the effects are stronger for men, compared to women.
- Regarding age-at-grant, being older at grant is associated with a reduced probability of exiting IS, at the expense of an increase in the probability of staying on, except for females 55 and over where the reduced probability of exiting IS is shared equally in an increased probability of remaining on a payment, or transferring to a different payment (e.g. DSP or MAP). This latter effect for women could also be driven in part by becoming eligible for the Age Pension, triggering a transfer of payment type.
- Having a partner not on IS increases your probability of exiting IS, for both men and women, fully at the expense of staying on the payment.
- Being a Torres Strait Islander or of Aborigine descent, or being foreign born in a non-English speaking country, are associated with higher probabilities of remaining on a payment at the expense of the probability of exiting IS.
- The effects of children, which are much stronger for women than men, are an increased probability of transferring at the expense of staying on the payment or exiting IS.
- The quarter in which the person started the payment spell has no impact on the probability of staying on, exiting IS, or transferring payment. The same holds for the year in which the person started the payment spell, with the notable exception of the coefficient for 2003. Those men and women who entered in the financial year 2003-04 are more likely to remain on payment and less likely to exit IS, with no effect on the probability of transferring payments. It could be that fewer forward looking fortnights are available for persons starting a payment spell in 2003-04. However, this finding also holds when using the (single event) piecewise-constant hazard rate approach that does account for right-censored observations. It is therefore more likely that it is related to the reduced inflow of new recipients in 2003-04, which reflects the advantageous economic conditions.

Table 22: MNL Mean Marginal Effects of covariates on Exiting IS and Transferring payment type (all payments combined)

	Females			Males		
	Stay	Exit IS	Transfer	Stay	Exit IS	Transfer
age1524*	0.000	-0.001	0.000	-0.001	0.002	-0.001
age3544*	0.003	-0.003	0.000	0.005	-0.005	0.001
age4554*	0.004	-0.006	0.002	0.009	-0.010	0.002
age55p*	0.005	-0.011	0.006	0.014	-0.017	0.003
ptnrIS0*	-0.004	0.004	0.000	-0.013	0.013	0.000
ptnrIS1*	0.003	-0.004	0.001	0.003	-0.003	0.000
cob_atsi*	0.004	-0.004	0.000	0.006	-0.006	0.000
cob_esc*	-0.001	0.001	0.000	-0.002	0.002	0.000
cob_oth*	0.005	-0.005	0.000	0.007	-0.007	0.000
government_rent*	0.003	-0.004	0.001	0.005	-0.006	0.001
hom_owner*	-0.002	0.003	0.000	-0.005	0.004	0.000
free_rent*	-0.001	0.002	-0.001	-0.002	0.002	0.000
youn02*	-0.013	-0.006	0.019	-0.002	0.001	0.001
youn35*	-0.003	-0.004	0.008	-0.002	0.002	0.000
youn612*	-0.002	-0.003	0.006	-0.002	0.001	0.000
youn13p*	-0.018	0.002	0.015	-0.006	0.006	0.000
city*	-0.001	0.002	0.000	-0.002	0.002	0.000
UR	0.000	0.000	0.000	0.001	-0.001	0.000
NSW*	0.000	-0.001	0.000	0.001	-0.001	0.000
SA*	0.001	-0.002	0.000	0.003	-0.003	0.000
WA*	0.000	0.000	0.000	0.000	0.000	0.000
TAS*	0.002	-0.002	0.000	0.005	-0.006	0.000
NT*	0.004	-0.002	-0.002	0.006	-0.006	-0.001
ACT*	-0.003	0.003	0.000	0.000	0.000	0.000
entry_quarter2*	0.001	-0.001	0.000	0.002	-0.002	0.000
entry_quarter3*	0.001	-0.001	0.000	0.001	-0.001	0.000
entry_quarter4*	0.000	0.000	0.000	0.001	0.000	0.000
entry_fyear1999*	0.000	0.000	0.000	0.000	0.000	0.000
entry_fyear2000*	0.000	0.000	0.000	0.000	0.001	0.000
entry_fyear2001*	0.001	0.000	0.000	0.000	0.000	0.000
entry_fyear2002*	0.001	-0.001	0.000	0.000	0.000	0.000
entry_fyear2003*	0.004	-0.004	-0.001	0.004	-0.004	0.000
started_on_SKA*	-0.010	0.005	0.005	-0.017	0.011	0.006
started_on_SPE*	0.004	-0.003	-0.002	0.008	-0.010	0.002
started_on_PPP*	0.008	-0.004	-0.004	0.012	-0.012	0.000
started_on_PPS*	0.019	-0.013	-0.006	0.017	-0.017	0.000
started_on_DSP*	0.021	-0.017	-0.004	0.035	-0.032	-0.003
started_on_MAP*	0.015	-0.012	-0.003	0.019	-0.019	-0.001

6.6 Duration of the first off-IS spell (i.e. returning to IS)

This section focuses on new IS recipients who exited the IS system for the first time during the data set observation window. Ideally, we would have a complete sample of the first exit from IS of one new IS recipient cohort. This way we would observe all new IS recipients on their first spell and the same individuals on their first off-IS spell. Given that the data observation window is limited, we can have at most those who exited IS within 6 years since their first IS payment. However, we can not investigate the off-IS spells of those who exited IS after 6 years of being on the system.

In the same vein, our maximum observation window for the off-IS window is at most 6 years, e.g. for new IS recipients who exited IS in the second half of 1998. Thus the later in the sample a new IS recipient exits IS, the less is the remaining available time to follow that person. It also means that recipients who come off IS in the last financial year, but who also entered IS for the first time in that year, are persons with relatively short first IS spells. If they had long spells we would not have had the opportunity to observe them coming off IS.

One nice feature of duration analysis is that it takes into account right-censored spells, thus we can include all exits from IS that occur between June 1998 and April 2004. Duration of the first IS spell was included as an explanatory variable, which accounts for the over-sampling of new recipients who exited IS early.

We use a similar set of explanatory variables to that used in the duration estimation for the first IS spell in section 6.4. However, as we only have information about certain characteristics when individuals are actively 'on the books', the explanatory variables such as marital status, presence of children, state and the like are measured at the start of the off-IS spell, i.e. at the time the first IS exit occurred. Covariates such as the local unemployment rate can be constructed artificially and do change over time. Detailed descriptions of explanatory variables are reported in Table 45.

Table 23 represents the estimation results from the piecewise-constant hazard rate model separately for men and women. The event of interest is returning to IS. Omitted are the coefficient estimates for the baseline hazard (reported in the table with the full results, Table 44) which depicts a declining trend, suggesting that the longer a person remained off IS, the less likely it is they will return to the IS system. The coefficients in Table 23 can be interpreted as scaling factors for the baseline hazard, as discussed in section 6.1. As a result, a coefficient

greater than 1 implies an increased probability of returning to IS, while a coefficient smaller than 1 implies a reduced probability of returning to IS. Our findings are the following:

- The coefficients on the age-at-grant variables are greater than 1, meaning that new recipients aged 25-34 at time of exiting IS are the least likely to return to IS after exiting the system. Recipients who left IS at the age of 45 to 54 have the second lowest returning rate. The youngest age group 15-24 and the oldest group 55+ are least successful in staying off the IS system, holding other things constant.
- Relative to being single, having a partner always significantly reduces the probability of returning to IS for males, although more so when their partner is not on IS. For females, partnering with another IS recipient *increases* their probability of returning to IS, relative to singles.
- IS leavers of Indigenous or Torres Strait Islander descent have the highest returning rate, followed by leavers who were born in a non-English Speaking country and other foreign born recipients.
- Those who live in government housing have a higher likelihood of re-entering IS. Homeowners are most successful in remaining off IS. Both are relative to the omitted category, renters paying private rent.
- Presence of a dependent child has no discernable impact on the probability of remaining off IS for men, albeit that a child over the age of 6 increases the probability of remaining off IS. For females, the effect of having a child between 0 to 2 or 3 to 5 is identical, and implies higher return rates. Having a child over 13 actually increases the probability of remaining off IS for women.
- As expected, a lower unemployment rate reduces the likelihood of returning to the IS system for both men and women. Living in an urban area also reduces the likelihood of churning back to IS. Both urban areas and low local unemployment rates point to comparatively good prospects/opportunities for obtaining paid employment and, therefore, remaining off IS.
- IS leavers living in the Northern Territory are much more likely to return to IS, relative to all other states and controlling for all other variables.
- As expected, the duration of the first on-IS spell correlates significantly with the returning rate. The omitted group is those who experienced a first IS spell of less than 3

months. The hazard ratios are substantially greater than 1 and increase with the length of the first IS spell. This suggests that recipients who leave IS faster are less likely to re-enter the IS system, and holds for both men and women.

- The more times a person has transferred payments in their first IS spell, the greater the likelihood they return to IS. This holds even when controlling for the length of the first IS spell. It is necessary to control for the first spell duration as those who remain on IS longer have more opportunity to transfer.
- The role of the initial payment type that started the first IS spell and the last payment type before exiting IS, is different for men and women. The estimates are relative to the effect of the omitted category, unemployment benefits (UB). Whereas, starting on PPS for men implies they are more likely to remain off IS, for women it means they are more likely to return to IS, although these effects are not estimated with much statistical precision. The same holds for starting on Mature Age Payments (MAP). Exiting IS from Sickness Allowance increases the probability of remaining off IS for men, the opposite is true for women. Exiting IS from Parenting Payments for men means they are more likely to return to IS, whereas for women it implies that they are more likely to remain off. This also holds for exiting IS from Mature Age payments (MAP).

Table 23: Piecewise-constant hazard rate estimates of the first Off-IS spell for all new recipients who exited IS since July 1998

	Male		Female	
	Hazard Ratio	Z-value	Hazard Ratio	Z-value
Age 15-24 at exit	1.431	24.72***	1.595	28.66***
Age 35-44 at exit	1.007	0.41	1.002	0.13
Age 45-54 at exit	1.068	3.21***	1.073	2.97***
Age 55 plus at exit	1.334	10.66***	1.519	13.24***
Partner not on IS	0.756	11.45***	0.852	7.02***
Partner on IS	0.892	5.18***	1.145	6.05***
ESC	1.039	2.02**	1.073	3.43***
NESC	1.120	7.51***	1.216	11.99***
ATSI	1.423	15.88***	1.377	13.35***
Home owner	0.824	11.58***	0.874	7.91***
Government rent	1.181	3.96***	1.179	3.58***
Free rent	0.936	5.36***	0.916	6.55***
Youngest child aged 0-2	1.009	0.33	1.231	5.42***
Youngest child aged 3-5	0.991	0.27	1.253	5.30***
Youngest child aged 6-12	0.933	2.28**	1.125	2.97***
Young child aged 13+	0.889	2.80***	0.966	0.79
Local unemployment rate	1.030	11.38***	1.032	11.19***
Urban dummy	0.912	8.07***	0.898	8.77***
NSW	1.022	1.80*	1.022	1.68*
SA	1.083	3.98***	1.017	0.77
WA	1.088	5.05***	1.082	4.34***
TAS	0.981	0.60	0.944	1.63
NT	1.418	8.73***	1.361	6.74***
ACT	1.028	0.46	0.851	2.44**
Duration of first IS spell: 3-6 months	1.175	12.08***	1.132	8.46***
Duration of first IS spell : 6-9 months	1.291	15.26***	1.235	11.59***
Duration of first IS spell: 9-12 months	1.414	18.46***	1.320	13.63***
Duration of first IS spell: 12-18 months	1.426	16.54***	1.372	14.46***
Duration of first IS spell :18-24 months	1.507	13.55***	1.398	11.36***
Duration of first IS spell : 2-3 years	1.528	12.97***	1.412	11.41***
Duration of first IS spell : 3 years+	1.659	9.00***	1.415	7.28***
Number of transfers	1.133	3.87***	1.159	7.04***
Starting first IS spell on SKA	1.073	0.96	1.033	0.37
Starting first IS spell on SPE	1.261	1.93*	1.102	0.94
Starting first IS spell on PPP	0.788	3.26***	0.891	2.71***
Starting first IS spell on PPS	0.856	1.75*	1.039	0.87
Starting first IS spell on DSP	1.416	3.81***	1.214	1.64
Starting first IS spell on MAP	0.688	3.03***	1.014	0.20
Exit first IS spell from SKA	0.763	3.45***	1.051	0.53
Exit first IS spell from SPE	1.178	1.32	1.506	3.71***
Exit first IS spell from PPP	1.127	1.66*	0.958	0.84
Exit first IS spell from PPS	1.265	2.63***	0.983	0.32
Exit first IS spell from DSP	1.014	0.19	1.353	3.11***
Exit first IS spell from MAPs	1.229	1.79*	0.971	0.43

Notes: Absolute value of z statistics in parentheses, * significant at 10 percent; ** significant at 5 percent; *** significant at 1 percent. Full results including the coefficients on the baseline hazard are reported in Table 44.

7 SUMMARY: ECONOMETRIC ANALYSIS

The second part of the report applied economic modelling to describe the same patterns of churning, transferring, and exiting IS as were analysed in the descriptive first part of the report. To investigate how the experiences of new recipients differ from the experiences of the recipient base as a whole we replicated the analysis used by Tseng et al. (2004) on the restricted sample of new recipients. Our findings were very similar to those in the Tseng et al. (2004) study. There are two reasons for that, and they do not necessarily exclude each other. The first is that the study by Tseng et al. (2004) already crudely controlled for new recipients by including a variable on the history of IS receipt in the two years prior to commencing an IS spell. This history variable identified recipients who had not transferred or churned and at most obtained IS payments during a small proportion of the two years prior to commencing a spell. This category thus includes new recipients as well as recipients with a single short spell prior to commencement of the current spell. The second reason is that the experiences of new recipients are not much different from the experiences of new and existing recipients as a whole. Three observations stand out. The first observation is that the (estimation) results in both studies were very similar, as mentioned above. Second, new recipients are much more likely to neither churn nor transfer and have a single (short) IS spell than recipients as a whole. The third observation is that the effects of covariates in general are the same, but larger and more pronounced. This suggests that the same factors influence IS receipt patterns for both new and existing recipients. However, these factors are more informative in predicting IS receipt patterns for new recipients than for existing recipients. Other smaller differences are that male new recipients with children are significantly less likely to have a single long IS spell, which was not observed in Tseng et al. (2004). Tseng et al. (2004) also identified a role for the fortnightly average amount of earned income in describing IS patterns of churning and transferring. For new recipients the amount of earned income no longer plays a role, that is, the effect that was identified was greatly reduced and became insignificant.

The results for new male recipients in general, suggest that those men under 45 years of age who are partnered, are home owners, are Australian born but not of Indigenous or Torres Strait Islander descent, live either in the ACT or Victoria, and started their IS spell on unemployment benefits, are more likely to neither transfer nor churn and to have a single short IS spell. In contrast, those male new recipients starting their IS spell on Parenting Payment, Disability Support Payment or Mature Age Payments, who are single, live in South Australia, Tasmania, or the Northern Territory, or are living in public housing, are all more likely to neither churn

nor transfer and to have a single long IS spell. The results for female new recipients are very similar to that except that having children under 13 increases the probability of a single long IS spell. We did not identify a strong effect of children for male recipients.

The extra analysis of the duration (or length) of the first IS spell can not be compared to the study by Tseng et al. (2004). Estimation results identified a profile for the probability of exiting IS that was identical to the one identified in the first descriptive part of this report. That is, the probability of exiting is high early in the spell and rapidly declines over time, faster at first and bottoming out after one to two years. When controlling for a seasonality effect as measured by controlling for the quarter in which a new recipient enters IS, we found no such effect. We did find that those new recipients who entered in the last two years of our data, financial years 2002-03 and 2003-04, were less likely to exit IS. This could be because we have less time available to follow these new recipients and hence they had not yet had the opportunity to exit IS. Because new recipients transfer to other payment types without ending their IS spell it was possible to identify both the effect of the initial payment on exiting IS as well as the effect of the current payment. What this brought to light was that new recipients on Parenting Payment Single (PPS) captured two types of individuals: a) those who exit IS very quickly after a single short IS spell, leading to starting the IS spell on PPS to be associated with a high probability of exiting IS, and b) those who have a single long IS spell leading to those currently receiving PPS to have a low probability of exiting IS. For Sickness Allowance we found a similar dichotomy. Starting an IS spell on Sickness Allowance makes no difference in exiting IS since many who start on Sickness Allowance transfer to a different payment. Where Sickness Allowance is powerful in predicting exits from IS is if one currently receives Sickness Allowance. This latter effect fits with a global observation regarding the initial payment type and the current payment type on the probability of exiting IS and that is that it matters more what payment one is currently on than what payment started the IS spell.

An IS spell does not end when a recipient transfers from the initial payment type to a different payment type. Analysing the initial payment type spell and distinguishing whether this ends in a transfer to a different payment or an exit from IS, we find that the role of characteristics mostly trade off the probability of exiting IS with the probability of remaining on the initial payment. Namely, the probability of transferring is not influenced much by covariates. The exception to that is the presence of dependent children, which does increase the probability of transferring but for females only. The initial payment type of Sickness Allowance was

associated with a larger probability of exiting, which is logical given the nature of this payment type.

Finally, we investigated the length of the first off-IS spell. We determined the main characteristics that contribute to a successful permanent exit for new recipients. Using the data available up to the point of exit we can identify the initial payment type, the last payment type before exit, and the duration (length) of the first IS spell. We further assume that recipients remain living in the same state and do not change partner status, which does seem like a reasonable assumption. When looking at the probability of returning to IS, instead of the probability of exiting IS, we find that the youngest and oldest age-at-grant groups are most likely to return to IS. That is, the group of men and women between 25 and 54 are most likely to remain off IS conditional on having exited IS. We also find that a longer initial IS spell uniformly reduces your chances of remaining off IS conditional on having exited IS. That is, the optimal IS spell length is as short as possible.

In all the analysis where macroeconomic conditions are included, we find that these play a significant role. Lower unemployment suggests more opportunities to find jobs and hence greater opportunities to exit IS. Good economic conditions also suggest that conditional on exiting IS these exits are more permanent if unemployment is low.

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9 APPENDIX

This appendix contains the estimation results of very detailed analysis for specific initial payment types or detailed transfer destinations. They are variations of the main models that are discussed in the body of the report.

Table 24: Single event duration analysis of exiting IS for first IS spell for different initial starting payments (females)

	ALL		UB		SKA		SPE		PPP		PPS		DSP		MAP	
	Coeff	z-value	Coeff	z-value	Coeff	z-value	Coeff	z-value	Coeff	z-value	Coeff	z-value	Coeff	z-value	Coeff	z-value
Fortnight 1	0.10	(96.02)***	0.10	(78.42)***	0.10	(15.20)***	0.27	(6.80)***	0.02	(38.39)***	0.02	(45.08)***	0.03	(11.98)***	0.03	(19.47)***
Fortnight 2	0.11	(92.15)***	0.11	(74.92)***	0.13	(13.58)***	0.08	(10.98)***	0.03	(36.76)***	0.02	(44.71)***	0.02	(12.18)***	0.04	(18.99)***
Fortnight 3	0.10	(93.50)***	0.10	(76.02)***	0.13	(13.47)***	0.04	(11.55)***	0.03	(37.39)***	0.02	(44.61)***	0.02	(12.40)***	0.04	(18.90)***
Fortnight 4	0.11	(89.43)***	0.12	(72.09)***	0.17	(11.96)***	0.07	(10.87)***	0.03	(37.26)***	0.02	(44.37)***	0.02	(12.35)***	0.04	(18.91)***
Fortnight 5	0.12	(85.72)***	0.13	(67.95)***	0.17	(11.58)***	0.09	(10.33)***	0.03	(37.41)***	0.02	(44.14)***	0.01	(12.28)***	0.04	(18.66)***
Fortnight 6	0.12	(85.01)***	0.13	(68.16)***	0.19	(10.81)***	0.12	(9.43)***	0.03	(37.02)***	0.02	(43.89)***	0.02	(12.29)***	0.05	(17.72)***
Fortnight 7	0.11	(85.58)***	0.11	(68.81)***	0.17	(11.17)***	0.05	(10.83)***	0.03	(37.07)***	0.02	(43.61)***	0.02	(12.24)***	0.05	(17.92)***
Fortnight 8	0.09	(87.06)***	0.10	(69.64)***	0.08	(13.04)***	0.07	(10.33)***	0.02	(37.50)***	0.02	(42.99)***	0.01	(12.25)***	0.04	(18.35)***
Fortnight 9	0.09	(85.69)***	0.10	(68.29)***	0.08	(12.66)***	0.06	(10.40)***	0.02	(37.41)***	0.02	(43.05)***	0.01	(11.56)***	0.04	(18.93)***
Fortnight 10	0.09	(84.59)***	0.10	(67.47)***	0.06	(12.75)***	0.07	(10.18)***	0.02	(37.04)***	0.02	(42.70)***	0.02	(12.17)***	0.04	(18.49)***
Fortnight 11	0.09	(83.90)***	0.09	(66.66)***	0.10	(11.95)***	0.10	(9.38)***	0.02	(37.41)***	0.02	(42.37)***	0.01	(12.14)***	0.03	(19.10)***
Fortnight 12	0.09	(82.54)***	0.09	(65.28)***	0.07	(12.03)***	0.06	(9.97)***	0.02	(37.28)***	0.02	(42.19)***	0.01	(12.02)***	0.04	(18.50)***
Fortnight 13	0.09	(81.13)***	0.09	(64.01)***	0.09	(11.55)***	0.08	(9.64)***	0.02	(37.12)***	0.02	(42.07)***	0.01	(12.07)***	0.04	(18.45)***
Fortnight 14	0.08	(80.29)***	0.08	(63.13)***	0.09	(11.29)***	0.08	(9.52)***	0.02	(36.89)***	0.02	(41.72)***	0.01	(11.97)***	0.04	(18.58)***
Fortnight 15	0.07	(95.31)***	0.08	(74.45)***	0.05	(13.97)***	0.07	(11.07)***	0.02	(40.80)***	0.02	(49.55)***	0.01	(14.00)***	0.03	(20.57)***
Fortnight 16-17	0.07	(93.79)***	0.07	(73.20)***	0.07	(13.30)***	0.06	(11.26)***	0.02	(40.47)***	0.01	(49.18)***	0.01	(13.95)***	0.04	(19.76)***
Fortnight 18-19	0.07	(91.92)***	0.06	(71.18)***	0.08	(12.76)***	0.06	(10.95)***	0.02	(40.51)***	0.02	(48.77)***	0.01	(13.92)***	0.04	(19.97)***
Fortnight 20-21	0.06	(90.53)***	0.06	(68.99)***	0.06	(12.37)***	0.05	(10.94)***	0.02	(40.54)***	0.01	(48.27)***	0.01	(13.89)***	0.02	(21.69)***
Fortnight 22-23	0.05	(88.79)***	0.06	(66.91)***	0.04	(11.96)***	0.05	(10.78)***	0.01	(40.55)***	0.01	(47.84)***	0.01	(13.58)***	0.02	(22.29)***
Fortnight 24-25	0.06	(86.55)***	0.05	(64.63)***	0.05	(11.68)***	0.07	(10.14)***	0.01	(40.17)***	0.01	(47.44)***	0.01	(13.76)***	0.03	(21.20)***
Fortnight 26-31	0.05	(112.92)***	0.05	(85.39)***	0.05	(15.74)***	0.05	(12.82)***	0.01	(46.06)***	0.01	(59.55)***	0.01	(16.61)***	0.02	(24.76)***
Fortnight 32-37	0.04	(108.86)***	0.04	(80.11)***	0.04	(14.64)***	0.04	(12.57)***	0.01	(46.32)***	0.01	(58.51)***	0.01	(16.79)***	0.02	(25.49)***
Fortnight 38-43	0.04	(103.61)***	0.04	(73.82)***	0.04	(13.69)***	0.04	(11.97)***	0.01	(45.37)***	0.01	(57.29)***	0.01	(16.59)***	0.01	(25.74)***
Fortnight 44-51	0.03	(106.78)***	0.03	(74.12)***	0.03	(13.74)***	0.05	(12.19)***	0.01	(46.86)***	0.01	(59.39)***	0.01	(17.15)***	0.01	(26.48)***
Fortnight 52-64	0.03	(113.45)***	0.03	(77.95)***	0.03	(14.16)***	0.03	(12.95)***	0.01	(48.18)***	0.01	(62.80)***	0.01	(17.81)***	0.01	(27.92)***
Fortnight 65-77	0.03	(102.36)***	0.03	(65.86)***	0.03	(12.45)***	0.03	(11.93)***	0.01	(46.45)***	0.01	(59.74)***	0.00	(17.76)***	0.01	(27.77)***
Fortnight 78-90	0.03	(90.93)***	0.02	(54.99)***	0.02	(10.94)***	0.03	(10.78)***	0.01	(44.00)***	0.01	(56.27)***	0.00	(17.20)***	0.01	(26.67)***
Fortnight 91-103	0.02	(79.19)***	0.02	(46.07)***	0.01	(8.88)***	0.03	(9.53)***	0.01	(40.55)***	0.01	(51.38)***	0.01	(16.63)***	0.01	(25.33)***
Fortnight 104+	0.02	(89.65)***	0.02	(50.14)***	0.01	(9.45)***	0.02	(10.84)***	0.00	(44.19)***	0.01	(57.64)***	0.00	(18.51)***	0.00	(28.15)***
Age 15-24	0.93	(6.61)***	0.93	(5.90)***	1.08	(1.02)	0.94	(0.73)	0.81	(5.24)***	0.60	(10.42)***	0.24	(7.27)***	1.11	(0.65)
Age 35-44	0.81	(16.91)***	0.74	(14.99)***	0.80	(3.09)***	0.85	(1.71)*	0.96	(1.69)*	0.85	(5.69)***	0.73	(1.73)*	0.71	(2.58)***
Age 45-54	0.64	(29.93)***	0.56	(28.38)***	0.85	(2.36)**	0.61	(4.49)***	0.80	(5.71)***	0.80	(4.94)***	0.52	(3.65)***	0.82	(1.66)*
Age 55+	0.37	(45.62)***	0.32	(36.51)***	0.62	(5.04)***	0.50	(4.77)***	0.57	(4.39)***	0.61	(3.23)***	0.40	(5.11)***	0.54	(5.04)***
partner not on IS	1.27	(15.98)***	1.38	(17.60)***	1.27	(3.22)***	1.89	(6.36)***	2.18	(10.23)***			1.15	(1.28)	2.86	(22.52)***
partner on IS	0.74	(21.26)***	0.68	(20.06)***	0.79	(2.91)***	1.18	(1.96)**	1.80	(7.75)***			0.98	(0.20)	0.50	(15.14)***
ATSI	0.76	(15.05)***	0.66	(17.42)***	0.97	(0.24)	0.84	(1.12)	0.93	(1.89)*	1.04	(0.89)	0.83	(0.74)	0.80	(1.71)*
ESC	1.05	(3.97)***	1.02	(1.31)	1.10	(1.18)	0.82	(1.47)	1.12	(3.67)***	1.09	(2.30)**	1.24	(1.74)*	1.11	(2.04)**
NESC	0.72	(30.05)***	0.79	(16.62)***	0.86	(1.97)**	0.43	(7.92)***	0.57	(23.08)***	0.77	(7.09)***	0.70	(2.91)***	0.83	(4.07)***

	ALL		UB		SKA		SPE		PPP		PPS		DSP		MAP	
	Coeff	z-value	Coeff	z-value	Coeff	z-value	Coeff	z-value	Coeff	z-value	Coeff	z-value	Coeff	z-value	Coeff	z-value
Government rent	0.72	(9.83)***	0.64	(9.37)***	0.94	(0.40)	0.76	(1.58)	0.75	(3.94)***	0.74	(3.58)***	0.77	(1.00)	0.73	(2.17)**
Home Owner	1.16	(13.98)***	1.16	(8.20)***	1.00	(0.06)	1.25	(2.34)**	1.15	(6.63)***	1.12	(4.63)***	1.00	(0.03)	0.96	(0.81)
Free Rent	1.13	(13.92)***	1.14	(12.94)***	0.93	(0.96)	1.45	(4.02)***	0.92	(2.48)**	1.35	(8.00)***	0.93	(0.50)	1.06	(0.81)
Youngest child aged 0-2	0.65	(16.42)***	0.81	(6.05)***	0.78	(2.08)**	0.65	(4.79)***					1.24	(0.75)	0.32	(6.03)***
Youngest child aged 3-5	0.73	(10.92)***	1.01	(0.17)	1.41	(1.73)*	0.42	(5.27)***	1.03	(1.10)	0.87	(4.02)***	0.64	(1.40)	0.44	(4.31)***
Youngest child aged 6-12	0.81	(7.95)***	1.02	(0.27)	1.12	(0.82)	0.60	(4.37)***	1.02	(0.88)	0.95	(1.63)	1.33	(1.57)	0.48	(5.74)***
Youngest child aged 13+	1.16	(5.29)***	1.11	(1.76)*	1.46	(2.87)***	1.00	(0.02)	1.21	(4.98)***	1.57	(10.87)***	1.61	(2.63)***	0.71	(3.10)***
Urban dummy	1.10	(12.14)***	1.13	(11.76)***	0.95	(0.99)	0.85	(1.67)*	1.10	(4.56)***	1.00	(0.13)	1.13	(1.43)	1.00	(0.14)
Local UE rate	0.98	(11.25)***	0.97	(12.04)***	0.99	(0.49)	0.97	(1.78)*	1.00	(0.79)	1.00	(0.12)	0.95	(2.60)***	0.97	(3.93)***
NSW	0.96	(4.65)***	0.97	(2.48)**	0.92	(1.41)	0.92	(1.21)	0.93	(3.31)***	1.03	(1.25)	0.96	(0.51)	0.91	(2.47)**
SA	0.89	(7.89)***	0.90	(6.22)***	0.91	(1.08)	1.05	(0.32)	0.88	(3.63)***	0.93	(1.59)	0.89	(0.83)	0.89	(1.89)*
WA	1.01	(0.79)	1.01	(0.62)	1.00	(0.04)	0.71	(3.02)***	1.03	(1.18)	1.02	(0.50)	0.93	(0.53)	1.13	(2.26)**
TAS	0.85	(6.87)***	0.84	(5.73)***	0.82	(1.31)	0.68	(2.06)**	0.79	(4.14)***	1.14	(1.79)*	0.95	(0.21)	0.84	(1.82)*
NT	0.89	(3.49)***	0.88	(3.05)***	1.35	(1.12)	0.67	(0.39)	0.79	(2.45)**	1.35	(3.19)***	3.60	(4.11)***	1.30	(1.17)
ACT	1.16	(3.74)***	1.12	(2.40)**	1.08	(0.31)	0.17	(1.75)*	1.33	(2.29)**	1.71	(4.11)***	0.73	(0.68)	0.94	(0.24)
number of transfers	0.85	(10.68)***	0.33	(38.50)***	0.45	(10.12)***	0.71	(3.85)***	0.84	(3.90)***	1.20	(6.61)***	0.89	(0.46)	0.91	(1.64)
Entry quarter2	0.93	(6.70)***	0.90	(7.48)***	0.91	(1.33)	1.00	(0.03)	0.97	(1.31)	1.04	(1.10)	1.16	(1.31)	0.94	(1.25)
Entry quarter3	0.95	(5.20)***	0.94	(4.54)***	0.96	(0.56)	0.96	(0.50)	0.93	(2.79)***	1.05	(1.69)*	1.04	(0.32)	0.95	(1.08)
Entry quarter4	0.99	(0.75)	0.99	(0.80)	0.96	(0.68)	1.17	(1.88)*	0.96	(1.84)*	1.05	(1.67)*	1.30	(2.33)**	0.92	(1.78)*
Entry financial year 1999	1.00	(0.12)	1.03	(2.33)**	0.88	(1.81)*	0.98	(0.24)	0.93	(2.67)***	0.93	(1.99)**	0.98	(0.17)	1.06	(1.28)
Entry financial year 2000	1.00	(0.32)	1.00	(0.29)	0.94	(0.81)	1.64	(5.41)***	0.96	(1.36)	0.94	(1.78)*	0.91	(0.77)	0.92	(1.74)*
Entry financial year 2001	0.98	(1.71)*	0.99	(0.72)	0.96	(0.51)	0.89	(1.08)	1.07	(2.23)**	0.96	(1.13)	0.80	(1.71)*	0.79	(4.51)***
Entry financial year 2002	0.91	(7.19)***	0.93	(4.74)***	1.03	(0.36)	0.49	(5.92)***	0.97	(0.80)	0.86	(3.66)***	0.88	(0.92)	0.74	(5.36)***
Entry financial year 2003	0.75	(17.88)***	0.80	(12.29)***	0.79	(2.30)**	0.54	(3.90)***	0.68	(8.42)***	0.57	(8.54)***	0.68	(1.87)*	0.50	(6.95)***
SKA	1.26	(3.49)***														
SPE	0.70	(4.34)***														
PPP	0.74	(8.07)***														
PPS	0.29	(33.38)***														
DSP	0.14	(36.17)***														
MAP	0.36	(25.64)***														
Starting on SKA	1.03	(0.47)														
Starting on SPE	1.16	(1.91)*														
starting on PPP	1.05	(1.61)														
starting on PPS	1.19	(5.80)***														
starting on DSP	0.65	(6.72)***														
starting on MAP	0.98	(0.56)														
Observations	3,367,456		1,224,772		47,425		53,559		512,547		703,198		264,760		561,195	

Table 25: Single event duration analysis of exiting IS for first IS spell for different initial starting payments (males)

	ALL		UB		SKA		SPE		PPP		PPS		DSP		MAP	
	Coeff	z-value	Coeff	z-value	Coeff	z-value	Coeff	z-value	Coeff	z-value	Coeff	z-value	Coeff	z-value	Coeff	z-value
Fortnight 1	0.10	(106.45)***	0.10	(99.77)***	0.10	(23.88)***	0.16	(10.43)***	0.03	(16.05)***	0.04	(13.82)***	0.03	(15.07)***	0.02	(9.95)***
Fortnight 2	0.11	(100.51)***	0.12	(93.69)***	0.15	(20.47)***	0.04	(15.01)***	0.05	(14.34)***	0.04	(13.59)***	0.02	(15.39)***	0.03	(9.77)***
Fortnight 3	0.10	(102.09)***	0.10	(95.23)***	0.15	(20.06)***	0.05	(14.70)***	0.04	(15.11)***	0.03	(13.86)***	0.02	(15.64)***	0.02	(9.85)***
Fortnight 4	0.11	(98.00)***	0.11	(91.38)***	0.17	(18.60)***	0.06	(14.10)***	0.04	(15.12)***	0.04	(13.62)***	0.02	(15.49)***	0.03	(9.81)***
Fortnight 5	0.12	(93.68)***	0.13	(87.04)***	0.18	(17.83)***	0.07	(13.44)***	0.05	(14.82)***	0.04	(13.59)***	0.02	(15.67)***	0.02	(9.74)***
Fortnight 6	0.12	(92.02)***	0.13	(85.57)***	0.20	(16.33)***	0.08	(13.14)***	0.04	(15.19)***	0.02	(13.74)***	0.01	(15.68)***	0.05	(9.28)***
Fortnight 7	0.11	(93.90)***	0.11	(87.58)***	0.18	(16.54)***	0.08	(12.83)***	0.04	(15.02)***	0.03	(13.56)***	0.01	(15.28)***	0.04	(9.36)***
Fortnight 8	0.10	(94.79)***	0.10	(87.94)***	0.08	(19.59)***	0.06	(13.38)***	0.04	(14.97)***	0.03	(13.51)***	0.02	(15.60)***	0.06	(8.94)***
Fortnight 9	0.09	(94.30)***	0.09	(87.50)***	0.07	(19.22)***	0.05	(13.75)***	0.05	(14.54)***	0.04	(13.21)***	0.01	(15.56)***	0.03	(9.44)***
Fortnight 10	0.09	(92.71)***	0.09	(86.04)***	0.07	(18.77)***	0.07	(13.01)***	0.04	(14.89)***	0.04	(13.06)***	0.01	(15.38)***	0.06	(8.92)***
Fortnight 11	0.08	(91.75)***	0.09	(85.12)***	0.09	(18.09)***	0.06	(13.16)***	0.03	(15.09)***	0.03	(13.13)***	0.01	(14.51)***	0.05	(8.93)***
Fortnight 12	0.08	(89.97)***	0.09	(83.35)***	0.08	(17.73)***	0.05	(13.20)***	0.04	(14.85)***	0.03	(13.09)***	0.01	(15.40)***	0.03	(9.21)***
Fortnight 13	0.09	(87.84)***	0.09	(81.36)***	0.07	(17.38)***	0.08	(12.25)***	0.03	(14.93)***	0.04	(12.86)***	0.01	(15.33)***	0.05	(8.83)***
Fortnight 14	0.08	(86.72)***	0.08	(80.30)***	0.09	(16.75)***	0.04	(12.98)***	0.04	(14.57)***	0.04	(12.59)***	0.01	(15.06)***	0.03	(9.10)***
Fortnight 15	0.07	(102.93)***	0.07	(95.25)***	0.08	(20.12)***	0.05	(14.82)***	0.03	(15.97)***	0.03	(15.03)***	0.01	(17.83)***	0.03	(10.83)***
Fortnight 16-17	0.07	(101.16)***	0.07	(93.44)***	0.06	(19.79)***	0.05	(14.84)***	0.03	(16.26)***	0.03	(14.93)***	0.01	(17.77)***	0.03	(10.60)***
Fortnight 18-19	0.07	(98.24)***	0.07	(90.62)***	0.06	(19.06)***	0.05	(14.35)***	0.03	(16.19)***	0.03	(14.77)***	0.01	(17.71)***	0.04	(10.39)***
Fortnight 20-21	0.06	(96.01)***	0.06	(88.46)***	0.04	(18.08)***	0.05	(14.39)***	0.03	(16.15)***	0.03	(14.51)***	0.01	(17.62)***	0.03	(10.44)***
Fortnight 22-23	0.05	(93.31)***	0.05	(85.84)***	0.05	(17.74)***	0.07	(13.26)***	0.03	(15.96)***	0.02	(14.42)***	0.01	(17.53)***	0.02	(10.48)***
Fortnight 24-25	0.06	(90.38)***	0.06	(83.05)***	0.05	(17.10)***	0.11	(11.73)***	0.03	(15.71)***	0.02	(14.26)***	0.01	(17.14)***	0.04	(10.02)***
Fortnight 26-31	0.05	(118.68)***	0.05	(109.40)***	0.04	(23.41)***	0.04	(16.71)***	0.03	(17.59)***	0.02	(17.34)***	0.01	(20.88)***	0.02	(12.53)***
Fortnight 32-37	0.04	(112.05)***	0.04	(102.84)***	0.04	(21.55)***	0.04	(15.74)***	0.03	(17.42)***	0.02	(17.30)***	0.01	(21.04)***	0.01	(12.90)***
Fortnight 38-43	0.04	(104.55)***	0.04	(95.51)***	0.03	(19.78)***	0.04	(15.02)***	0.02	(17.56)***	0.02	(16.99)***	0.01	(21.01)***	0.01	(12.66)***
Fortnight 44-51	0.03	(106.44)***	0.03	(96.67)***	0.03	(19.76)***	0.05	(14.94)***	0.02	(17.92)***	0.01	(17.79)***	0.01	(21.69)***	0.02	(13.02)***
Fortnight 52-64	0.03	(112.16)***	0.03	(101.75)***	0.03	(21.03)***	0.03	(15.87)***	0.02	(18.52)***	0.02	(18.48)***	0.01	(22.93)***	0.01	(14.06)***
Fortnight 65-77	0.03	(96.67)***	0.02	(86.42)***	0.03	(18.44)***	0.04	(14.66)***	0.02	(16.97)***	0.02	(17.42)***	0.00	(22.82)***	0.02	(13.26)***
Fortnight 78-90	0.02	(82.07)***	0.02	(72.98)***	0.02	(14.68)***	0.04	(13.15)***	0.01	(15.66)***	0.01	(16.46)***	0.00	(22.10)***	0.01	(12.66)***
Fortnight 91-103	0.02	(67.76)***	0.02	(59.55)***	0.02	(13.13)***	0.03	(9.87)***	0.02	(13.97)***	0.01	(13.77)***	0.00	(21.17)***	0.01	(11.75)***
Fortnight 104+	0.02	(75.11)***	0.02	(66.87)***	0.01	(13.35)***	0.01	(6.04)***	0.01	(14.87)***	0.00	(14.97)***	0.00	(23.82)***	0.01	(13.47)***
Age 15-24	1.07	(7.14)***	1.07	(7.03)***	1.28	(4.90)***	1.16	(1.93)*	0.92	(0.57)	0.93	(0.36)	0.38	(5.64)***	0.55	(2.66)***
Age 35-44	0.81	(19.19)***	0.81	(17.88)***	0.74	(7.06)***	0.80	(3.10)***	0.94	(1.17)	0.94	(0.79)	0.88	(0.80)	0.60	(2.94)***
Age 45-54	0.64	(33.93)***	0.62	(33.18)***	0.62	(9.69)***	0.80	(2.65)***	0.84	(2.69)***	0.71	(3.42)***	0.96	(0.28)	0.46	(4.77)***
Age 55+	0.42	(47.12)***	0.38	(46.52)***	0.49	(10.86)***	0.70	(3.27)***	0.56	(3.61)***	0.68	(2.05)**	0.67	(2.57)**	0.41	(5.25)***
partner not on IS	1.49	(26.69)***	1.58	(28.09)***	1.41	(6.18)***	0.99	(0.08)	1.27	(1.53)			1.44	(3.74)***	1.16	(1.08)
partner on IS	0.89	(8.83)***	0.83	(12.44)***	0.89	(2.18)**	1.45	(4.89)***	1.17	(1.05)			1.29	(2.74)***	0.36	(9.29)***
ATSI	0.77	(15.38)***	0.75	(15.92)***	0.92	(0.88)	1.11	(0.90)	1.04	(0.39)	1.01	(0.11)	0.74	(1.27)	1.01	(0.03)
ESC	1.09	(7.26)***	1.09	(6.47)***	1.15	(2.72)***	1.03	(0.24)	1.04	(0.66)	1.23	(2.21)**	1.23	(2.06)**	1.23	(1.61)

	ALL		UB		SKA		SPE		PPP		PPS		DSP		MAP	
	Coeff	z-value	Coeff	z-value	Coeff	z-value	Coeff	z-value	Coeff	z-value	Coeff	z-value	Coeff	z-value	Coeff	z-value
NESC	0.77	(26.67)***	0.77	(24.58)***	0.90	(2.15)**	0.45	(8.17)***	0.75	(5.09)***	0.81	(2.13)**	0.78	(2.77)***	0.83	(1.51)
Government rent	0.78	(8.44)***	0.76	(8.33)***	0.93	(0.67)	0.79	(1.30)	0.94	(0.37)	0.60	(2.63)***	0.68	(1.74)*	0.98	(0.08)
Home Owner	1.17	(15.05)***	1.19	(15.08)***	1.04	(1.00)	1.03	(0.27)	1.02	(0.48)	1.06	(0.87)	0.84	(1.93)*	1.69	(4.10)***
Free Rent	1.06	(6.77)***	1.06	(6.72)***	0.99	(0.28)	1.28	(3.06)***	1.07	(1.03)	1.03	(0.29)	0.98	(0.15)	1.38	(2.27)**
Youngest child aged 0-2	1.05	(2.75)***	1.13	(6.65)***	1.17	(2.41)**	0.89	(1.38)					1.61	(2.37)**	1.42	(1.55)
Youngest child aged 3-5	1.07	(3.35)***	1.14	(5.74)***	1.29	(3.39)***	0.83	(1.60)	0.97	(0.59)	0.73	(2.81)***	1.59	(2.19)**	0.73	(0.85)
Youngest child aged 6-12	1.06	(3.11)***	1.13	(5.77)***	1.09	(1.15)	0.73	(3.23)***	0.97	(0.49)	0.74	(3.09)***	1.03	(0.20)	1.06	(0.30)
Youngest child aged 13+	1.22	(8.19)***	1.17	(5.35)***	1.23	(2.22)**	0.86	(1.12)	1.14	(1.71)*	1.23	(2.02)**	1.07	(0.41)	1.32	(1.23)
Urban dummy	1.08	(9.66)***	1.08	(9.73)***	0.98	(0.65)	0.62	(6.12)***	1.08	(1.71)*	1.08	(1.13)	1.22	(3.13)***	1.13	(1.33)
Local UE rate	0.97	(16.15)***	0.97	(16.57)***	0.99	(1.23)	1.01	(0.90)	1.00	(0.24)	1.01	(0.36)	0.96	(3.31)***	1.00	(0.09)
NSW	0.97	(4.22)***	0.97	(3.63)***	0.96	(1.25)	1.01	(0.13)	0.97	(0.73)	0.89	(1.57)	0.96	(0.65)	1.03	(0.34)
SA	0.88	(9.66)***	0.87	(9.61)***	0.98	(0.44)	1.12	(1.14)	0.93	(1.00)	0.81	(1.73)*	0.66	(3.68)***	1.15	(0.87)
WA	1.01	(1.18)	1.01	(0.81)	1.05	(0.99)	1.13	(1.29)	1.04	(0.58)	0.93	(0.68)	1.01	(0.09)	1.17	(0.92)
TAS	0.80	(10.47)***	0.78	(10.40)***	0.90	(1.02)	0.74	(1.85)*	0.93	(0.61)	0.92	(0.43)	0.47	(3.04)***	0.79	(1.01)
NT	0.79	(7.37)***	0.79	(7.23)***	1.03	(0.18)	0.94	(0.12)	1.08	(0.30)	1.05	(0.19)	0.61	(1.10)	2.50	(2.44)**
ACT	1.00	(0.02)	0.98	(0.38)	0.88	(0.60)	2.29	(2.68)***	0.88	(0.50)	1.81	(1.82)*	0.86	(0.47)	1.95	(1.43)
number of transfers	1.00	(0.14)	0.31	(44.42)***	0.54	(11.71)***	0.60	(6.24)***	0.94	(0.79)	1.57	(6.02)***	1.21	(0.57)	1.05	(0.44)
Entry quarter2	0.94	(5.77)***	0.95	(5.36)***	0.93	(1.70)*	0.95	(0.78)	0.95	(0.88)	0.81	(2.34)**	0.92	(0.86)	0.83	(1.50)
Entry quarter3	0.97	(3.55)***	0.97	(3.42)***	0.98	(0.53)	0.96	(0.54)	0.92	(1.45)	0.84	(2.01)**	1.06	(0.67)	0.72	(2.75)***
Entry quarter4	0.99	(1.63)	0.98	(1.96)*	0.94	(1.32)	0.96	(0.56)	1.06	(0.99)	0.85	(1.86)*	1.15	(1.59)	0.75	(2.41)**
Entry financial year 1999	1.01	(1.33)	1.03	(2.29)**	0.93	(1.49)	1.06	(0.64)	1.03	(0.49)	0.94	(0.64)	0.89	(1.39)	0.98	(0.14)
Entry financial year 2000	1.02	(1.75)*	1.01	(0.67)	1.09	(1.72)*	1.33	(3.34)***	1.11	(1.61)	1.01	(0.08)	0.81	(2.39)**	0.97	(0.21)
Entry financial year 2001	1.01	(1.10)	1.01	(1.14)	1.16	(2.86)***	0.83	(1.91)*	1.03	(0.47)	1.00	(0.02)	0.65	(4.47)***	1.05	(0.34)
Entry financial year 2002	0.98	(1.53)	0.99	(0.76)	1.19	(3.19)***	0.64	(4.58)***	0.91	(1.29)	0.95	(0.42)	0.66	(3.67)***	0.81	(1.42)
Entry financial year 2003	0.85	(11.21)***	0.85	(10.17)***	0.98	(0.27)	0.64	(3.78)***	0.74	(3.03)***	0.73	(2.00)**	0.64	(2.93)***	0.54	(2.41)**
SKA	1.46	(7.64)***														
SPE	0.51	(7.13)***														
PPP	0.55	(12.32)***														
PPS	0.33	(16.88)***														
DSP	0.16	(41.73)***														
MAP	0.26	(19.21)***														
starting on SKA	0.94	(1.25)														
starting on SPE	1.13	(1.37)														
starting on PPP	1.01	(0.22)														
starting on PPS	1.16	(2.31)**														
starting on DSP	0.71	(6.57)***														
starting on MAP	1.16	(2.02)**														
Observations	2,363,883		1,683,936		86,977		64,221		72,546		62,771		324,713		68,719	

Table 26: Single event duration analysis for 'exiting IS' and 'transferring to a different IS payment' for different first payment spells (females)

	All				UB				SKA				SPE			
	Exit IS		Transfer		Exit IS		Transfer		Exit IS		Transfer		Exit IS		Transfer	
	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value
Fortnight 1	0.10	(94.71)***	0.01	(80.10)***	0.10	(77.76)***	0.00	(64.23)***	0.09	(14.56)***	0.02	(14.09)***	0.26	(6.15)***	0.04	(8.53)***
Fortnight 2	0.11	(90.84)***	0.01	(78.97)***	0.11	(74.25)***	0.01	(63.14)***	0.13	(12.96)***	0.02	(13.61)***	0.08	(10.01)***	0.04	(8.23)***
Fortnight 3	0.10	(92.16)***	0.01	(77.87)***	0.10	(75.32)***	0.01	(62.38)***	0.13	(12.81)***	0.02	(13.37)***	0.05	(10.72)***	0.07	(7.56)***
Fortnight 4	0.11	(88.11)***	0.01	(76.86)***	0.12	(71.38)***	0.00	(61.85)***	0.16	(11.43)***	0.03	(12.53)***	0.07	(9.90)***	0.08	(7.27)***
Fortnight 5	0.12	(84.38)***	0.01	(75.69)***	0.13	(67.25)***	0.00	(61.08)***	0.17	(10.88)***	0.03	(12.40)***	0.08	(9.52)***	0.08	(7.11)***
Fortnight 6	0.12	(83.64)***	0.01	(74.46)***	0.12	(67.39)***	0.00	(59.90)***	0.19	(10.31)***	0.05	(11.32)***	0.13	(8.34)***	0.07	(7.20)***
Fortnight 7	0.11	(84.25)***	0.01	(72.75)***	0.11	(68.07)***	0.00	(58.29)***	0.17	(10.35)***	0.04	(11.16)***	0.05	(9.89)***	0.07	(7.07)***
Fortnight 8	0.09	(85.67)***	0.01	(71.29)***	0.10	(68.82)***	0.00	(57.43)***	0.07	(12.34)***	0.03	(11.07)***	0.07	(9.35)***	0.05	(7.34)***
Fortnight 9	0.09	(84.32)***	0.01	(70.09)***	0.10	(67.48)***	0.00	(56.31)***	0.07	(11.98)***	0.02	(10.75)***	0.06	(9.48)***	0.04	(7.34)***
Fortnight 10	0.09	(83.13)***	0.01	(69.16)***	0.10	(66.59)***	0.00	(55.47)***	0.06	(11.90)***	0.04	(10.46)***	0.07	(9.16)***	0.05	(7.12)***
Fortnight 11	0.09	(82.44)***	0.01	(68.03)***	0.09	(65.77)***	0.00	(54.49)***	0.10	(11.08)***	0.03	(10.32)***	0.11	(8.36)***	0.04	(7.08)***
Fortnight 12	0.09	(81.06)***	0.01	(67.17)***	0.09	(64.39)***	0.00	(53.66)***	0.06	(11.17)***	0.04	(9.92)***	0.06	(9.01)***	0.03	(6.85)***
Fortnight 13	0.08	(79.63)***	0.01	(65.97)***	0.09	(63.07)***	0.00	(53.00)***	0.09	(10.58)***	0.03	(9.77)***	0.07	(8.76)***	0.06	(6.71)***
Fortnight 14	0.08	(78.62)***	0.01	(64.83)***	0.08	(62.08)***	0.00	(51.81)***	0.09	(10.20)***	0.04	(9.46)***	0.09	(8.42)***	0.06	(6.63)***
Fortnight 15	0.07	(93.16)***	0.01	(75.53)***	0.08	(73.06)***	0.01	(59.67)***	0.05	(12.56)***	0.03	(10.84)***	0.08	(9.73)***	0.04	(7.95)***
Fortnight 16-17	0.07	(91.55)***	0.00	(73.60)***	0.07	(71.63)***	0.00	(57.72)***	0.07	(11.86)***	0.04	(10.43)***	0.06	(9.95)***	0.05	(7.49)***
Fortnight 18-19	0.07	(89.47)***	0.00	(71.95)***	0.06	(69.37)***	0.00	(56.09)***	0.08	(11.07)***	0.04	(9.91)***	0.07	(9.50)***	0.07	(6.98)***
Fortnight 20-21	0.06	(87.97)***	0.00	(70.29)***	0.06	(67.06)***	0.00	(54.41)***	0.06	(10.55)***	0.03	(9.45)***	0.06	(9.56)***	0.06	(7.06)***
Fortnight 22-23	0.05	(86.02)***	0.01	(69.17)***	0.05	(64.79)***	0.00	(53.56)***	0.04	(9.82)***	0.02	(8.66)***	0.06	(9.29)***	0.07	(6.62)***
Fortnight 24-25	0.05	(83.62)***	0.00	(67.30)***	0.05	(62.31)***	0.00	(51.71)***	0.03	(8.93)***	0.02	(8.39)***	0.08	(8.48)***	0.05	(6.62)***
Fortnight 26-31	0.05	(109.38)***	0.00	(83.42)***	0.05	(82.47)***	0.00	(63.55)***	0.04	(12.86)***	0.05	(10.70)***	0.05	(10.96)***	0.06	(7.80)***
Fortnight 32-37	0.04	(104.63)***	0.00	(80.20)***	0.04	(76.26)***	0.00	(60.12)***	0.04	(11.14)***	0.03	(9.82)***	0.04	(10.59)***	0.06	(7.44)***
Fortnight 38-43	0.04	(98.78)***	0.00	(77.38)***	0.04	(69.03)***	0.00	(57.24)***	0.05	(9.96)***	0.03	(8.81)***	0.05	(9.98)***	0.06	(7.04)***
Fortnight 44-51	0.03	(100.93)***	0.00	(78.93)***	0.03	(68.08)***	0.00	(56.90)***	0.05	(8.84)***	0.10	(7.34)***	0.05	(9.98)***	0.18	(5.16)***
Fortnight 52-64	0.03	(106.55)***	0.00	(81.84)***	0.03	(70.36)***	0.00	(58.32)***	0.03	(5.87)***	0.11	(5.81)***	0.02	(9.78)***	0.15	(5.40)***
Fortnight 65-77	0.03	(93.44)***	0.00	(76.28)***	0.03	(55.73)***	0.00	(52.51)***	0.00	(0.02)	0.11	(2.18)**	0.02	(7.84)***	0.08	(5.50)***
Fortnight 78-90	0.03	(80.41)***	0.01	(70.20)***	0.02	(43.25)***	0.00	(45.01)***	0.00	(0.01))	0.87	(0.14)	0.02	(6.51)***	0.06	(4.77)***
Fortnight 91-103	0.02	(67.65)***	0.01	(63.83)***	0.02	(34.79)***	0.00	(36.03)***					0.08	(4.64)***	0.04	(3.04)***
Fortnight 104+	0.02	(73.35)***	0.01	(70.23)***	0.01	(32.77)***	0.00	(38.99)***					0.12	(2.07)**	0.00	(0.00)
Age 15-24	0.94	(5.45)***	1.16	(4.78)***	0.94	(4.90)***	1.04	(1.04)	1.06	(0.71)	1.29	(1.74)*	0.98	(0.25)	0.81	(1.51)
Age 35-44	0.81	(16.28)***	1.03	(0.79)	0.75	(14.18)***	0.88	(2.48)**	0.81	(2.69)***	0.89	(0.88)	0.85	(1.50)	1.10	(0.67)
Age 45-54	0.64	(28.61)***	1.70	(15.09)***	0.58	(25.79)***	1.55	(9.43)***	0.87	(1.89)*	0.92	(0.59)	0.69	(3.08)***	1.07	(0.39)
Age 55+	0.39	(41.14)***	3.21	(31.06)***	0.35	(32.26)***	2.85	(21.88)***	0.68	(3.73)***	1.49	(2.65)***	0.59	(3.42)***	0.94	(0.26)

	All				UB				SKA				SPE			
	Exit IS		Transfer		Exit IS		Transfer		Exit IS		Transfer		Exit IS		Transfer	
	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value
partner not on IS	1.25	(14.70)***	1.15	(4.06)***	1.27	(12.10)***	1.70	(13.01)***	1.15	-1.64	0.89	(0.75)	1.73	(4.91)***	0.39	(5.60)***
partner on IS	0.75	(20.11)***	1.35	(11.08)***	0.65	(21.20)***	1.44	(10.77)***	0.69	(4.04)***	1.38	(2.53)**	1.20	(1.89)*	0.46	(6.30)***
ATSI	0.76	(14.85)***	1.09	(2.19)**	0.65	(17.16)***	1.13	(2.31)**	0.97	(0.20)	0.96	(0.18)	0.91	(0.56)	1.37	(1.26)
ESC	1.05	(3.65)***	0.97	(0.92)	1.02	(1.22)	0.84	(3.96)***	1.10	(1.15)	1.04	(0.28)	0.81	(1.28)	1.32	(1.25)
NESC	0.72	(29.34)***	0.97	(1.34)	0.79	(16.03)***	0.83	(5.36)***	0.87	(1.65)*	1.14	(1.03)	0.40	(7.34)***	0.38	(5.05)***
Government rent	0.72	(9.06)***	1.24	(4.51)***	0.65	(8.29)***	1.32	(4.17)***	0.96	(0.28)	1.12	(0.50)	0.82	(0.94)	1.64	(2.55)**
Home Owner	1.17	(14.46)***	0.89	(4.94)***	1.17	(8.38)***	1.16	(4.42)***	1.03	(0.38)	0.86	(1.36)	1.45	(3.47)***	1.21	(1.20)
Free Rent	1.13	(13.33)***	0.73	(11.60)***	1.13	(12.23)***	0.76	(8.37)***	0.87	(1.73)*	0.97	(0.21)	1.50	(3.89)***	1.00	(0.03)
Youngest child aged 0-2	0.64	(15.79)***	9.28	(56.96)***	0.88	(2.26)**	26.52	(81.34)***	0.93	(0.36)	4.26	(7.56)***	0.75	(2.83)***	2.09	(5.60)***
Youngest child aged 3-5	0.71	(11.10)***	3.63	(23.17)***	0.95	(0.52)	2.51	(6.53)***	1.68	(2.56)**	0.46	(1.31)	0.40	(4.57)***	0.96	(0.18)
Youngest child aged 6-12	0.79	(8.13)***	3.00	(23.59)***	1.04	(0.61)	2.11	(7.63)***	1.21	(1.29)	0.61	(1.74)*	0.66	(3.28)***	0.78	(1.25)
Youngest child aged 13+	1.15	(4.70)***	6.06	(43.81)***	1.14	(2.08)**	1.40	(2.81)***	1.36	(2.06)**	0.84	(0.58)	1.02	(0.12)	0.71	(1.18)
Urban dummy	1.11	(12.20)***	0.93	(3.65)***	1.13	(12.01)***	1.02	(0.63)	0.93	(1.22)	0.79	(2.44)**	0.90	(1.01)	0.91	(0.61)
Local UE rate	0.98	(11.01)***	1.01	(3.05)***	0.97	(11.88)***	1.01	(0.90)	1.00	(0.29)	0.99	(0.48)	0.97	(1.76)*	0.98	(0.95)
NSW	0.96	(4.13)***	1.12	(5.28)***	0.98	(1.65)*	1.19	(6.21)***	0.94	(1.07)	1.28	(2.57)**	0.90	(1.29)	1.06	(0.53)
SA	0.89	(7.78)***	1.10	(2.87)***	0.89	(6.20)***	1.16	(3.22)***	0.94	(0.70)	1.03	(0.16)	1.00	(0.01)	0.79	(0.88)
WA	1.01	(0.65)	1.11	(3.35)***	1.01	(0.38)	1.10	(2.17)**	1.02	(0.19)	1.06	(0.39)	0.60	(3.90)***	1.24	(1.28)
TAS	0.85	(6.63)***	1.15	(2.76)***	0.85	(5.53)***	1.19	(2.48)**	0.79	(1.38)	1.31	(1.18)	0.57	(2.44)**	1.85	(2.37)**
NT	0.87	(3.83)***	0.53	(7.58)***	0.86	(3.43)***	0.32	(11.09)***	1.27	(0.89)	0.22	(1.51)	1.00	(0.00)	1.43	(0.35)
ACT	1.16	(3.54)***	1.06	(0.46)	1.12	(2.47)**	1.04	(0.25)	1.00	(0.01)	1.10	(0.16)	0.24	(1.41)	1.19	(0.29)
Entry quarter2	0.93	(6.70)***	1.04	(1.58)	0.91	(7.10)***	1.07	(1.97)**	0.89	(1.53)	1.05	(0.40)	0.89	(1.33)	0.87	(1.00)
Entry quarter3	0.95	(5.28)***	1.02	(0.80)	0.95	(4.12)***	1.03	(0.99)	0.90	(1.37)	1.14	(1.08)	0.86	(1.46)	0.99	(0.10)
Entry quarter4	0.99	(0.74)	0.95	(1.88)*	1.00	(0.31)	0.93	(2.03)**	0.94	(0.80)	0.90	(0.86)	1.11	(1.15)	0.90	(0.81)
Entry financial year 1999	1.00	(0.37)	0.99	(0.32)	1.05	(3.03)***	1.04	(1.00)	0.85	(2.05)**	0.87	(1.07)	0.94	(0.52)	0.87	(0.94)
Entry financial year 2000	1.00	(0.05)	0.96	(1.41)	1.01	(0.89)	1.13	(3.24)***	1.02	(0.22)	1.03	(0.26)	1.56	(4.39)***	0.39	(5.85)***
Entry financial year 2001	0.98	(1.30)	0.90	(3.65)***	1.00	(0.08)	1.04	(0.93)	0.97	(0.34)	0.86	(1.12)	0.82	(1.56)	0.56	(3.70)***
Entry financial year 2002	0.92	(6.23)***	0.94	(1.84)*	0.94	(3.85)***	1.09	(2.10)**	1.09	(1.02)	0.88	(0.82)	0.56	(4.52)***	1.09	(0.59)
Entry financial year 2003	0.76	(17.43)***	0.83	(4.45)***	0.80	(11.71)***	0.91	(1.72)*	0.82	(1.90)*	1.05	(0.27)	0.52	(4.03)***	0.44	(3.13)***
starting on SKA	1.29	(9.90)***	2.44	(20.23)***												
starting on SPE	0.84	(4.89)***	0.52	(12.04)***												
starting on PPP	0.79	(8.89)***	0.08	(63.20)***												
starting on PPS	0.34	(37.05)***	0.07	(59.97)***												
starting on DSP	0.09	(61.91)***	0.06	(39.38)***												
starting on MAP	0.35	(49.67)***	0.22	(47.08)***												
Observations	2,724,152				847,106				20,889				32,729			

Table 27: Single event duration analysis for 'exiting IS' and 'transferring to a different IS payment' for different first payment spells (females)

	PPP				PPS				MAP				DSP		
	Exit IS		Transfer		Exit IS		Transfer		Exit IS		Transfer		Exit IS		Transfer
	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	
Fortnight 1	0.05	(46.83)***	0.00	(31.12)***	0.02	(44.48)***	0.00	(24.99)***	0.03	(18.84)***	0.00	(16.09)***	0.03	(11.75)***	x
Fortnight 2	0.06	(44.78)***	0.00	(30.78)***	0.02	(44.00)***	0.00	(25.65)***	0.04	(18.33)***	0.00	(16.33)***	0.02	(11.94)***	x
Fortnight 3	0.06	(45.15)***	0.00	(30.09)***	0.02	(43.94)***	0.00	(24.46)***	0.04	(18.25)***	0.00	(15.67)***	0.02	(12.19)***	x
Fortnight 4	0.06	(44.79)***	0.00	(30.39)***	0.02	(43.65)***	0.00	(25.13)***	0.04	(18.25)***	0.00	(15.93)***	0.02	(12.14)***	x
Fortnight 5	0.06	(44.58)***	0.00	(29.35)***	0.02	(43.42)***	0.00	(25.03)***	0.04	(18.00)***	0.00	(16.03)***	0.01	(12.09)***	x
Fortnight 6	0.06	(43.88)***	0.00	(29.26)***	0.02	(43.14)***	0.00	(24.07)***	0.05	(17.06)***	0.00	(15.87)***	0.02	(12.08)***	x
Fortnight 7	0.06	(43.64)***	0.00	(28.73)***	0.02	(42.84)***	0.00	(24.37)***	0.05	(17.28)***	0.00	(15.71)***	0.02	(12.03)***	x
Fortnight 8	0.05	(43.58)***	0.00	(28.35)***	0.01	(42.24)***	0.00	(24.87)***	0.04	(17.69)***	0.00	(16.16)***	0.01	(12.04)***	x
Fortnight 9	0.05	(43.17)***	0.00	(28.41)***	0.02	(42.28)***	0.00	(24.15)***	0.04	(18.25)***	0.00	(15.95)***	0.01	(11.41)***	x
Fortnight 10	0.05	(42.49)***	0.00	(27.66)***	0.02	(41.89)***	0.00	(23.93)***	0.04	(17.77)***	0.00	(16.13)***	0.02	(11.96)***	x
Fortnight 11	0.05	(42.33)***	0.00	(27.08)***	0.02	(41.62)***	0.00	(24.05)***	0.03	(18.45)***	0.00	(15.98)***	0.01	(11.94)***	x
Fortnight 12	0.05	(41.84)***	0.00	(27.15)***	0.02	(41.38)***	0.00	(24.27)***	0.04	(17.73)***	0.00	(15.97)***	0.01	(11.83)***	x
Fortnight 13	0.05	(41.35)***	0.00	(25.50)***	0.02	(41.23)***	0.00	(23.07)***	0.04	(17.81)***	0.00	(15.94)***	0.01	(11.87)***	x
Fortnight 14	0.05	(40.82)***	0.00	(25.78)***	0.02	(40.90)***	0.00	(23.27)***	0.04	(17.82)***	0.00	(15.95)***	0.01	(11.79)***	x
Fortnight 15	0.04	(48.47)***	0.00	(31.01)***	0.01	(48.32)***	0.00	(28.11)***	0.03	(19.72)***	0.00	(17.31)***	0.01	(13.76)***	x
Fortnight 16-17	0.04	(47.67)***	0.00	(30.04)***	0.01	(47.93)***	0.00	(27.12)***	0.04	(19.05)***	0.00	(17.13)***	0.01	(13.71)***	x
Fortnight 18-19	0.04	(47.04)***	0.00	(29.92)***	0.02	(47.46)***	0.00	(27.00)***	0.04	(19.18)***	0.00	(17.47)***	0.01	(13.69)***	x
Fortnight 20-21	0.03	(46.22)***	0.00	(29.30)***	0.01	(46.94)***	0.00	(26.74)***	0.02	(20.83)***	0.00	(17.14)***	0.01	(13.67)***	x
Fortnight 22-23	0.03	(45.33)***	0.00	(29.04)***	0.01	(46.48)***	0.00	(26.49)***	0.02	(21.38)***	0.00	(17.23)***	0.01	(13.39)***	x
Fortnight 24-25	0.03	(44.40)***	0.00	(27.62)***	0.01	(46.04)***	0.00	(26.39)***	0.03	(20.29)***	0.00	(16.94)***	0.01	(13.54)***	x
Fortnight 26-31	0.03	(57.39)***	0.00	(34.92)***	0.01	(57.59)***	0.00	(32.59)***	0.02	(23.70)***	0.00	(18.43)***	0.01	(16.37)***	x
Fortnight 32-37	0.02	(55.53)***	0.00	(33.86)***	0.01	(56.43)***	0.00	(32.06)***	0.01	(24.55)***	0.00	(18.87)***	0.01	(16.53)***	x
Fortnight 38-43	0.02	(53.13)***	0.00	(32.90)***	0.01	(55.16)***	0.00	(31.03)***	0.01	(24.56)***	0.00	(18.06)***	0.01	(16.34)***	x
Fortnight 44-51	0.02	(54.50)***	0.00	(33.39)***	0.01	(57.04)***	0.00	(32.26)***	0.01	(25.22)***	0.00	(17.66)***	0.01	(16.89)***	x
Fortnight 52-64	0.02	(57.68)***	0.00	(34.82)***	0.01	(60.25)***	0.00	(33.91)***	0.01	(26.51)***	0.00	(17.53)***	0.01	(17.53)***	x
Fortnight 65-77	0.02	(52.14)***	0.00	(32.51)***	0.01	(56.93)***	0.00	(32.52)***	0.01	(26.11)***	0.00	(17.72)***	0.01	(17.39)***	x
Fortnight 78-90	0.02	(45.43)***	0.00	(29.74)***	0.01	(53.27)***	0.00	(30.43)***	0.01	(24.30)***	0.00	(17.21)***	0.00	(16.78)***	x
Fortnight 91-103	0.01	(37.87)***	0.00	(27.75)***	0.01	(47.53)***	0.00	(29.26)***	0.01	(22.91)***	0.00	(16.74)***	0.01	(16.11)***	x
Fortnight 104+	0.01	(41.24)***	0.00	(30.72)***	0.00	(53.23)***	0.00	(32.31)***	0.00	(24.68)***	0.00	(17.57)***	0.00	(17.91)***	x
Age 15-24	0.80	(5.29)***	2.51	(10.26)***	0.61	(9.52)***	1.43	(3.63)***	0.98	(0.13)	2.46	(2.62)***	0.22	(7.45)***	x
Age 35-44	0.97	(1.47)	0.87	(1.84)*	0.82	(6.65)***	0.83	(2.21)**	0.65	(3.17)***	2.15	(2.50)**	0.71	(1.86)*	x

	PPP				PPS				MAP				DSP		
	Exit IS		Transfer		Exit IS		Transfer		Exit IS		Transfer		Exit IS		Transfer
	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	
Age 45-54	0.81	(5.08)***	1.07	(0.67)	0.77	(5.41)***	1.18	(1.54)	0.78	(1.93)*	1.97	(2.30)**	0.51	(3.76)***	x
Age 55+	0.66	(3.02)***	2.14	(4.13)***	0.66	(2.30)**	2.95	(5.54)***	0.53	(4.98)***	2.67	(3.34)***	0.39	(5.19)***	x
partner not on IS									3.02	(22.25)***	0.28	(11.12)***	1.10	(0.86)	x
partner on IS	0.84	(9.36)***	1.36	(5.58)***					0.53	(13.12)***	0.48	(13.01)***	0.97	(0.31)	x
ATSI	0.92	(2.16)**	0.85	(1.29)	1.05	(1.08)	0.95	(0.48)	0.82	(1.39)	1.19	(0.98)	0.84	(0.67)	x
ESC	1.11	(3.14)***	1.14	(1.31)	1.08	(2.11)**	0.83	(1.81)*	1.11	(1.96)**	1.16	(1.92)*	1.23	(1.62)	x
NESC	0.57	(22.90)***	0.82	(3.07)***	0.77	(6.88)***	1.24	(2.69)***	0.86	(3.29)***	1.26	(3.96)***	0.72	(2.73)***	x
Government rent	0.73	(3.95)***	1.23	(1.58)	0.79	(2.57)**	1.13	(0.82)	0.66	(2.67)***	1.03	(0.17)	0.80	(0.85)	x
Home Owner	1.15	(6.38)***	0.66	(6.91)***	1.14	(4.97)***	0.69	(5.52)***	0.96	(0.80)	0.88	(1.94)*	1.04	(0.32)	x
Free Rent	0.91	(2.85)***	0.69	(3.81)***	1.40	(8.72)***	1.13	(1.34)	1.02	(0.20)	0.69	(3.42)***	0.96	(0.24)	x
Youngest child aged 0-2									0.30	(6.07)***	2.59	(2.91)***	1.29	(0.87)	x
Youngest child aged 3-5	1.03	(1.15)	1.24	(2.65)***	0.91	(2.54)**	0.67	(4.21)***	0.37	(4.71)***	1.62	(1.42)	0.65	(1.34)	x
Youngest child aged 6-12	1.03	(0.94)	1.24	(2.53)**	1.01	(0.32)	0.70	(3.71)***	0.44	(6.05)***	1.84	(2.91)***	1.36	(1.66)*	x
Youngest child aged 13+	1.22	(5.02)***	3.77	(13.75)***	1.72	(12.15)***	3.21	(11.30)***	0.67	(3.49)***	1.60	(2.39)**	1.65	(2.75)***	x
Urban dummy	1.10	(4.59)***	0.95	(0.90)	1.01	(0.37)	0.66	(6.84)***	0.99	(0.23)	1.01	(0.17)	1.11	(1.18)	x
Local UE rate	1.00	(0.79)	1.02	(1.43)	1.00	(0.04)	1.03	(2.07)**	0.97	(3.73)***	1.03	(2.95)***	0.95	(2.73)***	x
NSW	0.93	(3.14)***	1.04	(0.68)	1.02	(0.89)	1.10	(1.46)	0.91	(2.37)**	1.06	(1.13)	0.95	(0.54)	x
SA	0.89	(3.13)***	1.34	(3.01)***	0.91	(1.83)*	1.31	(2.51)**	0.92	(1.33)	0.98	(0.20)	0.91	(0.67)	x
WA	1.03	(0.97)	0.96	(0.41)	1.00	(0.02)	1.17	(1.67)*	1.13	(2.10)**	1.11	(1.25)	0.93	(0.52)	x
TAS	0.79	(3.93)***	1.12	(0.79)	1.15	(1.89)*	1.08	(0.45)	0.87	(1.43)	0.96	(0.27)	0.92	(0.36)	x
NT	0.78	(2.50)**	1.04	(0.17)	1.37	(3.23)***	1.06	(0.24)	1.37	(1.38)	0.47	(1.06)	3.54	(4.05)***	x
ACT	1.24	(1.65)*	1.05	(0.14)	1.71	(3.97)***	1.12	(0.26)	0.85	(0.55)	1.84	(2.07)**	0.74	(0.65)	x
Entry quarter2	0.97	(1.15)	1.08	(1.01)	1.04	(1.25)	1.06	(0.67)	0.95	(1.06)	0.98	(0.27)	1.17	(1.34)	x
Entry quarter3	0.93	(2.97)***	0.93	(0.97)	1.05	(1.52)	1.10	(1.22)	0.94	(1.28)	0.94	(0.93)	1.01	(0.08)	x
Entry quarter4	0.95	(1.97)**	1.09	(1.18)	1.05	(1.51)	1.01	(0.06)	0.91	(2.02)**	0.93	(1.10)	1.28	(2.22)**	x
Entry financial year 1999	0.93	(2.52)**	1.07	(0.92)	0.94	(1.69)*	0.87	(1.76)*	1.08	(1.50)	0.95	(0.84)	0.96	(0.37)	x
Entry financial year 2000	0.97	(1.16)	1.15	(1.75)*	0.95	(1.51)	0.75	(3.36)***	0.92	(1.59)	0.84	(2.52)**	0.90	(0.86)	x
Entry financial year 2001	1.08	(2.57)**	1.09	(0.99)	0.96	(1.10)	0.70	(3.79)***	0.80	(4.22)***	0.68	(4.85)***	0.80	(1.76)*	x
Entry financial year 2002	0.98	(0.52)	0.96	(0.43)	0.86	(3.56)***	0.63	(4.27)***	0.74	(5.12)***	0.81	(2.17)**	0.86	(1.07)	x
Entry financial year 2003	0.68	(8.23)***	0.94	(0.47)	0.56	(8.59)***	0.70	(2.27)**	0.52	(6.51)***	0.64	(2.53)**	0.67	(1.92)*	x
Observations	440,786				655,296				471,683				255,663		

Table 28: Single event duration analysis for 'exiting IS' and 'transferring to a different IS payment' for different first payment spells (males)

	All				UB				SKA				SPE			
	Exit IS		Transfer		Exit IS		Transfer		Exit IS		Transfer		Exit IS		Transfer	
	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value
Fortnight 1	0.10	(105.58)***	0.00	(69.77)***	0.10	(99.46)***	0.00	(59.64)***	0.10	(23.02)***	0.01	(20.66)***	0.16	(10.12)***	0.03	(8.51)***
Fortnight 2	0.11	(99.62)***	0.00	(68.78)***	0.11	(93.39)***	0.00	(58.74)***	0.14	(19.70)***	0.01	(20.10)***	0.04	(14.54)***	0.03	(8.69)***
Fortnight 3	0.10	(101.17)***	0.00	(67.91)***	0.10	(94.91)***	0.00	(58.26)***	0.15	(19.20)***	0.01	(19.36)***	0.05	(14.27)***	0.05	(7.76)***
Fortnight 4	0.11	(97.07)***	0.00	(67.04)***	0.11	(91.06)***	0.00	(57.54)***	0.17	(17.78)***	0.01	(18.93)***	0.06	(13.65)***	0.05	(7.53)***
Fortnight 5	0.12	(92.75)***	0.00	(65.92)***	0.13	(86.72)***	0.00	(56.60)***	0.17	(17.08)***	0.02	(17.86)***	0.07	(12.86)***	0.04	(7.84)***
Fortnight 6	0.12	(91.05)***	0.00	(64.48)***	0.13	(85.23)***	0.00	(55.15)***	0.20	(15.49)***	0.02	(17.07)***	0.08	(12.60)***	0.03	(8.14)***
Fortnight 7	0.11	(92.94)***	0.00	(63.19)***	0.11	(87.25)***	0.00	(53.95)***	0.18	(15.66)***	0.03	(16.24)***	0.08	(12.24)***	0.06	(7.29)***
Fortnight 8	0.10	(93.77)***	0.00	(60.45)***	0.10	(87.60)***	0.00	(51.70)***	0.08	(18.64)***	0.02	(15.93)***	0.07	(12.71)***	0.04	(7.70)***
Fortnight 9	0.09	(93.30)***	0.00	(60.32)***	0.09	(87.13)***	0.00	(51.44)***	0.07	(18.32)***	0.03	(15.43)***	0.05	(13.15)***	0.04	(7.55)***
Fortnight 10	0.09	(91.73)***	0.00	(59.11)***	0.09	(85.73)***	0.00	(51.13)***	0.07	(17.74)***	0.02	(15.21)***	0.07	(12.46)***	0.02	(7.70)***
Fortnight 11	0.08	(90.70)***	0.00	(57.65)***	0.09	(84.72)***	0.00	(49.68)***	0.08	(17.07)***	0.02	(14.85)***	0.06	(12.55)***	0.03	(7.60)***
Fortnight 12	0.08	(88.90)***	0.00	(57.08)***	0.09	(82.94)***	0.00	(49.03)***	0.07	(16.59)***	0.02	(14.50)***	0.05	(12.51)***	0.02	(7.49)***
Fortnight 13	0.09	(86.74)***	0.00	(55.54)***	0.09	(80.95)***	0.00	(47.72)***	0.08	(16.03)***	0.02	(14.18)***	0.09	(11.42)***	0.01	(6.39)***
Fortnight 14	0.08	(85.54)***	0.00	(53.72)***	0.08	(79.83)***	0.00	(46.29)***	0.09	(15.36)***	0.02	(13.64)***	0.05	(12.25)***	0.03	(7.28)***
Fortnight 15	0.07	(101.52)***	0.00	(64.20)***	0.07	(94.63)***	0.00	(55.24)***	0.07	(18.68)***	0.02	(15.81)***	0.05	(13.95)***	0.02	(8.47)***
Fortnight 16-17	0.07	(99.60)***	0.00	(61.90)***	0.07	(92.75)***	0.00	(53.50)***	0.06	(17.82)***	0.02	(15.31)***	0.05	(13.94)***	0.02	(8.32)***
Fortnight 18-19	0.07	(96.57)***	0.00	(61.38)***	0.07	(89.83)***	0.00	(53.27)***	0.06	(16.85)***	0.02	(14.82)***	0.05	(13.45)***	0.01	(7.68)***
Fortnight 20-21	0.06	(94.25)***	0.00	(59.22)***	0.06	(87.59)***	0.00	(51.18)***	0.03	(15.18)***	0.03	(14.28)***	0.05	(13.42)***	0.02	(7.77)***
Fortnight 22-23	0.05	(91.43)***	0.00	(58.98)***	0.05	(84.88)***	0.00	(50.92)***	0.05	(14.98)***	0.03	(13.75)***	0.07	(12.38)***	0.04	(7.33)***
Fortnight 24-25	0.06	(88.41)***	0.00	(58.14)***	0.06	(82.01)***	0.00	(50.54)***	0.04	(13.94)***	0.03	(13.24)***	0.12	(10.63)***	0.03	(7.27)***
Fortnight 26-31	0.05	(116.15)***	0.00	(70.60)***	0.05	(108.03)***	0.00	(61.23)***	0.04	(19.33)***	0.03	(15.97)***	0.04	(15.38)***	0.02	(8.78)***
Fortnight 32-37	0.04	(109.04)***	0.00	(67.29)***	0.04	(101.05)***	0.00	(58.78)***	0.04	(16.32)***	0.02	(14.85)***	0.04	(14.39)***	0.04	(7.39)***
Fortnight 38-43	0.04	(101.10)***	0.00	(64.99)***	0.04	(93.26)***	0.00	(57.07)***	0.03	(13.76)***	0.02	(13.40)***	0.03	(13.92)***	0.06	(6.51)***
Fortnight 44-51	0.03	(102.35)***	0.00	(66.55)***	0.03	(93.85)***	0.00	(57.94)***	0.03	(12.98)***	0.04	(13.13)***	0.04	(13.71)***	0.19	(4.35)***
Fortnight 52-64	0.03	(107.14)***	0.00	(68.81)***	0.03	(98.08)***	0.00	(60.65)***	0.04	(11.42)***	0.05	(11.96)***	0.03	(14.43)***	0.07	(6.06)***
Fortnight 65-77	0.03	(90.56)***	0.00	(63.20)***	0.02	(81.71)***	0.00	(56.75)***	0.05	(6.52)***	0.03	(7.20)***	0.03	(13.26)***	0.05	(5.43)***
Fortnight 78-90	0.02	(75.02)***	0.00	(53.80)***	0.02	(66.95)***	0.00	(48.99)***	0.00	(0.03)	0.04	(5.30)***	0.03	(11.70)***	0.00	-0.03
Fortnight 91-103	0.02	(61.12)***	0.00	(49.71)***	0.02	(54.10)***	0.00	(44.43)***	0.00	(0.02)	0.04	(3.16)***	0.03	(8.42)***	0.11	(3.49)***
Fortnight 104+	0.02	(66.08)***	0.00	(58.56)***	0.02	(58.88)***	0.00	(52.50)***	0.07	(2.63)***	0.00	(0.02)	0.00	(0.02)	0.00	-0.01
Age 15-24	1.07	(7.32)***	0.52	(12.24)***	1.08	(7.32)***	0.52	(10.18)***	1.32	(5.26)***	1.08	(0.52)	1.16	(1.88)*	1.14	-0.64
Age 35-44	0.81	(18.99)***	1.49	(9.58)***	0.81	(17.66)***	1.69	(9.65)***	0.73	(6.73)***	1.14	(1.26)	0.80	(3.01)***	0.98	-0.16
Age 45-54	0.64	(33.25)***	2.23	(18.65)***	0.62	(32.38)***	2.74	(18.59)***	0.67	(7.78)***	1.34	(2.79)***	0.79	(2.65)***	1.23	-1.16
Age 55+	0.42	(45.66)***	3.50	(26.52)***	0.39	(44.59)***	4.48	(25.83)***	0.57	(8.05)***	1.98	(5.68)***	0.70	(3.03)***	2.01	(3.28)***

	All				UB				SKA				SPE			
	Exit IS		Transfer		Exit IS		Transfer		Exit IS		Transfer		Exit IS		Transfer	
	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value
partner not on IS	1.50	(26.75)***	1.07	(1.43)	1.58	(27.67)***	1.24	(3.62)***	1.38	(5.41)***	0.98	(0.15)	0.99	(0.11)	0.71	(2.05)**
partner on IS	0.89	(8.48)***	1.00	(0.08)	0.84	(11.15)***	0.96	(0.83)	0.88	(2.16)**	1.04	(0.35)	1.47	(4.83)***	1.37	(1.77)*
ATSI	0.76	(15.41)***	0.98	(0.29)	0.74	(16.05)***	0.95	(0.63)	0.93	(0.73)	0.93	(0.34)	1.14	(1.03)	1.53	(1.88)*
ESC	1.09	(6.81)***	0.99	(0.35)	1.08	(6.11)***	0.93	(1.40)	1.14	(2.40)**	1.11	(0.99)	1.04	(0.32)	0.66	(1.47)
NESC	0.76	(26.99)***	0.89	(3.76)***	0.77	(24.51)***	0.94	(1.63)	0.87	(2.57)**	0.84	(1.81)*	0.44	(7.97)***	0.13	(8.04)***
Government rent	0.77	(8.50)***	1.67	(8.26)***	0.75	(8.31)***	1.94	(9.25)***	1.01	(0.07)	1.12	(0.59)	0.81	(1.08)	1.73	(1.77)*
Home Owner	1.18	(15.42)***	1.06	(1.78)*	1.20	(15.52)***	1.12	(2.98)***	1.07	(1.65)*	0.96	(0.49)	1.05	(0.51)	0.87	(0.70)
Free Rent	1.06	(7.03)***	0.99	(0.30)	1.06	(7.01)***	1.04	(0.87)	0.97	(0.49)	0.82	(1.60)	1.37	(3.72)***	0.79	(1.12)
Youngest child aged 0-2	1.05	(3.01)***	1.46	(7.22)***	1.11	(5.32)***	1.48	(5.89)***	1.22	(2.80)***	0.97	(0.22)	0.84	(1.99)**	1.51	(2.35)**
Youngest child aged 3-5	1.07	(3.30)***	1.25	(3.62)***	1.11	(4.48)***	1.39	(4.13)***	1.31	(3.36)***	0.91	(0.57)	0.81	(1.74)*	1.04	(0.18)
Youngest child aged 6-12	1.06	(2.85)***	1.17	(3.12)***	1.10	(4.44)***	1.37	(5.33)***	1.07	(0.88)	1.10	(0.70)	0.71	(3.37)***	1.06	(0.32)
Youngest child aged 13+	1.21	(7.66)***	1.24	(3.53)***	1.14	(4.20)***	1.15	(1.65)*	1.17	(1.59)	1.01	(0.07)	0.86	(1.09)	0.90	(0.36)
Urban dummy	1.07	(9.43)***	0.89	(4.27)***	1.08	(9.89)***	0.89	(3.69)***	0.97	(0.91)	0.87	(1.89)*	0.58	(6.55)***	1.41	(1.59)
Local UE rate	0.97	(16.01)***	1.01	(1.57)	0.97	(16.45)***	1.01	(0.78)	0.99	(1.15)	1.02	(1.29)	1.01	(0.82)	0.98	(0.91)
NSW	0.97	(3.84)***	1.11	(3.64)***	0.97	(3.40)***	1.19	(5.17)***	0.97	(0.88)	0.99	(0.11)	1.03	(0.46)	0.93	(0.64)
SA	0.88	(9.48)***	1.19	(3.94)***	0.87	(9.46)***	1.33	(5.27)***	0.99	(0.11)	1.01	(0.07)	1.15	(1.39)	0.27	(3.03)***
WA	1.01	(1.15)	0.96	(1.02)	1.01	(0.86)	0.98	(0.32)	1.04	(0.64)	1.01	(0.05)	1.11	(1.09)	0.83	(0.79)
TAS	0.79	(10.42)***	1.13	(1.76)*	0.78	(10.23)***	1.21	(2.35)**	0.95	(0.53)	0.72	(1.58)	0.63	(2.36)**	2.54	(3.06)***
NT	0.79	(7.50)***	0.58	(3.94)***	0.79	(7.27)***	0.55	(3.68)***	1.06	(0.25)	2.20	(2.30)**	0.34	(1.07)	11.59	(3.86)***
ACT	1.01	(0.18)	0.80	(1.12)	0.99	(0.19)	0.87	(0.55)	0.87	(0.58)	0.51	(1.30)	2.26	(2.39)**	1.54	(0.59)
Entry quarter2	0.94	(6.11)***	1.01	(0.21)	0.94	(5.36)***	1.07	(1.52)	0.90	(2.09)**	1.02	(0.25)	0.89	(1.63)	0.43	(5.80)***
Entry quarter3	0.96	(3.79)***	0.95	(1.43)	0.97	(3.45)***	1.00	(0.03)	0.95	(1.03)	1.01	(0.07)	0.93	(1.04)	0.69	(2.47)**
Entry quarter4	0.98	(1.85)*	0.95	(1.64)	0.98	(1.89)*	0.98	(0.50)	0.93	(1.59)	1.02	(0.22)	0.91	(1.21)	0.77	(1.80)*
Entry financial year 1999	1.02	(1.61)	0.91	(2.42)**	1.03	(2.69)***	1.00	(0.04)	0.92	(1.55)	0.77	(2.62)***	1.09	(0.78)	0.62	(2.35)**
Entry financial year 2000	1.02	(1.88)*	0.90	(2.74)***	1.01	(1.00)	1.05	(1.01)	1.10	(1.89)*	0.84	(1.78)*	1.47	(4.06)***	0.32	(5.30)***
Entry financial year 2001	1.01	(1.25)	0.88	(3.26)***	1.02	(1.35)	0.97	(0.71)	1.19	(3.15)***	0.85	(1.52)	0.90	(1.01)	0.46	(3.77)***
Entry financial year 2002	0.99	(0.63)	1.06	(1.43)	1.00	(0.43)	1.13	(2.28)**	1.24	(3.75)***	0.92	(0.73)	0.75	(2.75)***	1.41	(1.90)*
Entry financial year 2003	0.85	(10.85)***	0.95	(0.95)	0.86	(9.91)***	1.15	(2.07)**	1.01	(0.14)	0.81	(1.40)	0.70	(2.83)***	0.51	(2.78)***
starting on SKA	1.38	(19.31)***	4.81	(43.24)***												
starting on SPE	0.62	(18.86)***	2.24	(14.58)***												
starting on PPP	0.55	(25.34)***	1.03	(0.44)												
starting on PPS	0.37	(27.26)***	0.98	(0.30)												
starting on DSP	0.11	(72.54)***	0.02	(20.45)***												
starting on MAP	0.31	(26.44)***	0.65	(6.22)***												
Observations	2,033,554				1,433,314				44,455				53,254			

Table 29: Single event duration analysis for 'exiting IS' and 'transferring to a different IS payment' for different first payment spells (males)

	PPP				PPS				MAP				DSP		
	Exit IS		Transfer		Exit IS		Transfer		Exit IS		Transfer		Exit IS Only		Transfer
	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	
Fortnight 1	0.04	(21.69)***	0.01	(13.25)***	0.03	(13.62)***	0.01	(8.89)***	0.02	(9.88)***	0.00	(8.41)***	0.03	(15.02)***	X
Fortnight 2	0.06	(19.88)***	0.01	(13.20)***	0.04	(13.38)***	0.01	(8.85)***	0.03	(9.64)***	0.01	(8.44)***	0.02	(15.34)***	X
Fortnight 3	0.05	(20.51)***	0.01	(13.09)***	0.03	(13.63)***	0.02	(8.70)***	0.02	(9.78)***	0.00	(8.45)***	0.02	(15.59)***	X
Fortnight 4	0.05	(20.35)***	0.01	(13.01)***	0.03	(13.37)***	0.02	(8.65)***	0.02	(9.69)***	0.00	(8.26)***	0.02	(15.44)***	X
Fortnight 5	0.05	(19.90)***	0.00	(12.84)***	0.03	(13.37)***	0.01	(8.58)***	0.02	(9.62)***	0.00	(8.39)***	0.02	(15.62)***	X
Fortnight 6	0.05	(20.03)***	0.00	(12.43)***	0.02	(13.50)***	0.02	(8.44)***	0.04	(9.12)***	0.01	(8.35)***	0.01	(15.64)***	X
Fortnight 7	0.05	(19.76)***	0.00	(12.32)***	0.03	(13.26)***	0.01	(8.47)***	0.04	(9.21)***	0.00	(8.29)***	0.01	(15.25)***	X
Fortnight 8	0.05	(19.50)***	0.00	(12.06)***	0.03	(13.22)***	0.02	(8.37)***	0.05	(8.71)***	0.00	(8.25)***	0.02	(15.56)***	X
Fortnight 9	0.05	(19.01)***	0.00	(11.21)***	0.03	(12.96)***	0.02	(8.31)***	0.02	(9.28)***	0.01	(8.17)***	0.01	(15.52)***	X
Fortnight 10	0.05	(19.08)***	0.00	(11.65)***	0.04	(12.70)***	0.01	(8.07)***	0.05	(8.71)***	0.01	(8.17)***	0.01	(15.34)***	X
Fortnight 11	0.04	(18.94)***	0.00	(10.55)***	0.03	(12.75)***	0.01	(7.83)***	0.05	(8.73)***	0.00	(8.09)***	0.01	(14.49)***	X
Fortnight 12	0.04	(18.66)***	0.00	(11.72)***	0.02	(12.71)***	0.01	(7.48)***	0.03	(8.93)***	0.01	(8.04)***	0.01	(15.36)***	X
Fortnight 13	0.04	(18.45)***	0.00	(11.62)***	0.02	(12.60)***	0.02	(8.03)***	0.04	(8.70)***	0.00	(7.26)***	0.01	(15.29)***	X
Fortnight 14	0.04	(18.13)***	0.00	(10.73)***	0.04	(12.21)***	0.01	(7.40)***	0.03	(8.88)***	0.00	(7.97)***	0.01	(15.03)***	X
Fortnight 15	0.04	(21.10)***	0.00	(13.22)***	0.02	(14.59)***	0.00	(8.74)***	0.02	(10.45)***	0.00	(8.99)***	0.01	(17.78)***	X
Fortnight 16-17	0.03	(20.98)***	0.00	(12.53)***	0.02	(14.45)***	0.01	(9.17)***	0.03	(10.13)***	0.00	(8.95)***	0.01	(17.71)***	X
Fortnight 18-19	0.03	(20.61)***	0.01	(12.83)***	0.02	(14.22)***	0.01	(8.89)***	0.03	(10.03)***	0.00	(8.67)***	0.01	(17.65)***	X
Fortnight 20-21	0.03	(20.16)***	0.00	(12.02)***	0.02	(14.04)***	0.01	(8.66)***	0.02	(10.15)***	0.00	(8.72)***	0.01	(17.56)***	X
Fortnight 22-23	0.03	(19.73)***	0.00	(11.30)***	0.02	(13.87)***	0.01	(8.68)***	0.02	(10.09)***	0.00	(8.74)***	0.01	(17.48)***	X
Fortnight 24-25	0.03	(19.23)***	0.00	(11.89)***	0.02	(13.70)***	0.01	(8.68)***	0.04	(9.60)***	0.00	(8.69)***	0.01	(17.10)***	X
Fortnight 26-31	0.03	(23.80)***	0.00	(14.61)***	0.02	(16.55)***	0.01	(10.71)***	0.02	(12.03)***	0.00	(10.33)***	0.01	(20.79)***	X
Fortnight 32-37	0.03	(22.83)***	0.00	(13.47)***	0.02	(16.31)***	0.01	(10.25)***	0.01	(12.30)***	0.00	(10.05)***	0.01	(20.96)***	X
Fortnight 38-43	0.02	(21.50)***	0.00	(13.18)***	0.01	(15.92)***	0.01	(9.81)***	0.01	(11.98)***	0.00	(9.84)***	0.01	(20.93)***	X
Fortnight 44-51	0.02	(21.82)***	0.00	(13.24)***	0.01	(16.52)***	0.01	(10.33)***	0.02	(12.32)***	0.00	(10.08)***	0.01	(21.60)***	X
Fortnight 52-64	0.02	(22.38)***	0.00	(13.36)***	0.01	(17.19)***	0.01	(10.75)***	0.01	(13.10)***	0.00	(10.78)***	0.01	(22.83)***	X
Fortnight 65-77	0.02	(19.32)***	0.00	(11.22)***	0.02	(15.93)***	0.01	(9.97)***	0.01	(12.28)***	0.00	(10.41)***	0.00	(22.72)***	X
Fortnight 78-90	0.02	(16.26)***	0.00	(9.50)***	0.01	(14.67)***	0.00	(8.83)***	0.01	(11.34)***	0.00	(9.97)***	0.00	(22.02)***	X
Fortnight 91-103	0.02	(13.46)***	0.00	(8.00)***	0.00	(10.41)***	0.01	(8.73)***	0.01	(10.48)***	0.00	(9.54)***	0.00	(21.04)***	X
Fortnight 104+	0.02	(13.05)***	0.00	(6.67)***	0.01	(12.48)***	0.00	(8.88)***	0.01	(10.63)***	0.00	(10.06)***	0.00	(23.62)***	X
Age 15-24	0.95	(0.32)	1.23	(0.61)	1.00	(0.02)	1.00	(0.01)	0.59	(2.31)**	0.67	(0.63)	0.38	(5.64)***	X
Age 35-44	0.95	(0.87)	0.82	(1.33)	0.91	(0.97)	1.04	(0.18)	0.63	(2.49)**	1.63	(1.20)	0.88	(0.76)	X
Age 45-54	0.85	(2.25)**	0.93	(0.36)	0.73	(2.75)***	1.34	(1.28)	0.49	(4.15)***	1.66	(1.30)	0.97	(0.17)	X

	PPP				PPS				MAP				DSP		
	Exit IS		Transfer		Exit IS		Transfer		Exit IS		Transfer		Exit IS Only		Transfer
	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	
Age 55+	0.73	(1.93)*	1.63	(1.48)	0.74	(1.46)	1.79	(1.62)	0.42	(4.70)***	1.55	(1.10)	0.68	(2.43)**	X
partner not on IS					1.00		1.00		1.14	(0.88)	0.27	(3.79)***	1.43	(3.65)***	X
partner on IS	0.92	(1.80)*	1.34	(2.42)**	1.00		1.00		0.37	(8.09)***	0.36	(5.98)***	1.28	(2.63)***	X
ATSI	1.01	(0.12)	1.13	(0.39)	1.07	(0.52)	1.16	(0.60)	0.98	(0.06)	1.17	(0.34)	0.74	(1.24)	X
ESC	1.04	(0.54)	0.99	(0.04)	1.15	(1.34)	1.08	(0.38)	1.24	(1.50)	1.38	(1.53)	1.22	(2.03)**	X
NESC	0.74	(5.08)***	1.24	(1.47)	0.74	(2.75)***	0.93	(0.36)	0.87	(1.15)	1.20	(0.97)	0.78	(2.75)***	X
Government rent	1.09	(0.49)	1.47	(1.15)	0.64	(2.01)**	0.90	(0.31)	0.84	(0.59)	1.61	(1.32)	0.62	(2.10)**	X
Home Owner	1.03	(0.69)	0.63	(3.52)***	1.06	(0.76)	0.64	(2.80)***	1.85	(4.43)***	1.82	(2.88)***	0.83	(2.04)**	X
Free Rent	1.11	(1.52)	0.76	(1.42)	1.09	(0.69)	1.15	(0.60)	1.52	(2.78)***	0.77	(0.98)	0.98	(0.17)	X
Youngest child aged 0-2									1.47	(1.62)	1.99	(1.69)*	1.63	(2.43)**	X
Youngest child aged 3-5	0.98	(0.29)	0.92	(0.49)	0.86	(1.16)	0.36	(3.94)***	0.78	(0.59)	1.63	(0.91)	1.61	(2.23)**	X
Youngest child aged 6-12	0.99	(0.23)	0.76	(1.64)	0.87	(1.17)	0.30	(5.35)***	1.04	(0.16)	2.58	(3.12)***	1.02	(0.15)	X
Youngest child aged 13+	1.13	(1.51)	1.10	(0.44)	1.48	(3.01)***	0.76	(1.20)	1.39	(1.31)	1.06	(0.13)	1.08	(0.50)	X
Urban dummy	1.10	(2.05)**	0.98	(0.12)	1.09	(1.12)	0.85	(1.12)	1.13	(1.19)	0.94	(0.41)	1.21	(3.06)***	X
Local UE rate	1.00	(0.42)	1.09	(3.09)***	1.01	(0.70)	1.05	(1.48)	0.99	(0.34)	1.02	(0.55)	0.96	(3.26)***	X
NSW	0.97	(0.60)	0.98	(0.16)	0.96	(0.59)	0.83	(1.20)	1.02	(0.17)	1.05	(0.28)	0.96	(0.61)	X
SA	0.95	(0.67)	1.12	(0.56)	0.77	(1.91)*	1.17	(0.66)	1.07	(0.37)	1.88	(2.82)***	0.66	(3.59)***	X
WA	1.03	(0.36)	0.79	(1.00)	0.91	(0.86)	0.82	(0.78)	1.11	(0.55)	0.87	(0.46)	1.01	(0.08)	X
TAS	0.89	(0.91)	1.08	(0.25)	0.88	(0.64)	0.47	(1.45)	0.88	(0.50)	1.60	(1.51)	0.47	(3.04)***	X
NT	1.10	(0.38)	0.00	(0.03)	1.01	(0.03)	0.15	(1.88)*	2.62	(2.54)**	0.00	(0.02)	0.62	(1.07)	X
ACT	1.00	(0.00)	0.66	(0.40)	2.43	(2.71)***	0.00	(0.02)	1.75	(1.08)	0.81	(0.20)	0.87	(0.44)	X
Entry quarter2	0.98	(0.37)	1.25	(1.32)	0.83	(2.03)**	1.08	(0.39)	0.88	(1.00)	1.02	(0.10)	0.93	(0.80)	X
Entry quarter3	0.97	(0.59)	1.00	(0.02)	0.85	(1.77)*	1.13	(0.60)	0.79	(1.84)*	0.86	(0.77)	1.07	(0.75)	X
Entry quarter4	1.10	(1.61)	1.21	(1.16)	0.83	(1.97)**	1.25	(1.14)	0.74	(2.33)**	0.85	(0.80)	1.15	(1.61)	X
Entry financial year 1999	1.01	(0.19)	0.83	(1.07)	0.91	(0.82)	0.83	(0.91)	0.98	(0.13)	0.77	(1.30)	0.88	(1.49)	X
Entry financial year 2000	1.12	(1.71)*	0.71	(1.80)*	0.99	(0.12)	0.67	(1.94)*	1.00	(0.00)	1.00	(0.02)	0.80	(2.45)**	X
Entry financial year 2001	1.04	(0.65)	0.95	(0.32)	0.95	(0.44)	0.67	(1.83)*	1.08	(0.53)	0.53	(2.68)***	0.64	(4.53)***	X
Entry financial year 2002	0.93	(0.93)	0.67	(1.92)*	0.95	(0.41)	0.52	(2.52)**	0.82	(1.26)	0.60	(1.99)**	0.66	(3.73)***	X
Entry financial year 2003	0.74	(2.87)***	0.45	(2.50)**	0.72	(1.99)**	0.55	(1.83)*	0.56	(2.23)**	0.50	(1.66)*	0.63	(2.97)***	X
Observations	63,234				56,292				59,085				323,920		

Table 30: Single event duration analysis for different exit states for first UB and SKA spells (males)

	UB						SKA					
	From UB record as exit the event that one transfers to:						From SKA record as exit the event that one transfers to:					
	Any transfer except DSP/Exit IS		Exit IS		DSP		Exit IS		UB		DSP	
	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value
Fortnight 1	0.001	(40.20)***	0.098	(99.46)***	0.001	(52.04)***	0.096	(23.02)***	0.006	(17.92)***	0.002	(14.82)***
Fortnight 2	0.001	(39.71)***	0.115	(93.39)***	0.002	(51.08)***	0.143	(19.70)***	0.008	(17.56)***	0.002	(14.60)***
Fortnight 3	0.001	(39.13)***	0.104	(94.91)***	0.001	(50.87)***	0.146	(19.20)***	0.010	(16.90)***	0.002	(14.35)***
Fortnight 4	0.001	(38.25)***	0.113	(91.06)***	0.001	(50.39)***	0.167	(17.78)***	0.010	(16.48)***	0.002	(14.04)***
Fortnight 5	0.001	(38.05)***	0.126	(86.72)***	0.001	(49.49)***	0.174	(17.08)***	0.016	(15.51)***	0.002	(13.72)***
Fortnight 6	0.001	(36.89)***	0.126	(85.23)***	0.001	(48.28)***	0.204	(15.49)***	0.021	(14.70)***	0.002	(13.19)***
Fortnight 7	0.001	(36.07)***	0.109	(87.25)***	0.001	(47.28)***	0.185	(15.66)***	0.023	(14.03)***	0.003	(12.94)***
Fortnight 8	0.000	(34.53)***	0.099	(87.60)***	0.001	(45.25)***	0.078	(18.64)***	0.012	(13.75)***	0.002	(12.16)***
Fortnight 9	0.001	(34.59)***	0.092	(87.13)***	0.001	(44.95)***	0.067	(18.32)***	0.021	(13.37)***	0.003	(12.35)***
Fortnight 10	0.001	(33.92)***	0.090	(85.73)***	0.001	(45.07)***	0.071	(17.74)***	0.014	(13.13)***	0.003	(12.13)***
Fortnight 11	0.001	(33.11)***	0.085	(84.72)***	0.001	(43.68)***	0.079	(17.07)***	0.017	(12.86)***	0.003	(11.92)***
Fortnight 12	0.001	(32.95)***	0.086	(82.94)***	0.001	(42.97)***	0.067	(16.59)***	0.018	(12.54)***	0.002	(11.03)***
Fortnight 13	0.000	(30.01)***	0.088	(80.95)***	0.001	(42.81)***	0.076	(16.03)***	0.018	(12.25)***	0.003	(11.44)***
Fortnight 14	0.000	(30.52)***	0.081	(79.83)***	0.001	(40.93)***	0.089	(15.36)***	0.016	(11.87)***	0.001	(9.80)***
Fortnight 15	0.001	(36.84)***	0.074	(94.63)***	0.001	(48.29)***	0.069	(18.68)***	0.017	(13.72)***	0.004	(12.62)***
Fortnight 16-17	0.000	(34.58)***	0.068	(92.75)***	0.001	(47.37)***	0.059	(17.82)***	0.014	(13.23)***	0.001	(11.43)***
Fortnight 18-19	0.001	(35.31)***	0.068	(89.83)***	0.001	(46.88)***	0.056	(16.85)***	0.015	(12.75)***	0.004	(12.01)***
Fortnight 20-21	0.000	(33.43)***	0.059	(87.59)***	0.001	(45.29)***	0.032	(15.18)***	0.014	(12.22)***	0.006	(11.66)***
Fortnight 22-23	0.000	(32.01)***	0.055	(84.88)***	0.001	(45.58)***	0.048	(14.98)***	0.014	(11.70)***	0.007	(11.31)***
Fortnight 24-25	0.001	(32.92)***	0.056	(82.01)***	0.001	(44.97)***	0.040	(13.94)***	0.009	(10.63)***	0.008	(10.94)***
Fortnight 26-31	0.000	(39.67)***	0.049	(108.03)***	0.001	(53.77)***	0.039	(19.33)***	0.022	(13.91)***	0.005	(12.73)***
Fortnight 32-37	0.000	(38.02)***	0.042	(101.05)***	0.001	(51.82)***	0.038	(16.32)***	0.015	(12.76)***	0.003	(11.81)***
Fortnight 38-43	0.001	(36.78)***	0.037	(93.26)***	0.001	(50.54)***	0.029	(13.76)***	0.007	(10.62)***	0.004	(11.41)***
Fortnight 44-51	0.000	(36.20)***	0.031	(93.85)***	0.001	(51.51)***	0.029	(12.98)***	0.028	(11.51)***	0.007	(11.19)***
Fortnight 52-64	0.001	(38.73)***	0.029	(98.08)***	0.001	(53.62)***	0.037	(11.42)***	0.031	(10.61)***	0.011	(10.37)***
Fortnight 65-77	0.000	(35.02)***	0.025	(81.71)***	0.001	(50.78)***	0.051	(6.52)***	0.021	(6.26)***	0.006	(6.34)***
Fortnight 78-90	0.000	(29.10)***	0.021	(66.95)***	0.000	(44.55)***	0.000	(0.03)	0.029	(4.75)***	0.007	(4.70)***
Fortnight 91-103	0.001	(29.63)***	0.018	(54.10)***	0.000	(38.30)***	0.000	(0.02)	0.055	(2.78)***	0.000	(0.02)
Fortnight 104+	0.001	(34.49)***	0.017	(58.88)***	0.000	(45.32)***	0.069	(2.63)***	0.000	(0.02)	0.000	(0.02)
Age 15-24	0.317	(10.01)***	1.077	(7.32)***	0.757	(3.30)***	1.317	(5.26)***	1.141	(0.82)	0.808	(0.42)
Age 35-44	1.201	(2.39)**	0.807	(17.66)***	2.259	(10.30)***	0.734	(6.73)***	0.991	(0.07)	2.270	(3.14)***

	UB						SKA					
	From UB record as exit the event that one transfers to:						From SKA record as exit the event that one transfers to:					
	Any transfer except DSP/Exit IS		Exit IS		DSP		Exit IS		UB		DSP	
Age 45-54	1.064	(0.68)	0.624	(32.38)***	4.745	(20.81)***	0.668	(7.78)***	1.001	(0.01)	3.971	(5.41)***
Age 55+	1.550	(4.14)***	0.389	(44.59)***	7.783	(26.32)***	0.566	(8.05)***	1.207	(1.22)	7.085	(7.32)***
partner not on IS	1.657	(4.52)***	1.581	(27.67)***	1.068	(0.93)	1.377	(5.41)***	1.051	(0.31)	0.836	(0.83)
partner on IS	0.976	(0.26)	0.842	(11.15)***	0.947	(1.11)	0.879	(2.16)**	0.951	(0.36)	1.218	(1.25)
ATSI	1.189	(1.38)	0.745	(16.05)***	0.841	(1.73)*	0.930	(0.73)	0.946	(0.22)	1.002	(0.00)
ESC	1.217	(2.23)**	1.084	(6.11)***	0.830	(3.04)***	1.142	(2.40)**	1.190	(1.29)	1.047	(0.24)
NESC	0.841	(2.43)**	0.767	(24.51)***	0.986	(0.31)	0.873	(2.57)**	0.833	(1.47)	0.865	(0.96)
Government rent	1.465	(2.86)***	0.754	(8.31)***	2.226	(9.37)***	1.008	(0.07)	0.936	(0.25)	1.502	(1.31)
Home Owner	1.068	(0.99)	1.198	(15.52)***	1.137	(2.81)***	1.071	(1.65)*	0.714	(3.28)***	1.702	(3.56)***
Free Rent	0.850	(1.78)*	1.063	(7.01)***	1.130	(2.23)**	0.974	(0.49)	0.808	(1.54)	1.018	(0.07)
Youngest child aged 0-2	3.456	(11.75)***	1.107	(5.32)***	0.630	(4.21)***	1.215	(2.80)***	1.058	(0.30)	0.677	(1.26)
Youngest child aged 3-5	3.111	(9.41)***	1.114	(4.48)***	0.761	(2.27)**	1.309	(3.36)***	0.986	(0.07)	0.765	(0.89)
Youngest child aged 6-12	2.855	(10.01)***	1.100	(4.44)***	0.948	(0.69)	1.071	(0.88)	1.207	(1.05)	0.786	(1.02)
Youngest child aged 13+	1.852	(3.91)***	1.139	(4.20)***	0.969	(0.31)	1.174	(1.59)	0.883	(0.48)	1.049	(0.19)
Urban dummy	0.929	(1.21)	1.083	(9.89)***	0.872	(3.50)***	0.968	(0.91)	0.869	(1.56)	0.882	(1.00)
Local UE rate	1.037	(2.75)***	0.970	(16.45)***	0.992	(0.89)	0.991	(1.15)	1.036	(1.81)*	0.990	(0.39)
NSW	1.245	(3.50)***	0.971	(3.40)***	1.166	(3.82)***	0.967	(0.88)	1.049	(0.51)	0.915	(0.67)
SA	1.284	(2.48)**	0.872	(9.46)***	1.342	(4.62)***	0.993	(0.11)	0.941	(0.38)	1.229	(1.01)
WA	1.052	(0.54)	1.010	(0.86)	0.954	(0.72)	1.037	(0.64)	1.113	(0.73)	0.696	(1.53)
TAS	1.175	(1.09)	0.783	(10.23)***	1.217	(2.08)**	0.948	(0.53)	0.519	(2.10)**	0.925	(0.24)
NT	0.373	(3.20)***	0.787	(7.27)***	0.670	(2.12)**	1.055	(0.25)	1.972	(1.48)	3.059	(2.13)**
ACT	0.191	(1.65)*	0.992	(0.19)	1.125	(0.47)	0.875	(0.58)	0.359	(1.40)	0.901	(0.14)
Entry quarter2	1.106	(1.30)	0.945	(5.36)***	1.049	(0.95)	0.905	(2.09)**	1.021	(0.17)	1.012	(0.07)
Entry quarter3	0.988	(0.16)	0.966	(3.45)***	1.006	(0.12)	0.954	(1.03)	0.959	(0.36)	1.117	(0.67)
Entry quarter4	0.946	(0.72)	0.982	(1.89)*	0.990	(0.20)	0.929	(1.59)	1.002	(0.02)	1.130	(0.76)
Entry financial year 1999	0.924	(0.97)	1.031	(2.69)***	1.033	(0.60)	0.921	(1.55)	0.921	(0.67)	0.520	(3.74)***
Entry financial year 2000	1.053	(0.63)	1.012	(1.00)	1.048	(0.86)	1.103	(1.89)*	0.950	(0.41)	0.618	(2.93)***
Entry financial year 2001	1.044	(0.49)	1.016	(1.35)	0.941	(1.04)	1.188	(3.15)***	0.919	(0.62)	0.634	(2.57)**
Entry financial year 2002	1.140	(1.35)	0.995	(0.43)	1.131	(1.95)*	1.236	(3.75)***	1.069	(0.47)	0.640	(2.28)**
Entry financial year 2003	1.046	(0.34)	0.857	(9.91)***	1.196	(2.28)**	1.009	(0.14)	0.941	(0.33)	0.533	(2.14)**
Observations	1,433,314		1,433,314		1,433,314		44,455		44,455		44,455	

Table 31: Single event duration analysis for different exit states for first UB spells (females)

	MAP/AGE		Exit IS		PPP		PPS		DSP	
	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value
Fortnight 1	0.000	(35.20)***	0.101	(77.76)***	0.000	(43.60)***	0.002	(41.43)***	0.001	(39.61)***
Fortnight 2	0.000	(34.91)***	0.112	(74.25)***	0.000	(43.68)***	0.002	(41.01)***	0.001	(38.80)***
Fortnight 3	0.000	(34.49)***	0.102	(75.32)***	0.000	(43.47)***	0.003	(40.97)***	0.001	(38.70)***
Fortnight 4	0.000	(34.32)***	0.116	(71.38)***	0.000	(42.99)***	0.002	(40.79)***	0.001	(38.45)***
Fortnight 5	0.000	(33.40)***	0.132	(67.25)***	0.000	(42.78)***	0.002	(40.07)***	0.001	(37.69)***
Fortnight 6	0.000	(33.73)***	0.125	(67.39)***	0.000	(42.04)***	0.002	(39.53)***	0.000	(36.44)***
Fortnight 7	0.000	(32.99)***	0.113	(68.07)***	0.000	(40.57)***	0.002	(38.42)***	0.000	(34.83)***
Fortnight 8	0.000	(32.57)***	0.101	(68.82)***	0.000	(40.75)***	0.002	(37.51)***	0.000	(33.81)***
Fortnight 9	0.000	(32.45)***	0.101	(67.48)***	0.000	(39.82)***	0.002	(37.04)***	0.000	(34.04)***
Fortnight 10	0.000	(32.08)***	0.096	(66.59)***	0.000	(39.59)***	0.002	(35.97)***	0.000	(33.93)***
Fortnight 11	0.000	(31.66)***	0.091	(65.77)***	0.000	(39.13)***	0.002	(35.14)***	0.000	(33.41)***
Fortnight 12	0.000	(31.46)***	0.090	(64.39)***	0.000	(38.49)***	0.002	(34.10)***	0.001	(33.71)***
Fortnight 13	0.000	(31.51)***	0.087	(63.07)***	0.000	(37.84)***	0.003	(34.08)***	0.001	(33.04)***
Fortnight 14	0.000	(31.18)***	0.079	(62.08)***	0.000	(36.76)***	0.003	(33.68)***	0.000	(31.25)***
Fortnight 15	0.000	(34.29)***	0.076	(73.06)***	0.000	(41.71)***	0.003	(38.85)***	0.000	(35.68)***
Fortnight 16-17	0.000	(33.94)***	0.067	(71.63)***	0.000	(39.94)***	0.002	(36.59)***	0.000	(35.79)***
Fortnight 18-19	0.000	(33.53)***	0.064	(69.37)***	0.000	(38.51)***	0.002	(35.20)***	0.000	(33.06)***
Fortnight 20-21	0.000	(33.08)***	0.060	(67.06)***	0.000	(37.69)***	0.002	(33.85)***	0.000	(34.21)***
Fortnight 22-23	0.000	(32.85)***	0.054	(64.79)***	0.000	(36.51)***	0.002	(33.46)***	0.001	(34.00)***
Fortnight 24-25	0.000	(32.34)***	0.054	(62.31)***	0.000	(32.82)***	0.002	(32.04)***	0.001	(33.91)***
Fortnight 26-31	0.000	(36.34)***	0.049	(82.47)***	0.000	(41.83)***	0.002	(39.71)***	0.001	(40.02)***
Fortnight 32-37	0.000	(35.23)***	0.042	(76.26)***	0.000	(40.56)***	0.002	(36.38)***	0.000	(38.37)***
Fortnight 38-43	0.000	(34.61)***	0.037	(69.03)***	0.000	(37.21)***	0.002	(33.99)***	0.001	(37.49)***
Fortnight 44-51	0.000	(34.20)***	0.030	(68.08)***	0.000	(36.48)***	0.002	(34.82)***	0.001	(37.29)***
Fortnight 52-64	0.000	(35.69)***	0.031	(70.36)***	0.000	(36.12)***	0.002	(35.03)***	0.000	(38.42)***
Fortnight 65-77	0.000	(33.96)***	0.025	(55.73)***	0.000	(32.24)***	0.002	(28.77)***	0.001	(35.42)***
Fortnight 78-90	0.000	(31.68)***	0.021	(43.25)***	0.000	(26.37)***	0.002	(24.44)***	0.000	(29.30)***
Fortnight 91-103	0.000	(28.19)***	0.023	(34.79)***	0.000	(22.17)***	0.001	(15.86)***	0.000	(25.49)***
Fortnight 104+	0.000	(29.71)***	0.012	(32.77)***	0.000	(21.45)***	0.002	(18.85)***	0.000	(27.31)***
Age 15-24	0.550	(3.00)***	0.938	(4.90)***	1.252	(3.73)***	1.042	(0.69)	0.488	(6.20)***
Age 35-44	2.659	(4.96)***	0.748	(14.18)***	0.446	(8.85)***	0.636	(4.49)***	2.751	(8.76)***
Age 45-54	9.469	(13.09)***	0.583	(25.79)***	0.061	(13.88)***	0.145	(10.95)***	4.811	(14.98)***

	MAP/AGE		Exit IS		PPP		PPS		DSP	
	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value
Age 55+	19.985	(17.37)***	0.354	(32.26)***	0.020	(9.50)***	0.036	(6.57)***	7.752	(18.81)***
partner not on IS	0.839	(1.48)	1.271	(12.10)***	53.197	(42.87)***	0.049	(18.47)***	1.197	(2.10)**
partner on IS	2.382	(14.39)***	0.651	(21.20)***	38.552	(39.50)***	0.017	(23.39)***	1.004	(0.06)
ATSI	0.840	(1.06)	0.650	(17.16)***	0.745	(2.90)***	1.699	(7.48)***	0.590	(3.16)***
ESC	0.986	(0.16)	1.023	(1.22)	0.666	(3.69)***	0.987	(0.14)	0.802	(2.57)**
NESC	0.989	(0.15)	0.791	(16.03)***	0.662	(5.95)***	0.800	(2.97)***	0.942	(0.94)
Government rent	1.429	(2.12)**	0.652	(8.29)***	1.166	(1.23)	1.443	(2.79)***	1.747	(4.30)***
Home Owner	1.527	(5.95)***	1.169	(8.38)***	0.879	(1.81)*	1.200	(1.82)*	1.279	(3.85)***
Free Rent	1.366	(3.23)***	1.132	(12.23)***	0.739	(4.01)***	0.734	(6.22)***	1.137	(1.71)*
Youngest child aged 0-2	0.180	(1.71)*	0.877	(2.26)**	13.263	(46.65)***	144.749	(90.24)***	0.643	(0.98)
Youngest child aged 3-5	0.442	(1.15)	0.954	(0.52)	1.813	(3.10)***	18.265	(12.45)***	0.334	(1.55)
Youngest child aged 6-12	0.311	(2.84)***	1.039	(0.61)	1.984	(4.39)***	21.607	(18.77)***	0.903	(0.42)
Youngest child aged 13+	0.820	(0.79)	1.137	(2.08)**	0.837	(0.52)	6.271	(7.62)***	1.154	(0.74)
Urban dummy	0.924	(1.32)	1.132	(12.01)***	1.012	(0.21)	0.978	(0.45)	1.242	(3.78)***
Local UE rate	1.027	(2.18)**	0.972	(11.88)***	0.988	(1.01)	1.007	(0.65)	1.018	(1.50)
NSW	1.288	(4.19)***	0.982	(1.65)*	1.090	(1.47)	1.247	(4.33)***	1.064	(1.09)
SA	1.247	(2.28)**	0.894	(6.20)***	1.104	(1.05)	1.058	(0.62)	1.179	(1.84)*
WA	0.911	(0.89)	1.006	(0.38)	1.220	(2.49)**	1.075	(0.97)	0.928	(0.82)
TAS	1.049	(0.32)	0.845	(5.53)***	1.350	(2.27)**	1.018	(0.13)	1.331	(2.06)**
NT	0.573	(1.66)*	0.858	(3.43)***	0.229	(7.89)***	0.406	(5.90)***	0.889	(0.45)
ACT	0.727	(0.71)	1.124	(2.47)**	0.586	(1.18)	1.104	(0.37)	1.490	(1.61)
Entry quarter2	1.062	(0.77)	0.908	(7.10)***	1.027	(0.38)	1.088	(1.31)	1.076	(1.00)
Entry quarter3	1.103	(1.31)	0.947	(4.12)***	0.941	(0.90)	1.021	(0.34)	1.088	(1.21)
Entry quarter4	1.027	(0.35)	0.996	(0.31)	0.848	(2.44)**	0.951	(0.83)	1.041	(0.59)
Entry financial year 1999	1.031	(0.39)	1.046	(3.03)***	1.029	(0.38)	1.154	(1.95)*	1.103	(1.26)
Entry financial year 2000	0.984	(0.19)	1.013	(0.89)	1.163	(1.97)**	1.300	(3.64)***	1.150	(1.75)*
Entry financial year 2001	1.030	(0.35)	1.001	(0.08)	0.946	(0.69)	1.129	(1.65)*	1.082	(0.96
Entry financial year 2002	1.050	(0.54)	0.941	(3.85)***	0.990	(0.11)	1.241	(2.81)***	1.100	(1.08)
Entry financial year 2003	0.547	(4.28)***	0.803	(11.71)***	0.896	(1.06)	1.190	(1.85)*	1.104	(0.96)
Observations	847,106		847,106		847,106		847,106		847,106	

Table 32: Single event duration analysis for different exit states for first SKA spells (females)

	DSP/MAP		PPP/PPS		Exit IS		UB		DSP	
	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value
Fortnight 1	0.002	(11.23)***	0.003	(10.39)***	0.094	(14.56)***	0.012	(10.11)***	0.002	(10.85)***
Fortnight 2	0.003	(10.98)***	0.004	(10.08)***	0.127	(12.96)***	0.012	(9.91)***	0.003	(10.58)***
Fortnight 3	0.003	(10.80)***	0.002	(10.40)***	0.126	(12.81)***	0.022	(9.33)***	0.003	(10.40)***
Fortnight 4	0.002	(10.51)***	0.005	(9.54)***	0.160	(11.43)***	0.029	(8.83)***	0.002	(10.19)***
Fortnight 5	0.002	(10.38)***	0.004	(9.63)***	0.171	(10.88)***	0.025	(8.76)***	0.001	(9.62)***
Fortnight 6	0.003	(10.10)***	0.006	(9.24)***	0.185	(10.31)***	0.046	(7.81)***	0.003	(9.73)***
Fortnight 7	0.003	(9.72)***	0.003	(9.20)***	0.173	(10.35)***	0.051	(7.46)***	0.004	(9.37)***
Fortnight 8	0.005	(9.43)***	0.002	(8.30)***	0.073	(12.34)***	0.025	(7.76)***	0.005	(9.06)***
Fortnight 9	0.003	(9.10)***	0.001	(6.61)***	0.074	(11.98)***	0.015	(7.44)***	0.002	(8.65)***
Fortnight 10	0.006	(9.10)***	0.003	(8.25)***	0.061	(11.90)***	0.030	(7.39)***	0.005	(8.78)***
Fortnight 11	0.003	(8.70)***	0.002	(7.92)***	0.097	(11.08)***	0.029	(7.22)***	0.003	(8.42)***
Fortnight 12	0.004	(8.77)***	0.003	(7.74)***	0.064	(11.17)***	0.036	(6.94)***	0.004	(8.39)***
Fortnight 13	0.003	(8.40)***	0.002	(7.24)***	0.090	(10.58)***	0.031	(6.84)***	0.004	(8.12)***
Fortnight 14	0.003	(7.98)***	0.002	(7.12)***	0.094	(10.20)***	0.054	(6.43)***	0.003	(7.73)***
Fortnight 15	0.004	(9.37)***	0.001	(7.67)***	0.048	(12.56)***	0.037	(7.49)***	0.003	(8.97)***
Fortnight 16-17	0.005	(9.09)***	0.001	(6.42)***	0.066	(11.86)***	0.037	(7.25)***	0.004	(8.72)***
Fortnight 18-19	0.004	(8.65)***	0.000	(0.01)	0.083	(11.07)***	0.057	(6.61)***	0.003	(8.21)***
Fortnight 20-21	0.005	(8.30)***	0.001	(6.19)***	0.058	(10.55)***	0.035	(6.58)***	0.005	(7.99)***
Fortnight 22-23	0.002	(7.24)***	0.000	(0.01)	0.043	(9.82)***	0.023	(6.26)***	0.002	(7.05)***
Fortnight 24-25	0.006	(7.87)***	0.000	(0.01)	0.027	(8.93)***	0.006	(4.79)***	0.006	(7.50)***
Fortnight 26-31	0.010	(8.81)***	0.000	(6.90)***	0.036	(12.86)***	0.040	(7.54)***	0.010	(8.55)***
Fortnight 32-37	0.004	(8.43)***	0.001	(6.31)***	0.038	(11.14)***	0.025	(6.98)***	0.005	(8.15)***
Fortnight 38-43	0.006	(7.95)***	0.000	(0.01)	0.050	(9.96)***	0.023	(6.26)***	0.007	(7.68)***
Fortnight 44-51	0.019	(7.12)***	0.002	(5.50)***	0.053	(8.84)***	0.082	(5.40)***	0.020	(6.85)***
Fortnight 52-64	0.031	(5.90)***	0.000	(0.01)	0.030	(5.87)***	0.066	(4.46)***	0.032	(5.72)***
Fortnight 65-77	0.045	(2.82)***	0.000	(0.00)	0.000	(0.02)	0.000	(0.01)	0.000	(0.01)
Fortnight 78-90	0.000	(0.00)	0.000	(0.00)	0.000	(0.01)	1.339	(0.27)	0.000	(0.00)
Fortnight 91-103										
Fortnight 104+										
Age 15-24	1.102	(0.21)	1.202	(0.79)	1.062	(0.71)	1.439	(1.70)*	1.057	(0.12)
Age 35-44	2.022	(2.10)**	0.333	(3.90)***	0.807	(2.69)***	1.210	(0.99)	2.111	(2.23)**
Age 45-54	3.300	(3.83)***	0.083	(5.74)***	0.867	(1.89)*	1.051	(0.26)	3.080	(3.57)***
Age 55+	6.032	(5.50)***	0.000	(0.02)	0.680	(3.73)***	1.553	(1.94)*	5.265	(4.98)***

	DSP/MAP		PPP/PPS		Exit IS		UB		DSP	
	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value	coeff	z-value
partner not on IS	0.708	(1.15)	1.372	(1.11)	1.146	(1.64)	0.502	(2.26)**	0.792	(0.77)
partner on IS	1.866	(3.10)***	0.773	(0.81)	0.686	(4.04)***	1.528	(2.22)**	1.649	(2.26)**
ATSI	1.327	(0.65)	1.912	(1.56)	0.969	(0.20)	0.736	(0.66)	1.430	(0.81)
ESC	0.868	(0.54)	0.971	(0.08)	1.100	(1.15)	1.228	(1.03)	1.019	(0.07)
NESC	1.250	(1.06)	0.901	(0.35)	0.869	(1.65)*	1.091	(0.44)	1.293	(1.14)
Government rent	1.221	(0.58)	1.893	(1.35)	0.958	(0.28)	0.667	(1.06)	1.117	(0.30)
Home Owner	1.054	(0.27)	1.256	(0.94)	1.026	(0.38)	0.655	(2.60)***	0.970	(0.15)
Free Rent	1.232	(0.78)	0.966	(0.13)	0.868	(1.73)*	0.936	(0.35)	1.271	(0.89)
Youngest child aged 0-2	0.488	(0.70)	13.874	(9.32)***	0.931	(0.36)	0.410	(1.22)	0.529	(0.62)
Youngest child aged 3-5	0.000	(0.02)	0.824	(0.19)	1.679	(2.56)**	0.571	(0.77)	0.000	(0.02)
Youngest child aged 6-12	0.145	(2.58)***	3.532	(2.71)***	1.212	(1.29)	0.407	(2.00)**	0.158	(2.45)**
Youngest child aged 13+	0.426	(1.41)	5.669	(3.60)***	1.358	(2.06)**	0.399	(1.55)	0.435	(1.37)
Urban dummy	0.688	(2.14)**	1.135	(0.62)	0.931	(1.22)	0.713	(2.35)**	0.697	(1.95)*
Local UE rate	0.986	(0.37)	1.083	(1.91)*	1.004	(0.29)	0.938	(2.01)**	0.992	(0.20)
NSW	1.483	(2.21)**	1.368	(1.54)	0.937	(1.07)	1.203	(1.28)	1.536	(2.32)**
SA	1.446	(1.31)	0.670	(1.01)	0.936	(0.70)	1.318	(1.20)	1.435	(1.21)
WA	1.158	(0.56)	1.293	(0.79)	1.016	(0.19)	1.022	(0.10)	0.948	(0.18)
TAS	1.669	(1.28)	0.824	(0.32)	0.792	(1.38)	1.749	(1.73)*	1.972	(1.69)*
NT	0.628	(0.46)	0.000	(0.01)	1.270	(0.89)	0.000	(0.02)	0.629	(0.45)
ACT	2.606	(0.94)	0.758	(0.27)	0.997	(0.01)	0.799	(0.22)	2.818	(1.01)
Entry quarter2	1.120	(0.49)	1.275	(0.93)	0.892	(1.53)	1.016	(0.09)	1.140	(0.55)
Entry quarter3	1.296	(1.18)	1.014	(0.06)	0.905	(1.37)	1.108	(0.58)	1.192	(0.76)
Entry quarter4	1.116	(0.49)	0.550	(2.17)**	0.944	(0.80)	1.031	(0.17)	1.165	(0.66)
Entry financial year 1999	0.632	(1.91)*	1.740	(1.80)*	0.848	(2.05)**	0.751	(1.54)	0.664	(1.65)*
Entry financial year 2000	0.754	(1.17)	2.321	(2.79)***	1.018	(0.22)	0.763	(1.38)	0.637	(1.74)*
Entry financial year 2001	0.674	(1.60)	1.937	(2.11)**	0.972	(0.34)	0.631	(2.21)**	0.650	(1.67)*
Entry financial year 2002	0.750	(1.05)	1.642	(1.43)	1.094	(1.02)	0.807	(1.00)	0.661	(1.39)
Entry financial year 2003	1.280	(0.88)	1.285	(0.55)	0.816	(1.90)*	0.762	(1.04)	1.442	(1.29)
Observations	20,889		20,889		20,889		20,889		20,889	

Table 33: Single event duration analysis for different exit states for first PPP spells (females)

	MAP		Exit IS		UB		PPS		DSP	
	Coeff	z-value	Coeff	z-value	Coeff	z-value	Coeff	z-value	Coeff	z-value
Fortnight 1	0.000	(18.79)***	0.054	(46.83)***	0.000	(18.11)***	0.003	(24.01)***	0.000	(13.11)***
Fortnight 2	0.000	(18.47)***	0.065	(44.78)***	0.000	(17.54)***	0.003	(23.69)***	0.000	(13.53)***
Fortnight 3	0.000	(17.14)***	0.059	(45.15)***	0.000	(16.95)***	0.002	(22.86)***	0.000	(13.53)***
Fortnight 4	0.000	(18.32)***	0.059	(44.79)***	0.000	(17.15)***	0.004	(23.44)***	0.000	(12.57)***
Fortnight 5	0.000	(17.38)***	0.057	(44.58)***	0.000	(12.79)***	0.003	(22.88)***	0.000	(12.95)***
Fortnight 6	0.000	(14.68)***	0.059	(43.88)***	0.000	(17.57)***	0.003	(22.62)***	0.000	(11.70)***
Fortnight 7	0.000	(17.73)***	0.056	(43.64)***	0.000	(10.15)***	0.003	(22.29)***	0.000	(12.84)***
Fortnight 8	0.000	(17.81)***	0.052	(43.58)***	0.000	(15.63)***	0.003	(21.71)***	0.000	(11.60)***
Fortnight 9	0.000	(14.48)***	0.050	(43.17)***	0.000	(16.65)***	0.004	(22.09)***	0.000	(11.55)***
Fortnight 10	0.000	(12.94)***	0.052	(42.49)***	0.000	(16.57)***	0.003	(21.63)***	0.000	(0.06)
Fortnight 11	0.000	(17.37)***	0.047	(42.33)***	0.000	(16.69)***	0.002	(19.58)***	0.000	(11.47)***
Fortnight 12	0.000	(16.42)***	0.046	(41.84)***	0.000	(16.40)***	0.003	(20.66)***	0.000	(11.43)***
Fortnight 13	0.000	(15.17)***	0.045	(41.35)***	0.000	(14.59)***	0.002	(19.29)***	0.000	(12.14)***
Fortnight 14	0.000	(16.25)***	0.046	(40.82)***	0.000	(13.62)***	0.003	(19.93)***	0.000	(9.69)***
Fortnight 15	0.000	(18.53)***	0.039	(48.47)***	0.000	(17.15)***	0.003	(23.86)***	0.000	(13.52)***
Fortnight 16-17	0.000	(17.27)***	0.039	(47.67)***	0.000	(15.43)***	0.003	(23.29)***	0.000	(13.20)***
Fortnight 18-19	0.000	(18.50)***	0.035	(47.04)***	0.000	(17.64)***	0.003	(22.70)***	0.000	(11.91)***
Fortnight 20-21	0.000	(17.74)***	0.033	(46.22)***	0.000	(16.79)***	0.002	(22.18)***	0.000	(13.30)***
Fortnight 22-23	0.000	(16.41)***	0.031	(45.33)***	0.000	(17.67)***	0.003	(22.01)***	0.000	(12.56)***
Fortnight 24-25	0.000	(16.82)***	0.030	(44.40)***	0.000	(12.60)***	0.002	(21.34)***	0.000	(12.51)***
Fortnight 26-31	0.000	(20.57)***	0.026	(57.39)***	0.000	(19.55)***	0.003	(26.70)***	0.000	(14.17)***
Fortnight 32-37	0.000	(20.31)***	0.022	(55.53)***	0.000	(19.43)***	0.002	(25.75)***	0.000	(13.99)***
Fortnight 38-43	0.000	(20.15)***	0.023	(53.13)***	0.000	(19.23)***	0.002	(24.78)***	0.000	(13.35)***
Fortnight 44-51	0.000	(20.49)***	0.019	(54.50)***	0.000	(19.04)***	0.002	(25.06)***	0.000	(14.27)***
Fortnight 52-64	0.000	(21.27)***	0.018	(57.68)***	0.000	(20.14)***	0.001	(25.51)***	0.000	(14.30)***
Fortnight 65-77	0.000	(20.38)***	0.018	(52.14)***	0.000	(18.62)***	0.002	(23.87)***	0.000	(14.57)***
Fortnight 78-90	0.000	(19.14)***	0.016	(45.43)***	0.000	(17.12)***	0.002	(21.87)***	0.000	(12.37)***
Fortnight 91-103	0.000	(18.88)***	0.012	(37.87)***	0.000	(17.30)***	0.002	(19.36)***	0.000	(10.27)***
Fortnight 104+	0.000	(20.75)***	0.009	(41.24)***	0.000	(19.16)***	0.001	(19.24)***	0.000	(13.69)***
Age 15-24	0.649	(0.81)	0.802	(5.29)***	2.293	(2.91)***	2.697	(10.04)***	0.532	(0.60)
Age 35-44	1.627	(2.26)**	0.968	(1.47)	0.901	(0.50)	0.724	(3.50)***	2.509	(2.68)***
Age 45-54	3.714	(5.35)***	0.815	(5.08)***	0.703	(1.38)	0.662	(2.53)**	3.261	(2.91)***

	MAP		Exit IS		UB		PPS		DSP	
	Coeff	z-value	Coeff	z-value	Coeff	z-value	Coeff	z-value	Coeff	z-value
Age 55+	9.281	(7.09)***	0.657	(3.02)***	0.413	(1.42)	0.821	(0.43)	7.367	(3.40)***
partner not on IS										
partner on IS	3.912	(8.00)***	0.838	(9.36)***	2.046	(4.87)***	0.944	(0.81)	1.781	(2.48)**
ATSI	0.528	(1.57)	0.916	(2.16)**	0.782	(0.65)	0.911	(0.65)	1.303	(0.54)
ESC	1.094	(0.35)	1.105	(3.14)***	1.800	(2.69)***	1.074	(0.56)	0.585	(1.02)
NESC	1.343	(2.10)**	0.567	(22.90)***	1.194	(1.15)	0.553	(6.50)***	1.501	(1.72)*
Government rent	1.334	(1.09)	0.731	(3.95)***	1.123	(0.36)	1.158	(0.78)	1.756	(1.39)
Home Owner	0.808	(1.52)	1.149	(6.38)***	0.815	(1.39)	0.567	(7.18)***	0.816	(0.88)
Free Rent	0.807	(0.77)	0.907	(2.85)***	0.757	(1.02)	0.698	(3.08)***	0.313	(1.90)*
Youngest child aged 0-2										
Youngest child aged 3-5	1.049	(0.19)	1.030	(1.15)	1.322	(1.16)	1.326	(2.90)***	1.576	(1.19)
Youngest child aged 6-12	1.278	(1.10)	1.025	(0.94	1.270	(0.96)	1.221	(1.86)*	1.914	(1.85)*
Youngest child aged 13+	4.595	(6.64)***	1.220	(5.02)***	13.860	(11.30)***	1.237	(1.24)	5.355	(4.51)***
Urban dummy	0.831	(1.31)	1.097	(4.59)***	0.919	(0.57)	1.003	(0.03)	0.892	(0.48)
Local UE rate	0.998	(0.06)	0.996	(0.79)	1.041	(1.23)	1.011	(0.64)	1.115	(2.19)**
NSW	0.989	(0.07)	0.934	(3.14)***	1.099	(0.62)	1.053	(0.65)	1.154	(0.58)
SA	1.777	(2.84)***	0.890	(3.13)***	1.017	(0.06)	1.123	(0.87)	2.835	(3.41)***
WA	0.688	(1.55)	1.029	(0.97)	1.241	(1.04)	0.985	(0.13)	0.815	(0.49)
TAS	1.357	(0.98)	0.791	(3.93)***	1.053	(0.14)	0.976	(0.12)	2.132	(1.67)*
NT	1.394	(0.68)	0.776	(2.50)**	1.182	(0.26)	0.908	(0.35)	1.242	(0.21)
ACT	0.503	(0.68)	1.239	(1.65)*	0.863	(0.14)	1.210	(0.38)	2.226	(0.77)
Entry quarter2	1.030	(0.17)	0.970	(1.15)	1.163	(0.82)	1.059	(0.58)	1.147	(0.49)
Entry quarter3	0.895	(0.66)	0.928	(2.97)***	0.881	(0.70)	0.968	(0.35)	0.748	(1.01)
Entry quarter4	1.105	(0.60)	0.950	(1.97)**	1.138	(0.72)	1.069	(0.69)	1.100	(0.35)
Entry financial year 1999	1.370	(1.88)*	0.934	(2.52)**	1.231	(1.18)	0.947	(0.52)	0.931	(0.26)
Entry financial year 2000	1.454	(2.05)**	0.968	(1.16)	1.045	(0.22)	1.155	(1.39)	0.788	(0.77)
Entry financial year 2001	1.015	(0.07)	1.078	(2.57)**	0.977	(0.11)	1.203	(1.65)*	0.774	(0.74)
Entry financial year 2002	0.729	(1.17)	0.983	(0.52)	1.063	(0.25)	1.003	(0.02)	1.070	(0.19)
Entry financial year 2003	0.834	(0.49)	0.678	(8.23)***	0.697	(0.87)	1.047	(0.27)	0.730	(0.57)
Observations	440,786		440,786		440,786		440,786		440,786	

Table 34: Single event duration analysis for different exit states for first PPS spells (females)

	DSP/MAP		Exit IS		UB		PPP	
	Coeff	Z-value	Coeff	Z-value	Coeff	Z-value	Coeff	Z-value
Fortnight 1	0.000	(12.45)***	0.016	(44.48)***	0.000	(18.10)***	0.001	(18.66)***
Fortnight 2	0.000	(12.73)***	0.022	(44.00)***	0.001	(18.98)***	0.002	(19.29)***
Fortnight 3	0.000	(11.66)***	0.018	(43.94)***	0.000	(17.37)***	0.002	(19.23)***
Fortnight 4	0.000	(9.11)***	0.020	(43.65)***	0.001	(17.99)***	0.003	(20.07)***
Fortnight 5	0.000	(9.09)***	0.019	(43.42)***	0.001	(18.19)***	0.003	(19.92)***
Fortnight 6	0.000	(11.58)***	0.020	(43.14)***	0.000	(17.61)***	0.001	(18.36)***
Fortnight 7	0.000	(10.75)***	0.021	(42.84)***	0.001	(18.10)***	0.002	(18.96)***
Fortnight 8	0.000	(11.53)***	0.014	(42.24)***	0.001	(18.41)***	0.003	(19.44)***
Fortnight 9	0.000	(0.03)	0.017	(42.28)***	0.001	(18.19)***	0.002	(18.79)***
Fortnight 10	0.000	(9.01)***	0.016	(41.89)***	0.001	(18.12)***	0.002	(18.51)***
Fortnight 11	0.000	(10.67)***	0.016	(41.62)***	0.001	(18.23)***	0.002	(18.43)***
Fortnight 12	0.000	(0.02)	0.016	(41.38)***	0.001	(18.42)***	0.003	(18.96)***
Fortnight 13	0.000	(11.40)***	0.018	(41.23)***	0.000	(14.47)***	0.002	(18.61)***
Fortnight 14	0.000	(11.36)***	0.017	(40.90)***	0.001	(17.17)***	0.002	(17.98)***
Fortnight 15	0.000	(13.42)***	0.014	(48.32)***	0.001	(20.41)***	0.002	(21.80)***
Fortnight 16-17	0.000	(12.20)***	0.014	(47.93)***	0.001	(20.02)***	0.002	(20.93)***
Fortnight 18-19	0.000	(12.92)***	0.016	(47.46)***	0.000	(19.37)***	0.002	(21.04)***
Fortnight 20-21	0.000	(12.59)***	0.013	(46.94)***	0.000	(18.79)***	0.002	(21.05)***
Fortnight 22-23	0.000	(12.86)***	0.013	(46.48)***	0.001	(20.27)***	0.001	(17.99)***
Fortnight 24-25	0.000	(12.50)***	0.013	(46.04)***	0.000	(18.31)***	0.003	(20.84)***
Fortnight 26-31	0.000	(14.78)***	0.011	(57.59)***	0.000	(23.49)***	0.002	(25.40)***
Fortnight 32-37	0.000	(14.49)***	0.011	(56.43)***	0.000	(22.86)***	0.002	(24.97)***
Fortnight 38-43	0.000	(13.57)***	0.009	(55.16)***	0.000	(22.30)***	0.002	(24.10)***
Fortnight 44-51	0.000	(14.77)***	0.008	(57.04)***	0.000	(23.39)***	0.001	(24.77)***
Fortnight 52-64	0.000	(15.37)***	0.008	(60.25)***	0.000	(24.47)***	0.002	(26.21)***
Fortnight 65-77	0.000	(14.98)***	0.007	(56.93)***	0.000	(23.54)***	0.002	(24.87)***
Fortnight 78-90	0.000	(14.47)***	0.008	(53.27)***	0.000	(22.92)***	0.001	(21.75)***
Fortnight 91-103	0.000	(13.97)***	0.006	(47.53)***	0.000	(21.53)***	0.002	(22.05)***
Fortnight 104+	0.000	(15.55)***	0.005	(53.23)***	0.000	(24.03)***	0.001	(23.21)***
Age 15-24	0.000	(0.03)	0.613	(9.52)***	1.091	(0.37)	1.560	(3.95)***

	DSP/MAP		Exit IS		UB		PPP	
	Coeff	Z-value	Coeff	Z-value	Coeff	Z-value	Coeff	Z-value
Age 35-44	2.234	(2.11)**	0.820	(6.65)***	1.142	(0.79)	0.726	(3.13)***
Age 45-54	9.728	(5.61)***	0.773	(5.41)***	1.644	(2.59)***	0.397	(4.21)***
Age 55+	61.191	(9.18)***	0.660	(2.30)**	2.034	(2.03)**	0.318	(1.14)
ATSI	0.998	(0.01)	1.048	(1.08)	0.983	(0.08)	0.953	(0.37)
ESC	0.740	(0.89)	1.082	(2.11)**	1.134	(0.85)	0.678	(2.52)**
NESC	1.357	(1.41)	0.768	(6.88)***	1.105	(0.75)	1.335	(2.56)**
Government rent	0.907	(0.20)	0.791	(2.57)**	0.992	(0.03)	1.285	(1.27)
Home Owner	1.132	(0.63)	1.140	(4.97)***	0.680	(3.69)***	0.611	(4.93)***
Free Rent	1.761	(1.87)*	1.399	(8.72)***	0.950	(0.30)	1.166	(1.38)
Youngest child aged 0-2								
Youngest child aged 3-5	0.517	(1.47)	0.913	(2.54)**	0.618	(2.29)**	0.696	(3.22)***
Youngest child aged 6-12	0.598	(1.36)	1.011	(0.32)	0.578	(2.65)***	0.782	(2.12)**
Youngest child aged 13+	2.790	(2.72)***	1.725	(12.15)***	8.525	(11.29)***	0.733	(1.67)*
Urban dummy	0.918	(0.45)	1.010	(0.37)	0.708	(3.35)***	0.584	(6.33)***
Local UE rate	1.011	(0.26)	1.000	(0.04)	1.014	(0.59)	1.043	(2.21)**
NSW	0.866	(0.73)	1.024	(0.89)	1.252	(2.06)**	1.067	(0.71)
SA	0.837	(0.49)	0.915	(1.83)*	1.300	(1.45)	1.478	(2.65)***
WA	0.654	(1.29)	1.001	(0.02)	1.224	(1.29)	1.283	(1.91)*
TAS	0.593	(0.72)	1.155	(1.89)*	1.155	(0.51)	1.143	(0.60)
NT	0.779	(0.24)	1.369	(3.23)***	2.002	(1.94)*	0.780	(0.81)
ACT	3.777	(1.82)*	1.707	(3.97)***	1.332	(0.40)	0.425	(0.85)
Entry quarter2	0.952	(0.19)	1.043	(1.25)	1.122	(0.84)	1.022	(0.20)
Entry quarter3	1.033	(0.14)	1.051	(1.52)	1.181	(1.27)	1.009	(0.09)
Entry quarter4	1.010	(0.04)	1.051	(1.51)	1.181	(1.25)	0.883	(1.13)
Entry financial year 1999	0.959	(0.17)	0.941	(1.69)*	0.783	(1.86)*	0.886	(1.10)
Entry financial year 2000	0.795	(0.87)	0.947	(1.51)	0.745	(2.17)**	0.742	(2.53)**
Entry financial year 2001	0.629	(1.50)	0.959	(1.10)	0.610	(3.12)***	0.759	(2.16)**
Entry financial year 2002	0.766	(0.84)	0.858	(3.56)***	0.541	(3.31)***	0.648	(2.86)***
Entry financial year 2003	0.519	(1.19)	0.558	(8.59)***	0.500	(2.50)**	0.908	(0.49)
Observations	655,296		655,296		655,296		655,296	

Table 35: MNL Mean Marginal Effects for 'Staying on', Exiting IS' and 'Transferring Payment' (females)

	All			UB			SKA			SPE		
	Stay	Exit IS	Transfer	Stay	Exit IS	Transfer	Stay	Exit IS	Transfer	Stay	Exit IS	Transfer
Age 15-24	0.000	-0.001	0.000	0.003	-0.003	0.000	-0.012	0.004	0.007	0.003	-0.001	-0.002
Age 35-44	0.003	-0.003	0.000	0.013	-0.013	-0.001	0.017	-0.014	-0.003	0.002	-0.003	0.001
Age 45-54	0.004	-0.006	0.002	0.018	-0.022	0.003	0.011	-0.009	-0.002	0.006	-0.006	0.001
Age 55+	0.005	-0.011	0.006	0.023	-0.033	0.010	0.011	-0.023	0.012	0.009	-0.008	-0.001
Partner not on IS	-0.004	0.004	0.000	-0.017	0.013	0.004	-0.007	0.010	-0.003	-0.006	0.012	-0.007
Partner on IS	0.003	-0.004	0.001	0.015	-0.017	0.003	0.013	-0.022	0.009	0.004	0.004	-0.008
ATSI	0.004	-0.004	0.000	0.017	-0.017	0.001	0.003	-0.002	-0.001	-0.002	-0.002	0.004
ESC	-0.001	0.001	0.000	0.000	0.001	-0.001	-0.008	0.007	0.001	0.001	-0.004	0.003
NESC	0.005	-0.005	0.000	0.012	-0.011	-0.001	0.006	-0.009	0.003	0.040	-0.026	-0.013
Government rent	0.003	-0.004	0.001	0.014	-0.017	0.002	0.000	-0.003	0.003	-0.003	-0.003	0.006
Home Owner	-0.002	0.003	0.000	-0.009	0.008	0.001	0.002	0.002	-0.004	-0.010	0.008	0.002
Free rent	-0.001	0.002	-0.001	-0.005	0.006	-0.002	0.010	-0.009	-0.001	-0.009	0.009	0.000
Youngest child aged 0-2	-0.013	-0.006	0.019	-0.152	-0.005	0.156	-0.079	-0.004	0.083	-0.004	-0.005	0.009
Youngest child aged 3-5	-0.003	-0.004	0.008	-0.007	-0.002	0.009	-0.032	0.045	-0.014	0.013	-0.012	-0.001
Youngest child aged 6-12	-0.002	-0.003	0.006	-0.009	0.002	0.007	-0.004	0.014	-0.010	0.009	-0.007	-0.002
Youngest child aged 13+	-0.018	0.002	0.015	-0.009	0.007	0.002	-0.020	0.024	-0.004	0.002	0.001	-0.003
Urban dummy	-0.001	0.002	0.000	-0.006	0.006	0.000	0.011	-0.005	-0.006	0.003	-0.002	-0.001
Local UN rate	0.000	0.000	0.000	0.001	-0.001	0.000	0.000	0.000	0.000	0.001	-0.001	0.000
NSW	0.000	-0.001	0.000	0.000	-0.001	0.001	-0.002	-0.004	0.007	0.002	-0.002	0.001
SA	0.001	-0.002	0.000	0.004	-0.005	0.001	0.004	-0.004	0.001	0.002	0.000	-0.002
WA	0.000	0.000	0.000	-0.001	0.000	0.001	-0.003	0.001	0.002	0.006	-0.008	0.002
TAS	0.002	-0.002	0.000	0.006	-0.007	0.001	0.006	-0.014	0.008	0.001	-0.009	0.008
NT	0.004	-0.002	-0.002	0.011	-0.007	-0.004	0.002	0.018	-0.020	-0.003	-0.001	0.004
ACT	-0.003	0.003	0.000	-0.006	0.006	0.000	-0.002	0.000	0.003	0.012	-0.014	0.002
Entry quarter2	0.001	-0.001	0.000	0.004	-0.005	0.000	0.006	-0.008	0.001	0.004	-0.003	-0.001
Entry quarter3	0.001	-0.001	0.000	0.002	-0.003	0.000	0.003	-0.007	0.003	0.003	-0.003	0.000
Entry quarter4	0.000	0.000	0.000	0.001	0.000	0.000	0.007	-0.004	-0.003	-0.001	0.002	-0.001
Entry financial year 1999	0.000	0.000	0.000	-0.003	0.002	0.000	0.014	-0.011	-0.003	0.002	-0.001	-0.001
Entry financial year 2000	0.000	0.000	0.000	-0.001	0.001	0.001	-0.002	0.001	0.001	-0.003	0.010	-0.007
Entry financial year 2001	0.001	0.000	0.000	0.000	0.000	0.000	0.006	-0.002	-0.004	0.008	-0.004	-0.005
Entry financial year 2002	0.001	-0.001	0.000	0.002	-0.003	0.001	-0.003	0.006	-0.003	0.008	-0.009	0.001
Entry financial year 2003	0.004	-0.004	-0.001	0.010	-0.010	-0.001	0.011	-0.013	0.001	0.016	-0.010	-0.006
starting on SKA	-0.010	0.005	0.005									
starting on SPE	0.004	-0.003	-0.002									
starting on PPP	0.008	-0.004	-0.004									
starting on PPS	0.019	-0.013	-0.006									
starting on DSP	0.021	-0.017	-0.004									
starting on MAP	0.015	-0.012	-0.003									

Table 36: MNL Mean Marginal Effects for 'Staying on', Exiting IS' and 'Transferring Payment' (females)

	PPP			PPS			MAP		
	Stay	Exit IS	Transfer	Stay	Exit IS	Transfer	Stay	Exit IS	Transfer
Age 15-24	0.001	-0.005	0.004	0.003	-0.004	0.001	-0.005	0.000	0.005
Age 35-44	0.001	-0.001	0.000	0.002	-0.002	0.000	-0.002	-0.002	0.004
Age 45-54	0.004	-0.004	0.000	0.002	-0.002	0.000	-0.002	-0.001	0.003
Age 55+	0.005	-0.008	0.003	0.000	-0.003	0.003	0.000	-0.003	0.003
Partner not on IS							-0.006	0.008	-0.003
Partner on IS	0.003	-0.004	0.001				0.006	-0.003	-0.003
ATSI	0.002	-0.002	0.000	0.000	0.000	0.000	0.000	-0.001	0.001
ESC	-0.003	0.002	0.000	-0.001	0.001	0.000	-0.001	0.001	0.001
NESC	0.013	-0.012	-0.001	0.002	-0.002	0.000	0.000	-0.001	0.001
Government rent	0.006	-0.006	0.001	0.002	-0.002	0.000	0.002	-0.002	0.000
Home Owner	-0.002	0.003	-0.001	-0.001	0.001	-0.001	0.001	0.000	0.000
Free rent	0.003	-0.002	-0.001	-0.004	0.004	0.000	0.001	0.000	-0.001
Youngest child aged 0-2							-0.002	-0.003	0.005
Youngest child aged 3-5	-0.001	0.001	0.001	0.001	-0.001	-0.001	0.001	-0.003	0.002
Youngest child aged 6-12	-0.001	0.001	0.001	0.000	0.000	-0.001	0.000	-0.003	0.003
Youngest child aged 13+	-0.012	0.005	0.007	-0.010	0.007	0.003	0.000	-0.002	0.002
Urban dummy	-0.002	0.002	0.000	0.001	0.000	-0.001	0.000	0.000	0.000
Local UN rate	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
NSW	0.001	-0.002	0.000	0.000	0.000	0.000	0.000	0.000	0.000
SA	0.002	-0.003	0.001	0.000	-0.001	0.000	0.000	0.000	0.000
WA	-0.001	0.001	0.000	0.000	0.000	0.000	-0.001	0.001	0.000
TAS	0.005	-0.005	0.000	-0.002	0.002	0.000	0.001	-0.001	0.000
NT	0.005	-0.005	0.000	-0.004	0.004	0.000	0.000	0.002	-0.002
ACT	-0.006	0.006	0.000	-0.007	0.007	0.000	-0.002	-0.001	0.003
Entry quarter2	0.000	-0.001	0.000	-0.001	0.000	0.000	0.000	0.000	0.000
Entry quarter3	0.002	-0.002	0.000	-0.001	0.001	0.000	0.000	0.000	0.000
Entry quarter4	0.001	-0.001	0.000	-0.001	0.001	0.000	0.001	0.000	0.000
Entry financial year 1999	0.001	-0.002	0.000	0.001	-0.001	0.000	0.000	0.000	0.000
Entry financial year 2000	0.000	-0.001	0.000	0.001	-0.001	0.000	0.001	0.000	-0.001
Entry financial year 2001	-0.002	0.002	0.000	0.001	0.000	0.000	0.002	-0.001	-0.001
Entry financial year 2002	0.001	0.000	0.000	0.002	-0.001	-0.001	0.002	-0.001	-0.001
Entry financial year 2003	0.008	-0.008	0.000	0.005	-0.005	0.000	0.004	-0.002	-0.001

Table 37: MNL Mean Marginal Effects for 'Staying on', Exiting IS' and 'Transferring Payment' (males)

	All			UB			SKA			SPE		
	Stay	Exit IS	Transfer	Stay	Exit IS	Transfer	Stay	Exit IS	Transfer	Stay	Exit IS	Transfer
Age 15-24	-0.001	0.002	-0.001	-0.002	0.003	-0.001	-0.025	0.023	0.002	-0.004	0.004	0.000
Age 35-44	0.005	-0.005	0.001	0.008	-0.009	0.001	0.018	-0.021	0.002	0.005	-0.005	0.000
Age 45-54	0.009	-0.010	0.002	0.014	-0.018	0.003	0.020	-0.026	0.006	0.005	-0.005	0.000
Age 55+	0.014	-0.017	0.003	0.023	-0.030	0.007	0.016	-0.033	0.017	0.006	-0.007	0.001
Partner not on IS	-0.013	0.013	0.000	-0.026	0.026	0.001	-0.026	0.026	0.000	0.001	-0.001	0.000
Partner on IS	0.003	-0.003	0.000	0.007	-0.007	0.000	0.008	-0.009	0.001	-0.011	0.010	0.001
ATSI	0.006	-0.006	0.000	0.012	-0.012	0.000	0.006	-0.005	-0.001	-0.004	0.004	0.001
ESC	-0.002	0.002	0.000	-0.004	0.004	0.000	-0.012	0.010	0.002	0.000	0.001	-0.001
NESC	0.007	-0.007	0.000	0.011	-0.011	0.000	0.012	-0.009	-0.003	0.029	-0.024	-0.005
Government rent	0.005	-0.006	0.001	0.009	-0.011	0.002	-0.003	0.001	0.002	0.003	-0.004	0.001
Home Owner	-0.005	0.004	0.000	-0.009	0.008	0.000	-0.004	0.005	-0.001	-0.001	0.001	0.000
Free rent	-0.002	0.002	0.000	-0.003	0.003	0.000	0.005	-0.002	-0.004	-0.008	0.008	0.000
Youngest child aged 0-2	-0.002	0.001	0.001	-0.006	0.005	0.001	-0.015	0.015	-0.001	0.003	-0.004	0.001
Youngest child aged 3-5	-0.002	0.002	0.000	-0.006	0.005	0.001	-0.020	0.022	-0.002	0.005	-0.005	0.000
Youngest child aged 6-12	-0.002	0.001	0.000	-0.005	0.004	0.001	-0.007	0.005	0.002	0.007	-0.007	0.000
Youngest child aged 13+	-0.006	0.006	0.000	-0.007	0.006	0.000	-0.012	0.012	0.000	0.004	-0.004	0.000
Urban dummy	-0.002	0.002	0.000	-0.003	0.004	0.000	0.005	-0.002	-0.003	0.013	-0.013	0.000
Local UN rate	0.001	-0.001	0.000	0.001	-0.001	0.000	0.000	-0.001	0.000	0.000	0.000	0.000
NSW	0.001	-0.001	0.000	0.001	-0.001	0.000	0.003	-0.002	0.000	-0.001	0.001	0.000
SA	0.003	-0.003	0.000	0.005	-0.006	0.001	0.000	0.000	0.000	-0.002	0.003	-0.001
WA	0.000	0.000	0.000	0.000	0.000	0.000	-0.003	0.003	0.000	-0.002	0.003	0.000
TAS	0.005	-0.006	0.000	0.009	-0.010	0.000	0.009	-0.004	-0.006	0.006	-0.009	0.002
NT	0.006	-0.006	-0.001	0.011	-0.009	-0.001	-0.028	0.004	0.024	-0.005	-0.015	0.020
ACT	0.000	0.000	0.000	0.001	0.000	0.000	0.019	-0.009	-0.010	-0.030	0.029	0.001
Entry quarter2	0.002	-0.002	0.000	0.002	-0.002	0.000	0.007	-0.007	0.000	0.004	-0.003	-0.001
Entry quarter3	0.001	-0.001	0.000	0.002	-0.002	0.000	0.003	-0.003	0.000	0.003	-0.002	-0.001
Entry quarter4	0.001	0.000	0.000	0.001	-0.001	0.000	0.005	-0.005	0.000	0.003	-0.002	0.000
Entry financial year 1999	0.000	0.000	0.000	-0.001	0.001	0.000	0.010	-0.006	-0.005	-0.001	0.002	-0.001
Entry financial year 2000	0.000	0.001	0.000	-0.001	0.001	0.000	-0.004	0.007	-0.003	-0.008	0.010	-0.002
Entry financial year 2001	0.000	0.000	0.000	-0.001	0.001	0.000	-0.010	0.013	-0.003	0.003	-0.003	-0.001
Entry financial year 2002	0.000	0.000	0.000	0.000	0.000	0.000	-0.015	0.016	-0.001	0.006	-0.006	0.001
Entry financial year 2003	0.004	-0.004	0.000	0.006	-0.007	0.000	0.003	0.001	-0.004	0.008	-0.007	-0.001
starting on SKA	-0.017	0.011	0.006									
starting on SPE	0.008	-0.010	0.002									
starting on PPP	0.012	-0.012	0.000									
starting on PPS	0.017	-0.017	0.000									
starting on DSP	0.035	-0.032	-0.003									
starting on MAP	0.019	-0.019	-0.001									

Table 38: MNL Mean Marginal Effects for 'Staying on', Exiting IS' and 'Transferring Payment' (males)

	PPP			PPS			MAP		
	Stay	Exit IS	Transfer	Stay	Exit IS	Transfer	Stay	Exit IS	Transfer
Age 15-24	0.001	-0.002	0.001	0.000	0.000	0.000	0.003	-0.003	-0.001
Age 35-44	0.002	-0.002	-0.001	0.001	-0.001	0.000	0.001	-0.002	0.001
Age 45-54	0.005	-0.005	0.000	0.003	-0.004	0.001	0.003	-0.004	0.001
Age 55+	0.007	-0.009	0.002	0.002	-0.004	0.002	0.005	-0.006	0.001
Partner not on IS							0.001	0.001	-0.002
Partner on IS	0.002	-0.003	0.001				0.010	-0.007	-0.003
ATSI	-0.001	0.000	0.000	-0.001	0.001	0.000	0.000	0.000	0.000
ESC	-0.001	0.001	0.000	-0.002	0.002	0.000	-0.002	0.001	0.001
NESC	0.009	-0.009	0.001	0.004	-0.004	0.000	0.000	-0.001	0.000
Government rent	-0.005	0.003	0.002	0.005	-0.005	0.000	0.000	-0.001	0.001
Home Owner	0.000	0.001	-0.002	0.000	0.001	-0.001	-0.005	0.004	0.001
Free rent	-0.003	0.004	-0.001	-0.002	0.001	0.000	-0.003	0.003	-0.001
Youngest child aged 0-2							-0.005	0.003	0.002
Youngest child aged 3-5	0.001	-0.001	0.000	0.004	-0.002	-0.002	0.000	-0.001	0.001
Youngest child aged 6-12	0.001	0.000	-0.001	0.006	-0.002	-0.003	-0.004	0.000	0.004
Youngest child aged 13+	-0.005	0.004	0.000	-0.006	0.006	-0.001	-0.003	0.002	0.000
Urban dummy	-0.003	0.003	0.000	-0.001	0.001	0.000	-0.001	0.001	0.000
Local UN rate	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
NSW	0.001	-0.001	0.000	0.001	-0.001	-0.001	0.000	0.000	0.000
SA	0.001	-0.002	0.000	0.003	-0.003	0.000	-0.002	0.000	0.002
WA	0.000	0.001	-0.001	0.002	-0.001	-0.001	0.000	0.001	0.000
TAS	0.003	-0.004	0.000	0.003	-0.002	-0.001	-0.001	-0.001	0.001
NT	0.001	0.003	-0.004	0.002	0.000	-0.002	-0.007	0.010	-0.003
ACT	0.001	0.000	-0.001	-0.018	0.021	-0.003	-0.004	0.005	0.000
Entry quarter2	0.000	-0.001	0.001	0.002	-0.003	0.000	0.001	-0.001	0.000
Entry quarter3	0.001	-0.001	0.000	0.002	-0.002	0.000	0.002	-0.001	0.000
Entry quarter4	-0.004	0.003	0.001	0.002	-0.003	0.001	0.002	-0.002	0.000
Entry financial year 1999	0.000	0.000	-0.001	0.002	-0.001	0.000	0.001	0.000	-0.001
Entry financial year 2000	-0.003	0.004	-0.001	0.001	0.000	-0.001	0.000	0.000	0.000
Entry financial year 2001	-0.001	0.002	0.000	0.002	-0.001	-0.001	0.001	0.000	-0.001
Entry financial year 2002	0.004	-0.002	-0.001	0.002	-0.001	-0.001	0.002	-0.001	-0.001
Entry financial year 2003	0.011	-0.009	-0.002	0.005	-0.004	-0.001	0.004	-0.003	-0.001

Table 39: MNL Mean Marginal Effects for exits to different destination states for first UB spell (females)

	Stay	PPP	PPS	DSP	Exit IS	MAP/AGE
Age 15-24	0.004	0.000	0.000	-0.001	-0.003	0.000
Age 35-44	0.011	0.000	0.000	0.002	-0.013	0.001
Age 45-54	0.017	0.000	-0.001	0.003	-0.022	0.003
Age 55+	0.023	0.000	-0.001	0.006	-0.033	0.006
Partner not on IS	-0.023	0.010	-0.001	0.000	0.013	0.000
Partner on IS	0.013	0.005	-0.001	0.000	-0.018	0.001
ATSI	0.017	0.000	0.001	0.000	-0.017	0.000
ESC	-0.001	0.000	0.000	0.000	0.001	0.000
NESC	0.011	0.000	0.000	0.000	-0.011	0.000
Government rent	0.015	0.000	0.000	0.001	-0.017	0.000
Home Owner	-0.009	0.000	0.000	0.000	0.008	0.000
Free rent	-0.006	0.000	0.000	0.000	0.006	0.000
Youngest child aged 0-2	-0.152	0.003	0.152	0.000	-0.003	0.000
Youngest child aged 3-5	-0.011	0.000	0.013	-0.001	-0.002	0.000
Youngest child aged 6-12	-0.018	0.000	0.016	0.000	0.002	0.000
Youngest child aged 13+	-0.010	0.000	0.004	0.000	0.007	0.000
Urban dummy	-0.006	0.000	0.000	0.000	0.006	0.000
Local UN rate	0.001	0.000	0.000	0.000	-0.001	0.000
NSW	0.000	0.000	0.000	0.000	-0.001	0.000
SA	0.005	0.000	0.000	0.000	-0.005	0.000
WA	0.000	0.000	0.000	0.000	0.000	0.000
TAS	0.007	0.000	0.000	0.000	-0.007	0.000
NT	0.008	0.000	-0.001	0.000	-0.007	0.000
ACT	-0.006	0.000	0.000	0.000	0.006	0.000
Entry quarter2	0.004	0.000	0.000	0.000	-0.005	0.000
Entry quarter3	0.002	0.000	0.000	0.000	-0.003	0.000
Entry quarter4	0.000	0.000	0.000	0.000	0.000	0.000
Entry financial year 1999	-0.003	0.000	0.000	0.000	0.002	0.000
Entry financial year 2000	-0.001	0.000	0.000	0.000	0.001	0.000
Entry financial year 2001	0.000	0.000	0.000	0.000	0.000	0.000
Entry financial year 2002	0.003	0.000	0.000	0.000	-0.003	0.000
Entry financial year 2003	0.010	0.000	0.000	0.000	-0.010	0.000

Table 40: MNL Mean Marginal Effects for exits to different destination states for first SKA spell (females)

	Stay	UB	Exit IS	PPP/PPS	DSP/MAP
Age 15-24	-0.009	0.004	0.005	0.000	0.000
Age 35-44	0.009	0.002	-0.014	0.000	0.003
Age 45-54	0.004	0.000	-0.010	0.000	0.006
Age 55+	0.003	0.004	-0.024	0.000	0.016
Partner not on IS	-0.005	-0.004	0.010	0.000	-0.001
Partner on IS	0.015	0.004	-0.022	0.000	0.003
ATSI	0.003	-0.002	-0.002	0.000	0.001
ESC	-0.008	0.002	0.007	0.000	-0.001
NESC	0.007	0.001	-0.009	0.000	0.001
Government rent	0.004	-0.003	-0.003	0.000	0.001
Home Owner	0.002	-0.003	0.002	0.000	0.000
Free rent	0.009	-0.001	-0.009	0.000	0.001
Youngest child aged 0-2	0.001	-0.005	0.005	0.000	-0.002
Youngest child aged 3-5	-0.036	-0.004	0.046	0.000	-0.006
Youngest child aged 6-12	-0.006	-0.005	0.015	0.000	-0.004
Youngest child aged 13+	-0.017	-0.005	0.025	0.000	-0.002
Urban dummy	0.010	-0.003	-0.005	0.000	-0.002
Local UN rate	0.000	-0.001	0.000	0.000	0.000
NSW	0.001	0.002	-0.004	0.000	0.002
SA	0.000	0.003	-0.005	0.000	0.002
WA	-0.002	0.000	0.001	0.000	0.001
TAS	0.005	0.006	-0.014	0.000	0.003
NT	-0.005	-0.011	0.017	0.000	-0.002
ACT	-0.004	-0.002	-0.001	0.000	0.006
Entry quarter2	0.007	0.000	-0.008	0.000	0.000
Entry quarter3	0.005	0.001	-0.007	0.000	0.001
Entry quarter4	0.004	0.000	-0.004	0.000	0.000
Entry financial year 1999	0.014	-0.002	-0.011	0.000	-0.002
Entry financial year 2000	0.001	-0.002	0.002	0.000	-0.001
Entry financial year 2001	0.006	-0.003	-0.002	0.000	-0.001
Entry financial year 2002	-0.004	-0.002	0.007	0.000	-0.001
Entry financial year 2003	0.014	-0.002	-0.013	0.000	0.001

Table 41: MNL Mean Marginal Effects for exits to different destination states for first PPP spell (females)

	Stay	UB	PPS	DSP	MAP	Exit IS
Age 15-24	0.002	0.000	0.003	0.000	0.000	-0.005
Age 35-44	0.001	0.000	-0.001	0.000	0.000	-0.001
Age 45-54	0.004	0.000	-0.001	0.000	0.001	-0.004
Age 55+	0.006	0.000	0.000	0.000	0.002	-0.008
Partner on IS	0.004	0.000	0.000	0.000	0.000	-0.004
ATSI	0.002	0.000	0.000	0.000	0.000	-0.002
ESC	-0.003	0.000	0.000	0.000	0.000	0.002
NESC	0.013	0.000	-0.001	0.000	0.000	-0.012
Government rent	0.006	0.000	0.000	0.000	0.000	-0.006
Home Owner	-0.002	0.000	-0.001	0.000	0.000	0.003
Free rent	0.003	0.000	-0.001	0.000	0.000	-0.002
Youngest child aged 3-5	-0.001	0.000	0.001	0.000	0.000	0.001
Youngest child aged 6-12	-0.001	0.000	0.000	0.000	0.000	0.001
Youngest child aged 13+	-0.010	0.003	0.000	0.000	0.001	0.005
Urban dummy	-0.002	0.000	0.000	0.000	0.000	0.002
Local UN rate	0.000	0.000	0.000	0.000	0.000	0.000
NSW	0.001	0.000	0.000	0.000	0.000	-0.002
SA	0.002	0.000	0.000	0.000	0.000	-0.003
WA	-0.001	0.000	0.000	0.000	0.000	0.001
TAS	0.005	0.000	0.000	0.000	0.000	-0.005
NT	0.005	0.000	0.000	0.000	0.000	-0.005
ACT	-0.006	0.000	0.000	0.000	0.000	0.006
Entry quarter2	0.001	0.000	0.000	0.000	0.000	-0.001
Entry quarter3	0.002	0.000	0.000	0.000	0.000	-0.002
Entry quarter4	0.001	0.000	0.000	0.000	0.000	-0.001
Entry financial year 1999	0.001	0.000	0.000	0.000	0.000	-0.002
Entry financial year 2000	0.000	0.000	0.000	0.000	0.000	-0.001
Entry financial year 2001	-0.002	0.000	0.000	0.000	0.000	0.002
Entry financial year 2002	0.000	0.000	0.000	0.000	0.000	0.000
Entry financial year 2003	0.008	0.000	0.000	0.000	0.000	-0.008

Table 42: MNL Mean Marginal Effects for exits to different destination states for first PPS spell (females)

	Stay	UB	PPP	Exit IS	DSP/MAP
Age 15-24	0.004	0.000	0.000	-0.004	0.000
Age 35-44	0.002	0.000	0.000	-0.002	0.000
Age 45-54	0.003	0.000	-0.001	-0.002	0.000
Age 55+	0.003	0.000	-0.001	-0.003	0.000
ATSI	0.000	0.000	0.000	0.000	0.000
ESC	-0.001	0.000	0.000	0.001	0.000
NESC	0.002	0.000	0.000	-0.002	0.000
Government rent	0.002	0.000	0.000	-0.002	0.000
Home Owner	-0.001	0.000	0.000	0.001	0.000
Free rent	-0.004	0.000	0.000	0.004	0.000
Youngest child aged 3-5	0.001	0.000	0.000	-0.001	0.000
Youngest child aged 6-12	0.000	0.000	0.000	0.000	0.000
Youngest child aged 13+	-0.009	0.002	0.000	0.007	0.000
Urban dummy	0.000	0.000	0.000	0.000	0.000
Local UN rate	0.000	0.000	0.000	0.000	0.000
NSW	0.000	0.000	0.000	0.000	0.000
SA	0.000	0.000	0.000	-0.001	0.000
WA	0.000	0.000	0.000	0.000	0.000
TAS	-0.002	0.000	0.000	0.002	0.000
NT	-0.004	0.000	0.000	0.004	0.000
ACT	-0.007	0.000	0.000	0.007	0.000
Entry quarter2	0.000	0.000	0.000	0.000	0.000
Entry quarter3	-0.001	0.000	0.000	0.001	0.000
Entry quarter4	0.000	0.000	0.000	0.001	0.000
Entry financial year 1999	0.001	0.000	0.000	-0.001	0.000
Entry financial year 2000	0.001	0.000	0.000	-0.001	0.000
Entry financial year 2001	0.001	0.000	0.000	0.000	0.000
Entry financial year 2002	0.002	0.000	0.000	-0.001	0.000
Entry financial year 2003	0.005	0.000	0.000	-0.005	0.000

Table 43: MNL Mean Marginal Effects for exits to different destination states for first UB and SKA spell (males)

	UB				SKA			
	Stay	DSP	Exit IS	Any transfer except DSP/Exit IS	Stay	UB	DSP	Exit IS
Age 15-24	-0.002	0.000	0.003	-0.001	-0.024	0.002	-0.001	0.023
Age 35-44	0.007	0.002	-0.009	0.000	0.017	0.000	0.004	-0.021
Age 45-54	0.014	0.004	-0.018	0.000	0.018	0.000	0.009	-0.026
Age 55+	0.022	0.008	-0.030	0.000	0.012	0.002	0.019	-0.033
Partner not on IS	-0.026	0.000	0.026	0.000	-0.027	0.001	-0.001	0.026
Partner on IS	0.007	0.000	-0.007	0.000	0.009	-0.001	0.001	-0.009
ATSI	0.012	0.000	-0.012	0.000	0.006	-0.001	0.000	-0.005
ESC	-0.004	0.000	0.004	0.000	-0.013	0.002	0.000	0.010
NESC	0.011	0.000	-0.011	0.000	0.012	-0.002	-0.001	-0.009
Government rent	0.009	0.002	-0.011	0.000	-0.002	-0.001	0.002	0.001
Home Owner	-0.009	0.000	0.008	0.000	-0.003	-0.004	0.002	0.005
Free rent	-0.003	0.000	0.003	0.000	0.004	-0.002	0.000	-0.002
Youngest child aged 0-2	-0.006	-0.001	0.005	0.001	-0.014	0.001	-0.001	0.015
Youngest child aged 3-5	-0.006	0.000	0.005	0.001	-0.020	0.000	-0.001	0.022
Youngest child aged 6-12	-0.006	0.000	0.004	0.001	-0.007	0.002	-0.001	0.005
Youngest child aged 13+	-0.007	0.000	0.006	0.001	-0.011	-0.001	0.000	0.012
Urban dummy	-0.003	0.000	0.004	0.000	0.005	-0.002	-0.001	-0.002
Local UN rate	0.001	0.000	-0.001	0.000	0.000	0.000	0.000	-0.001
NSW	0.001	0.000	-0.001	0.000	0.002	0.001	0.000	-0.002
SA	0.005	0.001	-0.006	0.000	0.000	-0.001	0.001	0.000
WA	0.000	0.000	0.000	0.000	-0.003	0.001	-0.001	0.003
TAS	0.009	0.000	-0.010	0.000	0.010	-0.006	0.000	-0.004
NT	0.010	-0.001	-0.009	0.000	-0.025	0.012	0.009	0.004
ACT	0.001	0.000	0.000	-0.001	0.018	-0.008	0.000	-0.009
Entry quarter2	0.002	0.000	-0.002	0.000	0.007	0.000	0.000	-0.007
Entry quarter3	0.002	0.000	-0.002	0.000	0.003	-0.001	0.000	-0.003
Entry quarter4	0.001	0.000	-0.001	0.000	0.005	0.000	0.001	-0.005
Entry financial year 1999	-0.001	0.000	0.001	0.000	0.009	-0.001	-0.002	-0.006
Entry financial year 2000	-0.001	0.000	0.001	0.000	-0.005	-0.001	-0.002	0.007
Entry financial year 2001	-0.001	0.000	0.001	0.000	-0.010	-0.001	-0.002	0.013
Entry financial year 2002	0.000	0.000	0.000	0.000	-0.016	0.001	-0.002	0.016
Entry financial year 2003	0.006	0.000	-0.007	0.000	0.002	-0.001	-0.002	0.000

Table 44: Duration estimates of first Off-IS spells of all new recipients exited IS since July 1998 onwards

	Male		Female	
	Haz. Ratio	Z-value	Haz. Ratio	Z-value
Fortnight 4	0.024	(124.48)***	0.022	(116.85)***
Fortnight 5-6	0.017	(141.53)***	0.015	(132.87)***
Fortnight 7-8	0.015	(142.61)***	0.012	(134.66)***
Fortnight 9-10	0.013	(142.11)***	0.010	(134.34)***
Fortnight 11-13	0.011	(152.06)***	0.009	(143.34)***
Fortnight 14-16	0.009	(151.46)***	0.008	(142.53)***
Fortnight 17-19	0.009	(149.79)***	0.007	(141.03)***
Fortnight 20-22	0.007	(147.34)***	0.007	(139.21)***
Fortnight 23-26	0.007	(154.48)***	0.006	(145.54)***
Fortnight 27-39	0.005	(187.30)***	0.005	(174.66)***
Fortnight 40-52	0.004	(182.64)***	0.004	(170.41)***
Fortnight 53-65	0.003	(172.03)***	0.003	(161.48)***
Fortnight 66-91	0.003	(183.82)***	0.003	(172.74)***
Fortnight 92-117	0.002	(148.70)***	0.002	(139.07)***
Fortnight 118+	0.002	(95.66)***	0.001	(88.69)***
Age 15 24 at exit	1.431	(24.72)***	1.595	(28.66)***
Age 35 44 at exit	1.007	(0.41)	1.002	(0.13)
Age 45 54 at exit	1.068	(3.21)***	1.073	(2.97)***
Age 55+ at exit	1.334	(10.66)***	1.519	(13.24)***
Partner not on IS	0.756	(11.45)***	0.852	(7.02)***
Partner on IS	0.892	(5.18)***	1.145	(6.05)***
ESC	1.039	(2.02)**	1.073	(3.43)***
NESC	1.120	(7.51)***	1.216	(11.99)***
ATSI	1.423	(15.88)***	1.377	(13.35)***
Home owner	0.824	(11.58)***	0.874	(7.91)***
Government rent	1.181	(3.96)***	1.179	(3.58)***
Free rent	0.936	(5.36)***	0.916	(6.55)***
Youngest child aged 0-2	1.009	(0.33)	1.231	(5.42)***
Youngest child aged 3-5	0.991	(0.27)	1.253	(5.30)***
Youngest child aged 6-12	0.933	(2.28)**	1.125	(2.97)***
Young child aged 13+	0.889	(2.80)***	0.966	(0.79)
Local unemployment rate	1.030	(11.38)***	1.032	(11.19)***
Urban dummy	0.912	(8.07)***	0.898	(8.77)***
NSW	1.022	(1.80)*	1.022	(1.68)*
SA	1.083	(3.98)***	1.017	(0.77)
WA	1.088	(5.05)***	1.082	(4.34)***
TAS	0.981	(0.60)	0.944	(1.63)
NT	1.418	(8.73)***	1.361	(6.74)***
ACT	1.028	(0.46)	0.851	(2.44)**
Duration of first IS spell: 3-6 months	1.175	(12.08)***	1.132	(8.46)***
Duration of first IS spell : 6-9 months	1.291	(15.26)***	1.235	(11.59)***
Duration of first IS spell: 9-12 months	1.414	(18.46)***	1.320	(13.63)***
Duration of first IS spell: 12-18 months	1.426	(16.54)***	1.372	(14.46)***
Duration of first IS spell :18-24 months	1.507	(13.55)***	1.398	(11.36)***
Duration of first IS spell : 2-3 years	1.528	(12.97)***	1.412	(11.41)***
Duration of first IS spell : 3 years+	1.659	(9.00)***	1.415	(7.28)***

Number of transfers	1.133	(3.87)***	1.159	(7.04)***
Started first IS spell on SKA	1.073	(0.96)	1.033	(0.37)
Started first IS spell on SPE	1.261	(1.93)*	1.102	(0.94)
Started first IS spell on PPP	0.788	(3.26)***	0.891	(2.71)***
Started first IS spell on PPS	0.856	(1.75)*	1.039	(0.87)
Started first IS spell on DSP	1.416	(3.81)***	1.214	(1.64)
Started first IS spell on MAP	0.688	(3.03)***	1.014	(0.20)
Exited first IS spell from SKA	0.763	(3.45)***	1.051	(0.53)
Exited first IS spell from SPE	1.178	(1.32)	1.506	(3.71)***
Exited first IS spell from PPP	1.127	(1.66)*	0.958	(0.84)
Exited first IS spell from PPS	1.265	(2.63)***	0.983	(0.32)
Exited first IS spell from DSP	1.014	(0.19)	1.353	(3.11)***
Exited first IS spell from MAP	1.229	(1.79)*	0.971	(0.43)

Notes: Absolute value of z statistics in parentheses, * significant at 10 percent; ** significant at 5 percent; *** significant at 1 percent

Table 45: Description of explanatory variables

Variable name	Description
Age group	
Age 15-24	15-24 years of age
Age (25-34)	25 - 34 years of age
Age 35-44	35 - 44 years of age
Age 45-54	45 - 54 years of age
Age 55+	55 + years of age
Partner status	
(Single)	Do not have a partner
Partner not on IS	Have a partner and that partner is not in receipt of IS
Partner on IS	Have a partner and that partner is in receipt of IS
Country of birth & Indigenous status	
(AUS)	Non-Indigenous Australian-born
ESC	Immigrant born in one of the main English speaking countries
NESC	Immigrant born in a non English speaking country
ASTSI	Aboriginal, Torres Straight Islander or South Sea Islander
Dependent children	
(No dep. children)	No dependent children
Youngest child aged 0-2	Youngest dependent child aged 0-2
Youngest child aged 3-5	Youngest dependent child aged 3-5
Youngest child aged 6-12	Youngest dependent child aged 6-12
Youngest child aged 13+	Youngest dependent child aged 13 or over
Urban dummy	Indicator that an individual lives in Sydney, Melbourne, Brisbane, Perth, Adelaide, Newcastle or Canberra
Local UN rate	ABS Labour force statistical region monthly unemployment rate
State or territory of residence	
NSW	New South Wales
(VIC)	Victoria
QLD	Queensland
SA	South Australia
WA	Western Australia
TAS	Tasmania
NT	Northern Territory
ACT	Australian Capital Territory
Housing circumstances	
(Renting privately)	Renter with private landlords
Government rent	Renter in public housing
'Free' rent	Do not own home and do not pay rent or board
Home owner	Home owner outright or with mortgage
Alternative classification	
(renting privately)	Renter with non-government landlord
Owner-outright	Own home outright
Home-purchasing	Purchasing home, i.e. paying off mortgage
Owner-other	Other owner
Public renting	Renter in public housing
Other non-owner	Other non-owner
Completed duration of first IS spell	
(Month0-3)	Duration $\leq$ 3 months
Month 3-6	3 months <Duration $\leq$6 months
Month 6-9	6 months <Duration $\leq$9 months

Variable name	Description
Month 9-12	9 months <Duration ≤12 months
Month 12-18	12 months <Duration ≤ 18 months
Month 18-24	18 months <Duration ≤ 24 months
Year 2	2 years <Duration ≤ 3 years
Year 3+	3 years <Duration
Quarter of first entering IS	
(Entry quarter1)	March quarter
Entry quarter2	Jun quarter
Entry quarter3	Sep quarter
Entry quarter4	Dec quartet
Year of first entering IS	
(Entry financial year 1998)	New recipients starting in the financial year 1998-99
Entry financial year 1999	New recipients starting in the financial year 1999-00
Entry financial year 2000	New recipients starting in the financial year 2000-01
Entry financial year 2001	New recipients starting in the financial year 2001-02
Entry financial year 2002	New recipients starting in the financial year 2002-03
Entry financial year 2003	New recipients starting in the financial year 2003-04

Notes: dummy variables in bracket () are the omitted categories for regressions unless it is stated otherwise