

## **Employment retention in the economic downturn**

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### **III Executive Summary**

#### **Background**

This report examines the relationship between employment conditions and the return to income support in Australia for a sample of former income support recipients over the period of 2006-2010. Although certain previous studies have found that particularly vulnerable groups of jobseekers find it difficult to retain employment and cycle between joblessness and precarious employment, another study by Buddelmeyer et al (2008) finds no evidence to suggest that low-paid and low-skill employment has similar scarring effects on future employment opportunities as unemployment does. To what extent this relationship holds during times of weakening employment demand is the subject of this report.

Using a variety of multivariate modelling approaches, we estimate the effects of individual's socio-economic characteristics, and measures of their job quality, once they leave income support on their probability of returning to income support within the first two years of the onset of the Global Financial Crisis in September 2008. The data used in the report come from two complementary data sources: firstly the Longitudinal Pathways Survey (LPS), a longitudinal survey of former income support recipients that provides a rich array of information on individual's socio-economic characteristics, and secondly, the administrative records on people's income support histories which provide detailed information on the amount of time, as well as the exact timing, that people spend off and on income support. A third independent data set is also analysed to cross validate our findings and provide further information about differences regarding subjective job attributes.

#### **Key findings**

- 1. What are the socio-economic characteristics and circumstances of individuals who were unable to retain employment (i.e. a return to income support) after the economic downturn?*

For those who were in employment and off income support at wave 5 of the LPS (May/June 2008), the report finds that:

- men are significantly more likely to return to income support than women.
- that men also face a higher probability of returning to income support at any time of their spell off income support compared to women.
- returners to income support typically have lower levels of education
- returners are more likely to be single and without children, and are less likely to have a working partner.
- individuals with more extensive income support histories are much more likely to return to income support compared to non-returners. In particular, returners have on average had 2.8 spells of income support in the past five years, non-returners 2.1. Similarly, returners have spent 49.1 per cent of their past five years on income support, compared to 42.3 per cent for non-returners. This translates into just over four months more on income support over a five year period compared to the non-returners.

2. *Which factors (personal or employment related) affect the likelihood of an 'unsuccessful' transition (i.e. a return to income support) to employment during a time of weakening employment demand?*

For those who were in employment and off income support at wave 5 of the LPS (May/June 2008), the report finds that:

- both men and women with a working partner are about 10 per cent less likely to return to income support within two years.
- differences by region or state of residence, age, ethnicity, children are not significant for men or women.
- having experienced major financial or personal life events does affect returning to income support significantly

- income support history, in terms of proportion of time spent on income support and number of spells of income support in the past five years, is one of the most robust and significant explanatory variables, for both men and women.

3. *Does the nature and type of employment at the time of job entry affect the likelihood of retaining employment (i.e. a return to income support)?*

The report shows

- that those employed in non-casual jobs are about 8.8 to 10 per cent less likely to return to income support than casual employees
- that workers with one or more years of tenure in their current job are between 5.7 and 13.0 per cent less likely to return compared to those with tenure of less than six months.
- some weak evidence that, for women, low pay is associated with a greater probability of returning to income support within 2 years
- that for men, there is no significant link between low pay and returning to income support.
- that having generally flexible working conditions is associated with a lower probability of returning to income support.
- some short-run negative industry effects for women, and some persistent industry effects for men which mainly occurred in government-financed sectors

4. *Are there differences between different groups of income support recipients?*

The descriptive statistics show that

- the following proportions of previous exiters of the different payment types return to income support within the first two years of the GFC: 38 per cent of NSA/YAO exiters; 28 per cent of DSP exiters; 19 per cent of



PPS exiters; 25 per cent of PPP exiters; and 27 per cent of exiters from all other payment types.

- the fortnightly empirical hazard of returning to income support is significantly higher for those who have exited of a NSA/YAO payment.
- exiters from Parenting Payments have the longest duration of spells off income support (about 13 months for non-censored spells). DSP exiters have the lowest average duration of non-censored spells (9.3 months), followed by NSA (10.1 months) and all other payment types (10.5 months).

5. *Are there differences/similarities across the different stages of the economic cycle?*

- men were about 30.8 per cent more likely to return to income support during the first year of the GFC, and about 32.4 per cent more likely to return within the first two years.
- the GFC raised the hazard of returning to income support for those in non-casual and casual employment compared to the pre-GFC hazard of returning.
- We do not find that men in low paid employment are more or less likely to return compared to those in high-paid employment, both pre- and post-GFC.
- for women, there is no evidence to suggest that women were significantly more likely to return during the first two years of the GFC or that women in casual jobs were more likely to return to income support during the GFC.
- the probability of returning to income support increased between the 3<sup>rd</sup> quarter of 2008, peaked in the 1<sup>st</sup> quarter of 2009, and returned to pre-crisis levels in the first quarter of 2010.

## **Policy implications**

Firstly, and importantly, macroeconomic conditions matter and governments, where possible, should avoid recession. Our findings confirm that it is those most vulnerable with the least prior attachment to the workforce that are at particular risk of job loss in an economic downturn. These are the people that are going to find it the hardest to enter employment again once the economy starts picking up again. The results also provide some indication that targeting certain industries may reduce the probability of returning to income support of those employed in these industries, or that targeting particular sectors (such as those with higher shares of casual workers) could help alleviate the negative effects of a downturn.

Secondly, education matters. Although the results found for education are somewhat ambiguous they do generally support the idea that education matters, so investments in education and training are generally seen as favourable investments.

Thirdly, our findings provide further evidence to inform the ‘jobs first’ debate. On the one hand we find evidence against adopting a ‘jobs first’ approach. We consistently find that casual work significantly increases the probability of returning to income support for our sample of former income support recipients. And in our analysis of the ERA data it is those least work ready that lost their jobs after the GFC. However it needs to be borne in mind that due to our data limitations we have not been able to determine whether a casual job is better or worse than remaining unemployed, or whether those that weren’t work ready but had some employment experience were any better off for this experience over the longer term. Future research will need to employ a nationally representative data set such as HILDA to analyse the complete transitions between employment states to address that issue.

On the other hand, when we examine other aspects of job quality, such as pay, it does not appear that those employed in lower quality jobs are any more or less likely to return to income support than those in higher quality jobs. Therefore in relation to these measures

there seems to be no evidence to suggest that a 'jobs first' approach, at least in Australia over this period of time, led to adverse circumstances for those affected on average.

However, our analysis does find that it is the most vulnerable workers that are most likely to be affected by an economic downturn. This implies that future policy needs to focus more on preventative measures that increase individuals' skills and abilities, as well as around 'acute' measures to assist individuals during the next downturn. Preventative measures could include increasing individuals' labour market attachments for instance by providing workers with additional training, or in-work support for the most vulnerable workers to help them to retain employment and eventually move into higher quality employment.

## **1. Introduction**

This report examines the relationship between employment conditions and the return to income support in Australia for a sample of former income support recipients over the period of 2006-2010. The literature to date has generally shown that repeat incidences of unemployment, or joblessness more generally, can lead to considerable poverty, social exclusion and distress. However, in Australia there is only limited evidence as to whether encouraging people to move from income support payments to ‘bad’ jobs, with poor remuneration, no leave entitlements, and little or no opportunity for advancement, puts people at more risk of repeat unemployment/joblessness in a time of weakening employment conditions and rising unemployment than if they had moved into ‘better’ jobs associated with higher pay and more generous entitlements.

The literature on the subject is relatively scarce. Certain studies have found that particularly vulnerable groups of jobseekers find it difficult to retain employment and cycle between joblessness and precarious employment (Dunlop 2002; Productivity Commission 2006; Richardson et al 2002; Perkins and Scutella 2008). However, Buddelmeyer et al (2008) find no evidence to suggest that low-paid and low-skill employment has similar scarring effects on future employment opportunities as unemployment does. This is in stark contrast to the findings of a similar UK study by Stewart (2007), who found that in the first half of the 1990s in post recession Britain that low-paid low-skilled employment did have similar scarring effects to spells of unemployment.

One explanation of the differences is that they were conducted over very different stages of the business cycle. The Buddelmeyer et al (2008) study was conducted in a period of strong and sustained economic growth, whereas the Stewart study was conducted in a period following quite a deep recession, with weak employment demand and high rates of unemployment. No comparable analysis in Australia has been conducted over a similar period of weakening labour demand and rising unemployment.

In this study we, at least partially, fill this gap. By combining information from a longitudinal survey of a sample of Australian income support recipients with administrative records on their payment histories, we conduct the first study, to our best knowledge, that examines the characteristics of those returning to the income support system during the global economic downturn which, at least in Australia, has popularly become known as the ‘Global Financial Crisis’ (Stiglitz, 2010). We exploit the duration nature of the combined data sources to determine whether persons exiting income support for ‘lower quality’ employment were any more or less likely to return to the income support system compared to individuals in ‘higher quality’ employment over the period of weakening employment demand and rising unemployment.

There are some limitations to our study which are driven by the lack of appropriate data and which influence the formulation of our research questions. Unfortunately, although we have some information on the socio-economic characteristics and employment conditions of those off income support during the sample period of the survey used in the analysis (2006-2008), we do not have this information past July 2008. We therefore do not have the required information to determine whether taking a low paid job makes you more or less likely to be on income support than remaining unemployed during the economic downturn (i.e. past September 2008). However, we can compare whether taking up a low paid job makes you more or less likely to return to income support compared to taking a higher paid job in the period leading up to the GFC and, crucially, during the first two years after the GFC, relative to an earlier economic boom period. So we can establish whether the dynamics between unemployment and low paid employment are different in a period of economic downturn in Australia, but we cannot examine whether low paid employment is better or worse than remaining unemployed. The former partially adds to the analysis of Buddelmeyer et al, but further analysis of a complete transitions level data set is required to determine the latter (which something like HILDA will provide in the coming years).

Based on these considerations, we are going to address the following research questions:

1. What are the socio-economic characteristics and circumstances of individuals who were unable to retain employment (i.e. a return to income support) after the economic downturn?
2. Which factors (personal or employment related) affect the likelihood of an ‘unsuccessful’ transition (i.e. a return to income support) to employment during a time of weakening employment demand?
3. Does the nature and type of employment at the time of job entry affect the likelihood of retaining employment (i.e. a return to income support)?
4. Are there differences between different groups of income support recipients?
5. Are there differences/similarities across the different stages of the economic cycle?

The rest of the report is structured as follows: first we explain the methodological approach taken in the analytical chapters. The third section describes the data sets and variables used for the analysis as well as some sample selection issues. The analysis can be separated into a section focusing on the analysis of transitions, subject of section four, and the duration analysis presented in part five. We conclude the report by summarizing the results and discussing the policy implications.

## 2. Methodology

### 2.1. Analysis of transitions

In the first analytical section of our report we will analyse the return to income support during the first two years of the GFC. This part is split into a bivariate (descriptive) analysis which will mostly discuss percentages and is thus quite straightforward. The second part of the section uses multivariate analysis further explained below.

Since our second research question seeks to identify the socio-economic characteristics of individuals that are associated with a return to income support after the economic downturn, we are interested in modelling the conditional probability (i.e. conditional on certain socio-economic characteristics) that an individual who is off income support returns to income support after the economic downturn. In modelling the conditional probability of the return to income support given the observed characteristics of the individual concerned, we need to specify the following equation:

$$P(y_i = 1 | x_i)$$

where the outcome is a binary variable which takes on the value of 1 if the individual returns to income support, and 0 otherwise. Estimation of this is relatively straightforward by either Probit or Logit which transform the characteristics  $x_i' \beta$  into a conditional probability:

$$P(y_i = 1 | x_i) = F(x_i' \beta)$$

where  $F(\cdot)$  is either the standard normal or the logistic distribution (Greene, 2003). Since the results of the marginal effects between the probit and logit models are very similar, we have decided to go with the probit.

Although the probit model is easily estimated, it comes at a cost. The main drawback of the probit model lies in its binary nature which ignores the length of time that individuals have spent off income support. Although we try to address this shortcoming in our analysis by splitting the outcome window into a 1 and 2 year window, we still lose a great amount of information about the time that people remain off income support. To overcome this drawback, we employ further methods from event-history analysis that

have been explicitly developed to avoid the shortcomings of ordinary least squares (OLS) and binary dependent variable models. These are discussed in the next section.

Unfortunately, we cannot simply control for the GFC as an additional explanatory variable using the probit model and given the data constraints. Neither can we run the model separately on a pre-GFC group and a GFC group and then compare the marginal effects between these groups. The reason for that is that the pre-GFC group is a sample of recent income support recipients with potentially very different characteristics to those who were in the sample just before the GFC. However, we can test the structural stability of the parameter estimates between a pre-GFC group and a GFC group using a standard likelihood ratio test. The intuition of the test is as follows: imagine we estimate a model for the pooled groups with separate slope coefficients for each group. We then test the Null hypothesis that the coefficients for one group are jointly equal to zero. If we reject the Null, they are significantly different from each other at the chosen level of significance.

However, it needs to be borne in mind that the approach is not ideal since those who were off income support at the beginning of the survey (i.e. two years before the GFC) were sample from a pool of income support recipients and thus might be different from those who were off income support just before the GFC, both in terms of characteristics and due to sample attrition. We try and control for the characteristics but it needs to be borne in mind that we are not really comparing like with like.

## *2.2. Cross validation: comparison of findings with a large scale survey of disadvantaged jobseekers*

We will also complement the analysis of the LPS and the Research and Evaluation Dataset (RED) with the findings of another independent large scale longitudinal survey of disadvantaged jobseekers that was undertaken during the economic downturn. This survey is being undertaken as part of the ARC study 'Job Retention and Advancement of Disadvantaged Jobseekers', of which the Brotherhood of St Laurence is an industry



partner. This project is based on a longitudinal survey of a group of disadvantaged jobseekers placed in employment in 2008, referred to as the ERA survey, who are tracked over time to identify their longer term employment outcomes.

In this report we will conduct descriptive analysis of the first two waves of the ERA survey. Further analysis of this survey will be undertaken as part of the ARC project and will follow later in 2011. The main advantage of including an analysis of the ERA survey is that it is more recent and applies to a period which includes the economic downturn, whereas the LPS survey concluded in June 2008. The first wave of the ERA survey was conducted in the second half of 2008, immediately prior to the global financial crisis and resulting downturn in economic activity. The second wave of the survey was conducted in the second half of 2009, immediately following the global financial crisis and resulting downturn in economic activity. Examining the employment transitions of this select sample of income support recipients allows us to cross validate the findings of our analysis of the LPS and RED and to provide a broader insight into the different circumstances of both groups able and not able to retain employment during the economic downturn.

### *2.3. Event history analysis*

In the second part of our analysis, we employ concepts and methods from what is commonly called ‘event history analysis’ in the social sciences or ‘survival analysis’ within the biomedical sciences. Essentially, event history analysis examines the time it takes for an event to occur which means that the distribution of time plays a central role in the analysis. In our study, this event is returning to income support and the duration of time is the time spent off income support.

We now define a few concepts used in the analysis. The first concept relates to the so-called survivor function. This term originates from the biomedical literature where survival literally denoted the survival of patients until time of death. The survivor function  $S(t)$  is a cumulative distribution function that specifies the probability of

surviving up to point  $t$ . Since the survivor function is a probability it lies between zero and one, takes the value of one in the beginning and zero towards infinity, and is strictly decreasing over time. The complement to the survivor function is the failure function which is defined as  $F(t) = 1 - S(t)$ . Since they are complementary probabilities and always add up to one, the failure function  $F(t)$  thus denotes the probability of not surviving until point  $t$ .

Another key concept used in this section is the hazard rate, which is also called the instantaneous risk. Readers interested in the mathematical definition of the discrete hazard rates may consult Jenkins (2005), but stated in intuitive terms, the discrete hazard rate  $h(t)$  at time  $t$  is defined as the conditional probability that the spell off income support ends at time  $t$  given that the individual has managed to stay off income support up to that point. An example of how the hazard and survival functions are estimated empirically may help clarify the concepts.

**Table 1: Illustrative example of hazard and survival functions**

Time $t$	Total spells	Failure	Censored	Survival function	Hazard rate
1	100	5	0	$(95/100)=0.95$	$5/100=0.05$
2	95	10	0	$(0.95)*(85/95)=0.85$	$10/95=0.105$
3	85	10	5	$(0.85)*(75/85)=0.75$	$10/85=0.117$
4	70	8	10	$(0.75)*(62/70)=0.66$	$8/70=0.114$
5	52	5	5	$(0.66)*(47/52)=0.59$	$5/52=0.096$
6	..	..	..	..	..

Let us assume that 100 individuals leave income support at time  $t=0$ . At time  $t=1$ , 5 people go back on income support. This means that the hazard at time  $t=1$  is  $5/100$ , i.e. 5 per cent. Now supposed another 10 individuals return to income support at time  $t=2$ . The hazard at time  $t+2$  then becomes  $10/95$ , i.e. about 10.5 per cent. The same formula is applied to all subsequent periods. Another thing to note is that the hazard rate also takes into account the issue of right-censoring of data by subtracting censored spells at  $t$  from the number of total spells at  $t+1$ . Recall that we do not observe the outcome of a spell that is right-censored. This means that at the point in time at which we evaluate the hazard, these spells are still ‘at risk’ of ending, but that they cease to be part of the risk

set after that. Note that the unit of time is left unspecified, so we may choose to analyse time in terms of days, weeks, fortnights or even years. Given that the hazard become very small if we use days as our time unit, and given that payments are delivered in fortnights, we are going to use fortnights as our unit of analysis for this section. This means that when we refer to the hazard in the rest of this report, we refer to the hazard of returning to income support at a given fortnight.<sup>1</sup>

One last thing to note here is that we might think that individual characteristics, such as age or levels of education, might influence that probability as well. We will incorporate such covariates in the econometric section. In the descriptive section, we focus on the hazard rates without controlling for any covariates at this stage, also known as the empirical hazard.

#### *2.4. The Cox-Proportional Hazards model*

In the second part of our section on duration analysis we examine how the hazard of returning to income support is associated with the socio-economic characteristics of individuals in our sample. In particular, we draw our attention to examining whether individuals in certain ‘lower quality’ jobs were more likely to return to income support than those in ‘higher quality’ jobs.

To estimate the hazard of returning to income support, we employ the Cox proportional hazards model (Cox, 1972) which is one of the most widely used models in event history analysis. Compared to other fully parametric models, one of the main advantages of the Cox proportional hazards model is that it makes no distributional assumptions about the baseline hazard function which allows a great deal of flexibility by not having to make potentially wrong assumptions about the shape of the baseline hazard. The model can therefore be considered a semi-parametric model as the explanatory variables enter in

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<sup>1</sup> Note that the simple example in this section assumes one spell per individual and thus does not account for *multiple* spells per individual. Multiple failure per individual will affect the number of spells that are contained in the risk set at any point  $t$  and is something we take into account in our analysis.

linear form, but the function of the baseline hazard remains unspecified. Specifically, the Cox model uses a proportional hazards model of the form:

$$h_i(t, X_i) = h_0(t) \exp(\beta' X_i) \quad (1)$$

where  $h_0(t)$  is the baseline hazard,  $X_i$  is a vector of individual characteristics and  $\beta$  is a vector of regression coefficients to be estimated including an intercept term. The model is estimated using the method of partial likelihood which is described in detail in Cameron and Trivedi (2005, p. 595). The intuition underlying the model is that the baseline hazard is constant across individuals and that the covariates can be interpreted as scaling factors of the baseline hazard. In the case of a binary variable, such as membership of a particular group (which could be treatment versus control group), the hazard ratio is the predicted hazard of one group relative to the predicted hazard for the other group, other things being equal. The same intuition holds for a unit-change in continuous variables.

In our modelling we control for the characteristics of the individual at the start of the spell off income support. Although we do observe some time varying characteristics for spells coinciding with at least 2 waves of the Longitudinal Pathways Survey, we would have to make restrictive assumptions on the nature of characteristics in the intervening periods. Given this and that our focus is on examining the type of employment that income support recipients immediately enter into when exiting income support, our approach assumes that characteristics do not vary over time.

In order to capture the effects of the economic downturn on the return to income support, we introduce two time-varying covariates. For this purpose, we generate an indicator variable that captures the first year of the GFC, and another one that capture the two years following the onset of the GFC. For the rest of this report, we define the start of the GFC as the 30<sup>th</sup> of September 2008 for two reasons: one, it is set two weeks after Lehman

Brothers filed for bankruptcy and, secondly, coincides with the time when the Reserve Bank of Australia started to lower official interest rates.<sup>2</sup>

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<sup>2</sup> We also estimated a model using quarterly time dummies to capture the effect of the GFC. The results are presented in the appendix.

### 3. Data and variable definitions

As briefly alluded to in the introduction, ideally we would like to conduct the analysis using a nationally representative household survey such as HILDA, but due to the lags involved in conducting these large-scale surveys we do not yet have the relevant data to examine the employment transitions of the broader population through the global economic downturn. However, we are fortunate to have access to two complementary datasets that provide a rich set of information for our descriptive and econometric analyses: the Research and Evaluation Dataset (RED) and the Longitudinal Pathways Survey (LPS).

#### 3.1. RED

To construct an individual's income support history, we use the information from the RED which contains every spell of income support, including the start and end date, of individuals who have been on income support from the late 1990s to the 1<sup>st</sup> of July 2010 (the cut-off date for our RED data set). Using the RED therefore allows us to construct the entire income support history for each individual, covering every spell off and on income support, from the time they become eligible for income support up to the cut-off date that right-censors the income support spells. This was done using the benefit history file and means that we capture a lot of short spells off income support, the shortest being a day in duration, which may not be desirable from an analytical standpoint. We therefore construct a second benefit history for our analysis, which uses the standard 6/13 week break rule and therefore merges income support spells if the break between episodes is either 6 or 13 weeks<sup>3</sup>. Being able to measure the length of each spell accurately by the day is a great advantage over survey data which often collects the information about the duration of time retrospectively and thus creates a potential margin for recall error. However, a key limitation of this administrative data is that we do not observe people's characteristics once they have left the income support system, which is exactly the group that we are most interested in. This is where the LPS complements the RED.

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<sup>3</sup> The 6 weeks break rule applies for income support spells that are shorter than 46 weeks; 13 weeks apply for episodes on income support greater than 46 weeks.

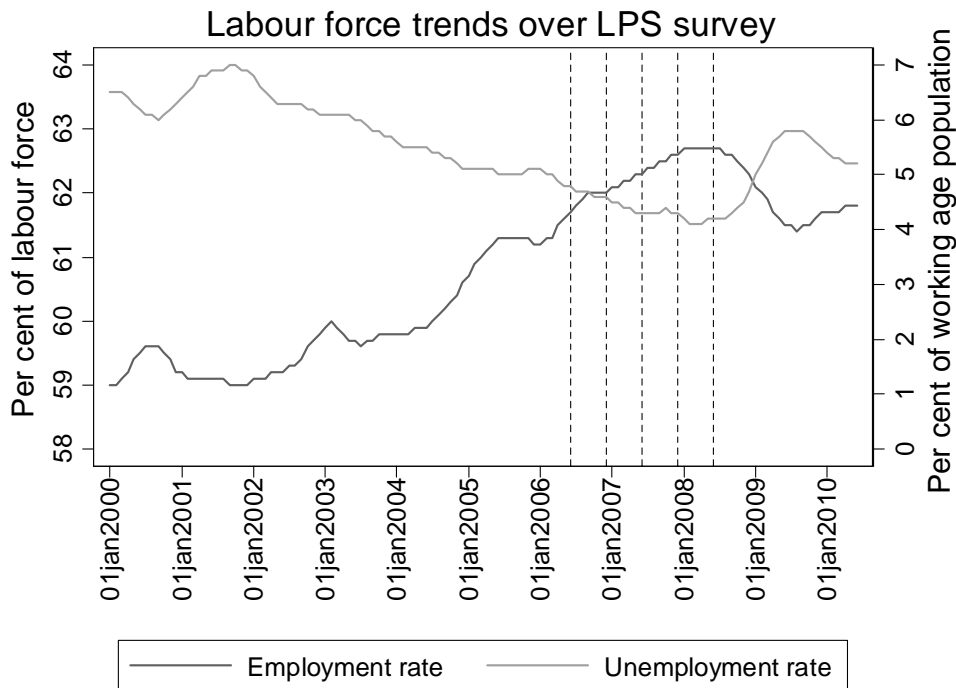
### *3.2. The Longitudinal Pathways Survey*

Fortunately, we are able to compensate the lack of information on the socio-economic characteristics of income support recipients in the RED by combining the administrative data with the richer information on the characteristics of people surveyed in the LPS. The LPS was developed to evaluate the Welfare to Work reforms and collects information on individuals who have been on income support during the sample reference periods. It is designed to supplement the administrative records and, in general, provides us with a whole array of information, which is especially valuable if they move off income support.

Of particular relevance for the current study, the survey provides a fairly comprehensive range of questions concerning the respondents' socio-economic background, employment outcomes, barriers and pathways to participation in education and employment, general attitudes as well as well-being and health. The population of interest can be separated into three distinct cohorts of income recipients who were sampled from the pre-reform cohort, the transitional cohort, as well as the post-reform cohort. The survey was carried out for a maximum of five waves between May and June 2006 and May/June 2008 and interviews were held approximately every six months. Respondents from the Cohort 1 sample were followed for up to 5 waves beginning in May/June 2006 and the interviews and the other cohorts were interviewed for the first time six and 12 months later. In particular, Cohort 2 began six months and Cohort 3 began one year after Cohort 1 and were consequentially followed for up to four and three waves, respectively. Since the Welfare to Work reforms targeted four groups in particular, those being people with disabilities, principal carers, the very long-term unemployed, and mature age income support recipients, these groups were oversampled. Cai, Kuehnle and Tseng (2010) pointed out that individuals can fit the definition of more than one cohort, and that the LPS contains duplicate observations for those individuals who were sampled in both Cohort 1 and Cohort 3. Since we pool Cohorts 1 and 3 for most analyses, these duplicates will be dropped from the analysis.

To contextualise the timing of the LPS with the aggregate economic conditions, Figure 1 illustrates at which stages of the economic cycle the LPS was undertaken:

**Figure 1: Labour force trends over LPS survey**



Source: ABS, Labour Force Australia, 6202.0

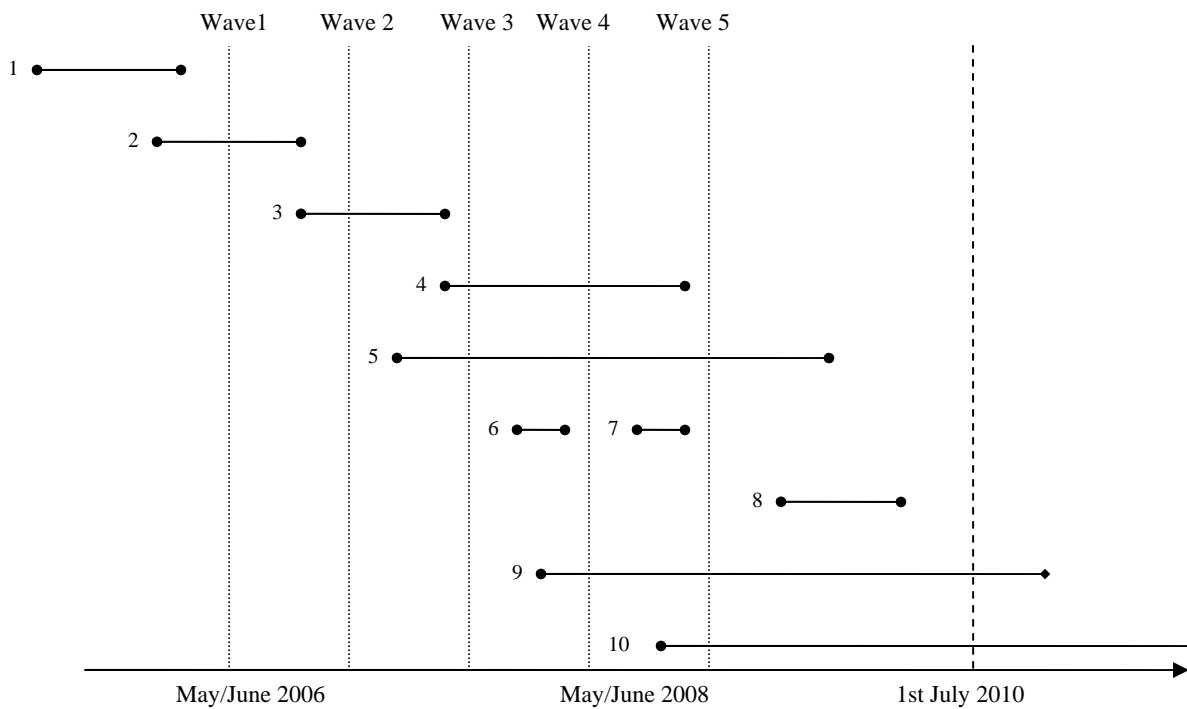
Figure 1 plots the unemployment and employment rates from January 2000 up until June 2010. Five dashed vertical lines have been inserted to represent each wave of the LPS. The graph clearly highlights the fall in unemployment rates from about 7 per cent in October 2001 to 4.1 per cent in April 2008. The aggregate impact the GFC has had on employment and unemployment rates in Australia can be readily seen by the increase in the unemployment rate after wave five of the LPS, and the simultaneous decrease in employment rates. Unemployment rates peaked in mid-2009 at 5.8 per cent but were still below the peak level of late 2001. Since mid 2009, unemployment rates dropped down to 5.2 per cent in June 2010 and at which time employment rates were just below 62 per cent. The graph also illustrates that the maximum time window for our analysis extends from May 2006, i.e. the first interview wave, to the 1<sup>st</sup> of July 2010.



### 3.3. Sample selection issues

Figure 2 represents a stylized diagram of spells that we include in the duration analysis and spells that we do not include. The x-axis represents time and we have included vertical lines for each wave of the LPS survey as well as a vertical line for the 1<sup>st</sup> July 2010 as this represents the last start data for which we observe people entering income support. Each horizontal line corresponds to a spell off income support. Using this diagram, we can easily illustrate the sample selection issues involved in the duration analysis.

**Figure 2: Sample selection for duration analysis**



Firstly, we need to exclude all left-censored spells from our sample as these might impose a sample selection bias that is not easily dealt with (Lancaster, 1990). For this reasons we drop all spells that began or ended prior to the respondent's first LPS interview date, such as spells number one and two for someone sampled in Cohort 1. For someone from Cohort 3, the left-censoring therefore implies that spells 1 to 3 in the diagram would be dropped since their first interview would have taken place at wave 3.

Once we have dropped the left-censored spells, we can analyse the duration of the remaining spells off income support with great precision, as we have information on the dates that each individual is on income support. However, we only observe the full range of characteristics for a) those that participate in the LPS survey, and b) at the six monthly intervals that the LPS was conducted. Note that we do not observe the characteristics of those that have a short spell off income support in between waves of the LPS such as spells 6-8 in the diagram. To maximise the number of spells available, we include these spells in the parts of our descriptive analysis where we do not condition on any covariates, but are forced to drop the spells we cannot match with characteristics from the LPS survey in the econometric analysis. Spells 4 and 5 exemplify the spells that started during the LPS survey period and which ended before the right-censoring date. For these spells, we can easily calculate the duration of time off income support, match it with the LPS characteristics of the next LPS wave, and know that the individual re-enters income support at the end of the spell. Finally, the issue of right-censoring is illustrated using spells 9 and 10. Although we can match those spells with LPS characteristics for a given wave, we are unable to observe the outcome of that particular spell. This is what we mean by right-censored data. All we know is that these individuals are at risk of re-entering income support at the time of the cut-off date, but we cannot say whether they do return (as in the case for spell 9), or whether they stay off indefinitely (such as spell 10). Right-censoring may be an issue as it can seriously bias estimates if the factors that determine the survival times are correlated with the determinants of the right-censoring date (Jenkins, 2005). Fortunately this is not a concern for our data as the cut-off date for the RED is randomly predetermined, i.e. non-informative, and therefore not correlated with the transition process of the individuals.

### *3.4. The ERA survey*

The ARC Linkage project 'Job retention and advancement of disadvantaged jobseekers' began in 2007 and is jointly conducted by the Melbourne Institute of Applied Economic and Social Research and the Brotherhood of St Laurence. Part of the project involves tracking the employment experiences of people who have moved off benefits into work

after participating in a Department of Employment and Workplace Relations funded employment assistance program. Participants were recruited from amongst the clients of three partner organisations on the project – Mission Australia, Job Futures and CRS Australia. Questionnaires were developed and mailed out to 8,302 clients in June-November 2008. 1250 surveys were returned; amounting to an initial response rate of 15 per cent.<sup>4</sup>

Follow-up questionnaires were then sent to all of these initial respondents at yearly intervals in 2009 and 2010, with a final follow up to be conducted in the second half of 2011. At the completion of the study, we will therefore have 4 waves of data at yearly intervals. In 2009, 700 of the initial sample responded to the follow up questionnaire. As of writing the dataset from the 2010 follow up survey is not yet ready for analysis. Therefore the analysis for this report focuses on the first two waves of the survey.

The ERA survey questionnaire each year covered a range of topics including the health of participants; their education; parents' work history; attitudes to work and advancement; information on their current job; their satisfaction with their employment assistance case manager; their work history; income; and personal details.

### *3.5. Explanatory variables*

We include an extensive array of controls typical of the analysis of employment transitions. We thus include controls for:<sup>5</sup>

- Age
  - Aged under 25 years
  - Aged 25-35 years (reference category)
  - Aged 35-50 years
  - Aged 50-60 years
- Country of birth and ATSI status
  - Non-ATSI Australian born (reference category)
  - ATSI

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<sup>4</sup> At this point data is not available for all those that received the survey to assess the representativeness of the sample.

<sup>5</sup> See appendix for more detailed information on variable definitions.

- ESB ( foreign born; born in a major English speaking country)
- NESB (foreign born; born in a non-English speaking country)
- Partner status
  - Single (reference category)
  - Partner working
  - Partner not working
- Highest level of education
  - Year 10 or less (reference category)
  - Year 12
  - Apprenticeship/TAFE/any trade qualification
  - Any university degree
- Major life events
  - Major financial or economic changes
  - Major personal life events
- Number of dependent children (reference category: none)
- State of residence
  - New South Wales (reference category)
  - Queensland
  - South Australia
  - Western Australia
  - Tasmania
  - Northern Territory
  - Australian Capital Territory
- Remoteness of residence
  - Major city (reference category)
  - Inner regional
  - All out regional

- Health status
  - No health condition (reference category)
  - Single health condition
  - Multiple health conditions
- Income support history in the 5 years prior to the start of the spell off Income Support
  - Number of spells
    - Number of income spells – 1 (reference category)
    - Number of income spells – 2
    - Number of income spells – 3 to 4
    - Number of income spells – 5 or more
  - Proportion of time on income support (0-100%)
  - Previous benefit type
    - NSA/YAO (excludes those who had a permanent limited capacity to work)
    - DSP (includes those on NSA/YAO with a permanent limited capacity to work to increase the sample size)
    - PPS
    - PPP
    - Other
- Employment characteristics
  - Pay
    - Low pay
    - High pay (reference category)
  - Tenure
    - Less than 6 months
    - 6-12 months
    - 1-2 years
    - 2-5 years
    - 5+ years
  - Leave granted

- Any paid leave
    - Flexible working conditions in main current job (dummy)
  - Industry of main job (ref. category: retail trade)
    - Agriculture, Forestry & Fishing
    - Mining
    - Manufacturing
    - Construction
    - Wholesale Trade
    - Accommodation & Food Services
    - Transport, Postal & Warehousing
    - Information Media & Telecommunications
    - Financial & Insurance Services
    - Rental, Hiring & Real Estate Services
    - Professional, Scientific & Technical Services
    - Administrative & Support Services
    - Public Administration & Safety
    - Education & Training
    - Health Care & Social Assistance
    - Arts & Recreation Services
    - All others

In this report, we are going to use two different definitions of low paid employment which have commonly been used in the literature. The first definition takes a distributional approach and defines someone to be in low paid employment if the wage is below a certain threshold. Since the 2/3 of the median wage definition has been commonly used in the literature, we stick to that convention and use the HILDA survey to obtain the figures for the relevant years. Secondly, we take a similar approach as McGuinness et al. (2007) and define a worker to be in low paid employment if the wage received by the employee is less than 120% of the Federal Minimum Wage. Compared to the first definition, this definition will capture more casual workers (who represent a fairly high share in the Australian labour market relative to other OECD countries) since

they receive ‘casual loadings’ to compensate for lack of work-related benefits. Table 20 lists the different thresholds and how they change over time.

## 4. Findings of analysis of transitions

### 4.1. What are the characteristics of those who return to income support? A bivariate analysis

For this part of the analysis, we focus on the working age population and therefore restrict our sample to those aged 16-60 at wave 5 of the LPS. We also drop those individuals who only ever receive student income support payments<sup>6</sup>.

We start off by getting a sense of the proportion of people who return to income support between wave 5 of the LPS and the 1<sup>st</sup> July 2010. Firstly, we see that the majority of those who were off benefits at wave 5 stayed off for the next two years (about 68 per cent). However, about 21 per cent of individuals who were off benefits at wave 5 returned to income support within a year. Within two years, about 32 per cent returned (see Table 21). In terms of timing, this implies that the majority of those who did return to income support did so within a year (65.4 per cent). The other 34.6 per cent returned within the first and second year. Table 2 shows what payment types these individuals returned to.

**Table 2: Payment types returned to (%), by time of return to income support**

	1 year				2 years		
	Women	Men	Total		Women	Men	Total
ABY	0.47	0.00	0.25	ABY	0.45	0.17	0.32
AGE	0.47	0.00	0.25	AGE	0.45	0.00	0.24
AUS	2.57	2.08	2.34	AUS	2.40	2.60	2.49
BVA	0.23	0.00	0.12	BVA	0.30	0.00	0.16
CAR	1.17	1.04	1.11	CAR	2.40	1.04	1.77
DSP	5.84	10.39	8.00	DSP	5.55	9.90	7.56
ECP	0.23	0.00	0.12	ECP	0.15	0.17	0.16
NSA	57.94	75.32	66.17	NSA	55.17	76.56	65.08
PPP	11.21	0.52	6.15	PPP	10.34	0.87	5.95
PPS	13.55	0.52	7.38	PPS	16.34	0.35	8.93
SKA	2.80	3.38	3.08	SKA	3.45	3.65	3.54
WDA	1.17	0.00	0.62	WDA	0.90	0.00	0.48
YAA	0.00	0.26	0.12	YAA	0.00	0.17	0.08
YAO	1.40	4.94	3.08	YAO	1.20	3.47	2.25
YAS	0.93	1.56	1.23	YAS	0.90	1.04	0.97
Total	100	100	100		100	100	100

<sup>6</sup> These include: Austudy, Abstudy, Youth Allowance Apprentice and Youth Allowance Study.



Table 2 shows that about 87% of all recipients that come back on income support fall into four payment categories: Newstart Allowance, Parenting Payments (Single and Partnered) and Disability Support Pension. These numbers are very similar for the 1 and 2 year periods since the results for those who returned within two years is a weighted average of those who returned within one year and those who returned within one to two years. The table reveals some gendered differences. The vast majority of men move into NSA/YAO (80.3%) or DSP (10.3%), where as about 56.4% of women move into NSA/YAO, another 26.6% into Parenting Payments, and 5.6% return to a DSP. Comparing these payment types that people come back on with the last payment they previously exited from, the data reveal a close correlation between these. About 70.8% of those who returned within 1 year started receiving the payment type they had previously exited, and about 66.9% of those who returned within 2 years (results not shown in the table, available upon request).

Having seen when individuals return and what payment types they come back on, we can start analysing the characteristics of these individuals. Table 3 presents the descriptive statistics on a comprehensive number of socio-economic characteristics to address our first research question. Since we are interested in the characteristics of those who returned to income support, it is equally important to analyse the difference between those who returned and those who did not return to income support. For this reason, Table 3 reports the results for these two groups separately. In addition, we utilise the data on time of return to income support and report results separately for those returned within 1 and 2 years. Since the results are quite similar between the two time periods, we focus our discussion on the results on the return to income support within one year.

**Table 3: Descriptive statistics for those not on benefits at Wave 5**

	1 year			2 years		
	Non-returners	Returners		Non-returners	Returners	
<b>Socio-economic characteristics</b>						
Age	39.9	39.2		40.0	39.2	**
Female	61.9%	52.6%	***	63.0%	53.7%	***
<b>Ethnicity</b>						
Australian non-indigenous	75.9%	76.4%		76.0%	76.1%	
English-speaking	10.1%	7.9%	*	10.1%	8.8%	
Non English-speaking	11.6%	11.9%		11.7%	11.7%	
Aboriginal/Torres Strait Islander	2.3%	3.8%	**	2.3%	3.4%	*
<b>Highest level of formal education</b>						
Year 10 or less	30.1%	37.2%	***	29.5%	36.0%	***
Year 12	17.3%	18.1%		17.1%	18.3%	
Trade/Apprenticeship/TAFE	29.2%	26.3%		29.5%	26.6%	*
All degrees	23.4%	18.5%	***	23.9%	19.1%	***
<b>Household characteristics</b>						
Single	41.7%	56.0%	***	40.5%	53.7%	***
Partner - working	46.4%	31.9%	***	48.1%	33.1%	***
Partner - not working	11.8%	12.1%		11.3%	13.1%	
Number of children	1.3	1.0	***	1.3	1.0	***
No children	40.8%	54.2%	***	39.3%	52.8%	***
1 child	17.9%	14.9%	**	18.5%	14.7%	***
2 children	24.1%	17.7%	***	24.8%	18.5%	***
3+ children	17.2%	13.2%	***	17.4%	14.0%	***
Age youngest child	7.4	7.0		7.7	6.6	***
<b>Payment history – past 5 years</b>						
Number of IS spells	2.1	2.8	***	2.0	2.7	***
Number of spells - 2	29.8%	26.6%	*	29.9%	27.4%	
Number of spells - 3-4	23.0%	32.3%	***	21.8%	31.7%	***
Number of spells - 5+	5.7%	15.4%	***	4.8%	14.0%	***
% of time on income support	42.3%	49.1%	***	41.7%	48.0%	***
Proportion of time on benefits - 0	0.0%	0.4%	**	0.0%	0.2%	*
Proportion of time on benefits - 1-20	27.8%	18.3%	***	28.6%	19.7%	***
Proportion of time on benefits - 20-40	17.4%	19.3%		17.7%	18.0%	
Proportion of time on benefits - 40-60	25.0%	21.9%	*	24.6%	23.8%	
Proportion of time on benefits - 60-80	23.7%	27.3%	**	23.5%	26.6%	**
Proportion of time on benefits - 80-100	6.1%	12.8%	***	5.6%	11.6%	***
<b>Previous benefit type</b>						
Last benefit type - NSA/YAO	52.7%	67.9%	***	50.9%	66.6%	***
Last benefit type - DSP	7.4%	7.3%		7.8%	6.5%	
Last benefit type - PPS	16.3%	8.0%	***	17.2%	8.8%	***
Last benefit type - PPP	19.5%	13.5%	***	20.1%	14.5%	***
Last benefit type - Other	4.1%	3.0%		4.1%	3.3%	
<b>Health status</b>						
No health condition	71.8%	65.3%	***	72.2%	66.7%	***
Single health condition	18.6%	22.2%	**	18.8%	20.5%	

	1 year			2 years		
	Non-returners	Returners		Non-returners	Returners	
Multiple health condition	9.6%	12.6%	**	9.0%	12.8%	***
<b>In paid employment<sup>7</sup></b>	84.1%	73.9%	***	84.4%	76.7%	***
<b>Job characteristics (of those employed)</b>						
Wage main job	21.0	19.7	***	21.2	19.9	***
Full time	58.6%	62.5%	*	58.0%	62.2%	**
Got job through Jobnet	8.1%	13.0%	***	7.3%	12.9%	***
Tenure - <6 months	17.9%	31.6%	***	16.8%	29.2%	***
Tenure - 6-12 months	17.9%	24.0%	***	17.3%	23.3%	***
Tenure - 1-2 years	47.7%	36.8%	***	48.9%	37.8%	***
Tenure - 2-4 years	8.0%	4.2%	***	8.2%	5.0%	***
Tenure - 5+ years	8.2%	3.2%	***	8.5%	4.4%	***
Job - any paid leave granted	63.14%	47.01%	***	64.23%	50.23%	***
Job - paid leave	59.74%	43.74%	***	60.94%	46.63%	***
Job - paid sick leave	61.57%	45.19%	***	62.71%	48.37%	***
Job - paid carer leave	30.46%	17.79%	***	31.26%	20.47%	***
Job - paid maternity leave	18.79%	9.26%	***	19.63%	10.70%	***
Job - paid other leave	11.50%	7.26%	***	11.78%	8.14%	***
Flexible working conditions in job	3.9	3.7	***	3.9	3.8	***
Flexibility - start hours	45.7%	35.9%	***	46.6%	37.3%	***
Flexibility - work	80.6%	72.3%	***	80.6%	75.4%	***
Flexibility - days worked	42.0%	35.3%	***	41.6%	38.6%	
Flexibility - can swap shifts	63.9%	54.8%	***	64.5%	56.8%	***
N	3132	813		2702	1243	

Notes: \*\*\* indicate significant at 1% level, \*\* significant at 5% level, \* significant at 10% level.

It is important to interpret the numbers in Table 3 correctly as it presents within-column percentages. For example, of those who returned to income support within 1 year, 52.6 per cent were women and 47.4 per cent were men. Conversely, of those who did not return to income support within the first year after the GFC, 61.9 per cent were women and 38.1 per cent men. This suggests that, at least on a descriptive level, relatively more men returned to income support than women within the first year, not controlling for other covariates. In terms of education, there are significant differences between the returners and non-returners at the top and bottom end of the distribution. About 37.2 per cent of returners achieved Year 10 or less as highest level of qualification, compared to 30.1 per cent of non-returners. Similarly, 23.4 of non-returners have some form of a university degree compared to 18.5 per cent of returners. Comparing returners and non-

<sup>7</sup> Note that in this table we provide descriptive statistics for those employed and unemployed at Wave 5. For the estimations in the next section, we will restrict the sample to those employed and not on benefits at Wave 5.

returners regarding household characteristics, returners are more likely to be single (56.0 compared to 41.7 per cent), less likely to have a working partner (31.9 versus 46.4 per cent) and more likely to have no children (54.2 compared to 40.8 per cent).

Moving on from the socio-economic characteristics to the payment histories, we start to see some very important differences between the returners and non-returners. Looking at their payment history covering the past five years, the returners on average had 2.8 spells compared to 2.1 spells for the non-returners. Once we analyse the distribution of the number of spells, it emerges that the proportion of returners who had five or more spells is three times as large as the proportion of non-returners (15.4 compared to 5.7 per cent). Accounting for the fact that these may have been shorter spells so that in effect the two groups may have spent the same amount of time on income support, we use their payment history to analyse the actual proportion of time spent on income support. Returners on average spent about 49.1 per cent of the past five years on income support, compared to 42.3 per cent of non-returners. Converting the difference of 6.8 percentage points into months spent on income support, the returners have on average spent just over four months more on income support over the past five years compared to the non-returners. Whilst the differences are relatively small in the middle of the distribution, about 12.8 per cent of all returners spent 80-100 per cent of the past five years on income support, compared to 6.1 per cent of non-returners. Significant differences also exist in terms of the last payment type the two groups exited from. There is a significantly smaller proportion of former recipients of Parenting Payments amongst the returners, and a significantly larger share of Newstart Allowance/YAO recipients compared to the non-returners.

In terms of the work characteristics, apart from the proportion working full-time, all variables are significantly different at the one per cent level between the returners and non-returners, suggesting that there might be some structural differences regarding employment arrangements and job quality between these two groups. For those working

at wave five<sup>8</sup>, the descriptive statistics show that, on average, the returners had less-well paid jobs, fewer entitlements, less tenure in their job, and less flexible working conditions compared to the non-returners. Specifically, the table shows that the average wage from the main job of the returners was \$19.7 compared to \$21.0 for the non-returners. Since tenure is not available as a continuous variable, we are forced to compare tenure within these aggregate groups. A much larger proportion of the returners' tenure was less than a year (55.6 per cent) compared to 35.8 per cent of the non-returners. The share of non-returners whose job tenure was two years or more was 16.2 per cent, compared to 7.4 per cent for the returners. Interpreting these numbers, it appears that the non-returners seem to have had a stronger labour market attachment, in terms of job tenure, compared to the returners. At the same time, the jobs that non-returners held on average had higher leave entitlements in terms of paid sick leave, maternity leave, carer leave, or other forms of paid leave. If we accept the Australian Bureau of Statistics' (ABS) definition of casual work<sup>9</sup>, these may be interpreted as a proxy for non-casual employment. In other words, a higher share of returners were employed in casual jobs than the non-returners. Finally, the rest of the table shows that non-returners had higher levels of work flexibility regarding working days and starting hours, the ability to swap shifts, and the number of days worked.

Table 4 reports the descriptive statistics for the same variables by previous benefit type for those who return within 1 year after wave five<sup>10</sup>. One thing to notice upfront is the small sample size for certain groups, especially for DSP and PPS<sup>11</sup>, which results in increased standard errors of the summary statistics. For these statistical reasons, we may expect to see fewer significant differences between the returners and the non-returners for these groups. There is an especially high degree of concordance between the NSA and

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8 73.9 per cent of returners were working at the time of wave five compared to 84.1 per cent of the non-returners. Whilst not shown in the table, this is almost entirely driven by the females in our sample as about 90 per cent of all men who were not receiving income support at wave five were in paid employment.

<http://www.abs.gov.au/ausstats/abs@.nsf/Lookup/by%20Subject/1370.0~2010~Chapter~Casual%20employees%20%284.3.5.4%29> accessed on 29<sup>th</sup> November 2010

<sup>10</sup> The results for 24 months are presented in the appendix.

<sup>11</sup> We omitted the category 'other' income support payments from the table as the sample size is too small for any meaningful analysis (n=27).

the aggregate figures, due to the fact that those exiting from NSA constitute the largest group of income support recipients in the sample.

Generally speaking, the descriptive statistics tell the same story as the aggregate figures in Table 3. Compared to the non-returners, the returners across these four groups generally had lower levels of education, were more likely to be single and less likely to have a working partner. Despite some small sample sizes, differences in the number of spells on income support are significantly different in all subgroups, and point to the fairly robust finding that returners have on average had more spells of income support and spent more time on income support in the past five years than the non-returners. Returners are more likely to have either one or more chronic health conditions compared to non-returners, even within the DSP category. In terms of job characteristics, most results are only statistically different for the NSA group, but in most cases, returners had lower tenure, less paid leave, and less flexibility compared to the non-returners.

In conclusion, the descriptive statistics have revealed potentially important differences between these two groups. In the next section we will extend our analysis by accounting for the socio-economic characteristics within a multivariate framework.

**Table 4: Descriptive statistics, by last benefit type, 1-year window after wave 5 of the LPS**

	NSA			DSP			PPP			PPS		
	Not return	Return		Not return	Return		Not return	Return		Not return	Return	
<b>Socio-economic characteristics</b>												
Age	40.85	39.42	**	43.80	44.33		37.08	35.12	**	39.42	38.05	
Female	47.59%	42.34%	**	41.90%	37.80%		88.24%	87.27%		89.02%	93.85%	
<u>Ethnicity</u>												
Australian non-indigenous	73.67%	76.37%		78.52%	84.15%		75.82%	68.18%	*	80.59%	76.92%	
English-speaking	10.69%	8.13%	*	7.04%	7.32%		10.78%	7.27%		9.02%	9.23%	
Non English-speaking	12.70%	11.34%		12.68%	8.54%		11.93%	18.18%	*	8.43%	10.77%	
Aboriginal/Torres Strait Islander	2.94%	4.16%		1.76%	0.00%		1.47%	6.36%	***	1.96%	3.08%	
<b>Highest level of formal education</b>												
Year 10 or less	31.69%	38.74%	***	33.33%	44.44%	*	26.51%	30.91%		29.64%	24.62%	
Year 12	17.39%	17.37%		15.60%	14.81%		20.29%	24.55%		14.43%	20.00%	
Trade/Apprenticeship/TAFE	27.58%	27.67%		30.50%	22.22%		30.44%	20.91%	*	31.23%	33.85%	
All degrees	23.34%	16.22%	***	20.57%	18.52%		22.75%	23.64%		24.70%	21.54%	
<b>Household characteristics</b>												
Single	53.97%	64.84%	***	37.32%	62.20%	***	4.08%	10.91%	***	46.67%	50.77%	
Partner - working	31.58%	21.55%	***	45.07%	29.27%	**	86.27%	75.45%	***	49.41%	49.23%	
Partner - not working	14.20%	13.42%		17.25%	8.54%	*	9.64%	13.64%		3.92%	0.00%	
Number of children	0.80	0.66	**	0.68	0.56		2.43	2.22	**	1.80	1.83	
No children	60.79%	68.62%	***	65.49%	68.29%		0.49%	3.64%	**	5.69%	4.62%	
1 child	14.20%	11.91%		12.32%	14.63%		14.38%	18.18%		38.24%	33.85%	
2 children	14.57%	10.40%	**	13.73%	12.20%		46.73%	40.91%		35.29%	43.08%	
3+ children	10.44%	9.07%		8.45%	4.88%		38.40%	37.27%		20.78%	18.46%	
Age youngest child	8.83	8.48		8.60	6.73		5.44	4.86		8.47	7.30	*
<b>Payment history – past 5 years</b>												
Number of IS spells	2.31	2.98	***	1.85	2.41	***	1.93	2.68	***	1.60	1.89	**
Number of spells - 2	30.46%	27.41%		30.99%	23.17%		33.82%	28.18%		22.35%	23.08%	
Number of spells - 3-4	28.14%	33.65%	**	17.96%	32.93%	***	18.95%	30.91%	***	11.96%	23.08%	**
Number of spells - 5+	7.69%	18.15%	***	2.46%	7.32%	*	3.27%	12.73%	***	2.35%	3.08%	
% of time on income support	40.15	49.21	***	50.59	52.17		37.81	44.65	***	48.92	52.14	
Proportion of time on benefits - 0	0.06%	0.00%		0.00%	0.00%		0.00%	0.00%		0.00%	0.00%	

Proportion of time on benefits - 1-20	32.46%	19.66%	***	13.38%	10.98%	33.17%	19.09%	***	16.47%	18.46%		
Proportion of time on benefits - 20-40	17.20%	18.90%		14.79%	21.95%	19.77%	24.55%		16.86%	10.77%		
Proportion of time on benefits - 40-60	21.20%	19.85%		33.80%	30.49%	25.49%	26.36%		29.22%	23.08%		
Proportion of time on benefits - 60-80	21.70%	28.54%	***	30.28%	14.63%	***	18.79%	22.73%	32.55%	38.46%		
Proportion of time on benefits - 80-100	7.38%	13.04%	***	7.75%	21.95%	***	2.78%	7.27%	**	4.90%	9.23%	
<b>Health status</b>												
No health condition	73.45%	68.75%	**	17.61%	15.85%		82.35%	82.73%		82.16%	75.38%	
Single health condition	17.47%	22.35%	**	45.07%	43.90%		13.89%	10.91%		13.53%	15.38%	
Multiple health condition	9.02%	8.90%		37.32%	40.24%		3.76%	6.36%		4.12%	9.23%	
<b>Working</b>	89.93%	79.58%	***	72.89%	70.73%		70.75%	50.91%	***	87.45%	70.77%	***
<b>Job characteristics (of those working)</b>												
Wage main job	20.57	19.51	**	21.92	21.15		20.97	18.83		22.52	21.60	
Full time	63.79%	67.90%		64.68%	68.63%		34.68%	35.19%		60.96%	46.51%	*
Got job through Jobnet	11.61%	15.91%	**	6.76%	10.34%		2.54%	5.36%		2.91%	2.17%	
Tenure - <6 months	18.57%	33.25%	***	14.98%	32.76%	***	21.02%	23.21%		13.68%	23.91%	*
Tenure - 6-12 months	20.93%	25.18%	*	17.39%	22.41%		15.24%	19.64%		10.09%	19.57%	*
Tenure - 1-2 years	50.76%	35.15%	***	53.62%	39.66%	*	41.34%	46.43%		42.83%	36.96%	
Tenure - 2-4 years	4.87%	3.33%		9.18%	3.45%		10.16%	5.36%		14.80%	10.87%	
Tenure - 5+ years	4.38%	2.85%		4.83%	1.72%		12.24%	3.57%	*	18.39%	8.70%	
Job - any paid leave granted	62.05%	45.88%	***	62.92%	61.11%		55.46%	45.65%		73.42%	47.73%	***
Job - paid leave	58.71%	42.53%	***	55.62%	53.70%		52.46%	45.65%		70.89%	45.45%	***
Job - paid sick leave	60.46%	43.81%	***	61.24%	57.41%		53.55%	45.65%		72.15%	47.73%	***
Job - paid carer leave	28.06%	14.95%	***	29.21%	27.78%		27.60%	28.26%		43.29%	20.45%	***
Job - paid maternity leave	17.03%	7.22%	***	17.42%	11.11%		19.95%	17.39%		25.06%	15.91%	
Job - paid other leave	10.42%	6.96%	**	14.04%	7.41%		9.29%	8.70%		15.44%	9.09%	
Dummy - Flexible working conditions	79.22%	69.13%	***	83.43%	71.15%	*	82.42%	88.89%		81.68%	81.82%	
N	1599	529		284	82		612	110		510	65	

Notes: \*\*\* indicate significant at 1% level, \*\* significant at 5% level, \* significant at 10% level.



4.2. *What are the characteristics of those who return to income support? A multivariate analysis*

Since the coefficients of a probit model are not readily interpretable, in this section we report the average marginal effects from the models of the return to income support within 1 and 2 years for those who were not on income support and employed at wave 5. Recall that the average marginal effect of a continuous variable is defined as the average effect of a one-unit increase in that variable across all individuals, other things being equal. For example, a marginal effect of 0.05 for the age category 25-35 means that the probability of entering income support is 5 percentage points higher for this age group compared to the reference category. In terms of sample selection, we are forced to drop those individuals who are not employed or who report to be in paid employment but who have missing information on wages.

We present the results separately for the return to income support within 1 and 2 years of the GFC, the reason being that the first year coincides with the immediate aftermath of the collapse of Lehmann Brothers in September 2008. The 2 years window goes beyond the short-run immediate crisis and will pick up some of the lagged effects. The samples have been split up into men and women and as robustness check we use the two different definitions of low paid employment defined in the data section.

We estimated a variety of different models and only present the results from our preferred specifications in this section. These models control for all socio-demographic variables, employment characteristics, low paid employment, industry dummies, and interacts the low pay dummy with the employment characteristics. We also estimated a different model without the interaction terms, the marginal effects are almost identical to the ones with the interaction terms included. They are shown in the appendix.

#### 4.2.1. *Women*

We begin by discussing the marginal effects for women. To preserve space in this section we have only included a selection of explanatory variables that are of particular interest to this study in Table 5. At first glance, it stands out that only a small number of variables reach conventional levels of statistical significance. These include having a working partner, having experienced major financial or economic changes in the previous six months, income support history, job tenure and casual employment, as well as a few industry dummies.

Specifically, the marginal effects in column 1 indicate that women who have working spouses are 8 percentage points less likely to return to income support within 1 year compared to single women. Having experienced a major financial or economic change in the past six months is associated with a 4.4 percentage points increase in the probability of returning within 1 year. In terms of income support history, we find very strong evidence of non-linearity in the number of previous spells as the size of the marginal effects increase with the number of spells an individual has had in the past. Compared to the benchmark of having had one spell of income support in the past five years, women who have had three or four (five) spells are 6 (11.5) percentage points more likely to return to income support within the first year of the GFC. All of these are significant and show that once an individual has had three or more spells in the past five years, they are much more likely to return in the future. Controlling for the number of spells and type of spell, the proportion of time is not significant anymore.

**Table 5: Marginal effects for women employed and not on benefits at wave 5**

	1 year		2 years	
	(1)	(2)	(3)	(4)
Partner - working (ref. category: single)	-0.080*** (0.023)	-0.077*** (0.023)	-0.101*** (0.026)	-0.098*** (0.026)
Partner - not working	-0.032 (0.040)	-0.029 (0.040)	-0.104** (0.049)	-0.105** (0.049)
Year 12 (ref. category: Year 10 or less)	-0.024 (0.030)	-0.032 (0.030)	-0.060* (0.035)	-0.070** (0.035)
University	-0.033 (0.029)	-0.046 (0.029)	-0.046 (0.034)	-0.069** (0.033)
Dummy - major financial/economic changes	0.044** (0.020)	0.040** (0.020)	0.046** (0.023)	0.044* (0.023)
3/4 income spells in past 5 years	0.060** (0.026)	0.056** (0.026)	0.108*** (0.030)	0.101*** (0.030)
5 or more income spells in past 5 years	0.115*** (0.037)	0.107*** (0.038)	0.191*** (0.045)	0.178*** (0.045)
Previous benefit type - DSP	0.047 (0.043)	0.048 (0.043)	-0.021 (0.052)	-0.022 (0.052)
Previous benefit type - PPS	-0.032 (0.029)	-0.036 (0.029)	-0.042 (0.033)	-0.051 (0.033)
Previous benefit type - PPP	-0.009 (0.031)	-0.013 (0.031)	-0.006 (0.036)	-0.009 (0.036)
Previous benefit type - All others	-0.039 (0.057)	-0.039 (0.057)	-0.166** (0.073)	-0.164** (0.073)
Low pay - 120% of FMW	0.025 (0.023)		0.051* (0.027)	
Low pay - 66% of median hourly wage		0.006 (0.031)		-0.011 (0.034)
Tenure - 6-12 months (ref. category: <6 months)	-0.009 (0.028)	-0.012 (0.028)	-0.070** (0.030)	-0.071** (0.030)
Tenure - 1-2 years	-0.057** (0.025)	-0.058** (0.025)	-0.079*** (0.029)	-0.082*** (0.030)
Tenure - 2 or more years	-0.082*** (0.025)	-0.079*** (0.026)	-0.130*** (0.031)	-0.126*** (0.031)
Receives paid leave	-0.073*** (0.024)	-0.076*** (0.024)	-0.100*** (0.028)	-0.096*** (0.027)
Construction	0.130** (0.061)	0.129** (0.062)	0.108 (0.075)	0.105 (0.075)
Accommodation & Food Services	0.087** (0.036)	0.089** (0.036)	0.081* (0.043)	0.084** (0.043)
Financial & Insurance Services	0.097** (0.047)	0.089* (0.047)	0.079 (0.056)	0.063 (0.056)
Public Administration & Safety	0.124** (0.049)	0.124** (0.049)	0.095 (0.060)	0.085 (0.060)
Interaction terms of low pay and employment dummies	yes	yes	yes	yes
N	1362	1362	1362	1362

\*\*\* indicate statistical significance at 1% level, \*\* significant at 5% level, \* significant at 10% level.

Other controls include: age, region, state, ethnicity, children, health. Full results presented in the appendix.

The model allows us to address the research question whether there are differences between different payment types. Although none of these associations are statistically significant at conventional levels compared to individuals who had previously exited from NSA/YAO, those coming off all other payment types do appear to be slightly less likely to return to income support within 2 years than those coming off NSA/YAO. Those exiting DSP or Parenting Payment are likely to have unobserved characteristics that make them more likely to remain employed/off income support than those exiting NSA/YAO, thus explaining this result.

Comparing the results from column 1 with those from column 2 shows that using two different definitions of low paid employment hardly affects the size and significance of all marginal effects in the model, apart from the significance of the low paid dummy. Being in low paid employment according to the 120% of the FMW definition raises the probability of returning to income support by 2.5 percentage points, compared to those in high paid employment, and by 0.6 percentage points according to the 66% of the median hourly wage definition. However, none of these effects are significant. Once we analyse the 2 year window, both marginal effects increase in size and low paid employment according to the 120% of FMW wage definition is associated with a marginal effect of 5.1 percentage points which is now significant at the 10 per cent level. This may suggest that the risks of low-paid employment may be more important in the mid-term, rather than in the immediate aftermath of a downturn.

The results also provide strong evidence that tenure with the employer is very important for job retention. Individuals with 1-2 years (2 or more) are 5.7 (8.2) percentage points less likely to return compared to those with less than 6 months of tenure. These effects become stronger if we look at the 2 year window as the marginal effects of having tenure of more than 1 year range between 7.9 and 13.0 percentage points compared to those with less than 6 months. These results are in line with traditional human-capital theory which postulates that individuals pick up job- and firm-specific skills that make them more valuable to the firm (Mincer 1962).

We also control for a number of job characteristics that are correlated with measures of job quality such as paid leave and measures of work flexibility. As discussed in the descriptive section, the dummy for paid leave entitlements may be interpreted as a dummy for non-casual employment. It indicates that being in non-casual employment is associated with a significant decrease in the return to income support of around 7.3 percentage points after 1 year, and 10.0 percentage points after 2 years.

The results also reveal differences by industry of employment. In particular, we can identify four sectors that were associated with a significantly higher probability of returning within the first year of the GFC: construction, accommodation and food services, financial and insurance services, as well as public administration and safety. In the first year of the GFC, individuals employed in these sectors were 13.0, 8.7, 9.7 and 12.4 percentage points more likely to return to income support, respectively, relative to being employed in the retail trade sector. Interestingly, apart from accommodation and food services, these effects become insignificant after 2 years indicating that these industries were only affected within the short-run. This stands in contrast to the other variables in the model, such as tenure or previous income support history, which are significant both after 1 and 2 years.

#### 4.2.2. *Men*

Table 6 presents the marginal effects for men using the same model specifications. The results are largely similar to those for women, although there are some differences, especially regarding the industry dummies. Having a working partner lowers the probability of returning by 5.4 percentage points after the first year, and this effect becomes more significant and much stronger over the 2 years window when it is associated with a 11.3 percentage points reduction in the probability of returning. For men, we find a significant association between health and returning to income support. Those with a single health condition were 8.1 percentage points more likely to return within the first year, though this effects grows smaller in size and significance over 2 years. For those with multiple health conditions, we find the reverse pattern: after 1 year

there is no significant association, but within 2 years, they are 11.8 percentage points more likely to return.

In terms of income support history, we find that five or more spells of income support and the proportion of time spent on income support significantly affect the probability of returning. After one year, those with five or more spells are 14.0 percentage points more likely to return compared to those with one spell. This effect increases to 19.2 percentage points after 2 years. To be expected, those with more extensive payment histories are more likely to return. A ten per cent increase in the proportion of time spent on income support is associated with a two percentage points increase in the probability of returning to income support.

In terms of groups of income support recipients, we find that exiters from parenting payments and all other payments are all less likely to return to income support than exiters from NSA payments, although these differences are not significant. Please note that the marginal effect on PPS is significant which is quite surprising given the small sample size of men who receive parenting payments. There are no significant differences for those who have exited from DSP payments.

**Table 6: Marginal effects for men employed and not on benefits at wave 5**

	1 year		2 years	
	(1)	(2)	(3)	(4)
Partner - working (ref. category: single)	-0.054 (0.035)	-0.060* (0.035)	-0.113*** (0.039)	-0.117*** (0.039)
Single health condition (ref. category: no chronic condition)	0.081** (0.033)	0.075** (0.033)	0.065* (0.038)	0.067* (0.038)
Multiple health condition	0.051 (0.046)	0.045 (0.046)	0.118** (0.052)	0.118** (0.051)
5 or more income spells in past 5 years	0.140*** (0.046)	0.133*** (0.046)	0.192*** (0.054)	0.186*** (0.054)
Proportion of time on benefits in past 5 years	0.002*** (0.001)	0.002*** (0.001)	0.001** (0.001)	0.001** (0.001)
Previous benefit type - DSP	0.003 (0.043)	0.013 (0.043)	0.012 (0.050)	0.011 (0.050)
Previous benefit type - PPS	-0.210** (0.097)	-0.217** (0.096)	-0.192** (0.094)	-0.195** (0.092)
Previous benefit type - PPP	-0.042 (0.063)	-0.041 (0.063)	-0.098 (0.072)	-0.094 (0.071)
Previous benefit type - All others	-0.098	-0.094	-0.124*	-0.119*

	1 year		2 years	
	(1)	(2)	(3)	(4)
Low pay - 120% of FMW	0.063 0.004 (0.029)	(0.063)	(0.070) 0.054 (0.035)	(0.070)
Low pay - 66% of median hourly wage		0.025 (0.035)		0.035 (0.040)
Got job through Jobnet	0.079* (0.041)	0.082** (0.040)	0.111** (0.046)	0.113** (0.045)
Tenure - 1-2 years	-0.079** (0.033)	-0.086*** (0.033)	-0.076** (0.038)	-0.078** (0.038)
Tenure - 2 or more years	-0.087* (0.046)	-0.099** (0.044)	-0.123** (0.058)	-0.126** (0.058)
Receives paid leave	-0.082*** (0.030)	-0.083*** (0.030)	-0.083** (0.034)	-0.085** (0.034)
Dummy - generally flexible working conditions	-0.096*** (0.032)	-0.096*** (0.032)	-0.086** (0.035)	-0.087** (0.035)
Construction	0.095* (0.050)	0.088* (0.049)	0.102* (0.059)	0.092 (0.058)
Public Administration & Safety	-0.228*** (0.085)	-0.244*** (0.087)	-0.276*** (0.086)	-0.289*** (0.086)
Health Care & Social Assistance	-0.273*** (0.085)	-0.283*** (0.085)	-0.165** (0.075)	-0.177** (0.075)
Arts & Recreation Services	-0.317** (0.141)	-0.309** (0.139)	-0.272** (0.127)	-0.279** (0.126)
Interaction terms of low pay and employment dummies	yes	yes	yes	yes
N	943	943	943	943

\*\*\* indicate statistical significance at 1% level, \*\* significant at 5% level, \* significant at 10% level.  
Other controls include: age, education, region, state, ethnicity, children. Full results in the appendix.

The marginal effect for low pay indicates that men in low paid employment were about 0.4 to 2.5 percentage points more likely to return after 1 year, conditional on all other covariates and between 3.5 and 5.4 percentage points more likely to return after 2 years. Although these results suggest that the effect of being in low paid employment become more important with time, conditional on all other covariates, none of these reach levels of statistical significance. Tenure appears to significantly reduce the probability of returning once an individual has accumulated at least one year of tenure as there are no differences between those with 6 to 12 months of tenure compared to the benchmark group. After 1 year, the marginal effect of having been employed for one to two years ranges between 7.9 and 8.2 percentage points compared to those with 6 months or less tenure. The effect remains almost constant over the two years post-GFC. For those with two or more years of tenure, the effect increases from around 9 percentage points within

the first year to around 12 percentage points after 2 years. The results show that men in non-casual jobs are about 8.2 percentage points less likely to return within 1 year, and around 8.3 percentage points less likely to return within 2 years. Although we cannot say much about the long-term dynamics of casual employment, i.e. employment transitions after they returned to income support, the figures provide some econometric arguments that casual workers may be more vulnerable than non-casual employees as reflected in their higher probability of returning to income support. In terms of job quality, those who agree to having generally flexible working conditions were about 9.6 percentage points less likely to return within 1 years compared to those without flexible working conditions.

The results show that men employed in the construction sector were 9.5 percentage points more likely to return to income support within 1 year, and 10.2 percentage points within 2 years. Conversely, those employed in public administration, health care and the arts industries were 22.8, 27.3 and 31.7 percentage points less likely to return to within 1 year. These effects are significant over time which is in stark contrast to what we found for women. For women, we found short-term effects associated with particular industries that raised the probability of returning to income support, where as for men we identified three industries that were associated with a consistently lower probability of returning over the 2 year horizon.

#### *4.2.3. Are there structural differences between the pre- and post-GFC periods?*

In the methodology section we described how we would be testing for parameter differences between the two groups. Since the results are not directly comparable between the wave 1 and wave 5 groups, we have included the full estimation results for men and women in the appendix in Table 35 and will focus on the group differences in this section.

The main thing to notice from the tables is that although we see some differences for individual variables both in terms of size and significance between wave 1 and wave 5,



the likelihood ratio test statistic does not reject the Null hypothesis at the 10 per cent level. Put differently, we cannot reject the Null hypothesis that the coefficients for one group are jointly significantly different from the other group. This key finding applies to all models we estimated – with and without interaction terms, for men and women, and for subgroups where we split the sample by previous benefit types. So within this framework we cannot directly assess the impact of the GFC, which is what we will do in the duration analysis section.

#### *4.2.4. Exiters from NSA/YAO payments*

Table 7 reports the marginal effects for female exiters from NSA/YAO payments. In general, these are very similar to the results presented in Table 5 for the whole sample of income support recipients, but there are some notable differences. This group is of great policy relevance as about 66.6 per cent of our sample start receiving this payment when joining income support.

In particular, the marginal effect of having a working partner is significant and slightly larger in size. Women with a working partner are 9.0 percentage points less likely to return to income support within 1 year and the effect increases to about 11.2 percentage points within 2 years. Of the education variables, Year 12 and a University degree are the only marginally significant variables in reducing the probability of returning by about 10.5, and 10.3 percentage points respectively, over 2 years compared to those with Year 10 or less. There are some interesting differences regarding the major life events variables compared to the general sample. Experiencing a major economic or financial change is associated with an increase of around 7.7 percentage points in the probability of returning to income support over both 12, which increases to around 8.1 percentage points after 2 years. In contrast, those who experienced a major non-financial life event such as moving house, losing or breaking up with a spouse, are 12.7 percentage points (15.0 percentage points) more likely to return within 1 or 2 years. Proxying the experience of stressful and mentally challenging life events in the past six months, these

results suggest that for women who have exited NSA, non-pecuniary factors may be more important and have a higher impact than financial factors.

**Table 7: Marginal effects for NSA/YAO exiters, women**

	1 year		2 years	
	(1)	(2)	(3)	(4)
Partner - working (ref. category: single)	-0.090** (0.036)	-0.085** (0.036)	-0.112*** (0.040)	-0.106*** (0.041)
Year 12 (ref. category: Year 10 or less)	-0.062 (0.050)	-0.071 (0.050)	-0.09 (0.057)	-0.105* (0.057)
University	-0.077 (0.049)	-0.091* (0.049)	-0.076 (0.056)	-0.103* (0.056)
Dummy - major financial/economic changes	0.077** (0.032)	0.079** (0.032)	0.081** (0.038)	0.082** (0.038)
Dummy - major personal life events	0.127*** (0.044)	0.124*** (0.044)	0.154*** (0.053)	0.150*** (0.053)
2 income spells in past 5 years (ref. category: one spell)	0.028 (0.046)	0.022 (0.046)	0.102** (0.052)	0.095* (0.052)
3/4 income spells in past 5 years	0.057 (0.046)	0.048 (0.046)	0.127** (0.052)	0.114** (0.052)
5 or more income spells in past 5 years	0.116** (0.058)	0.105* (0.058)	0.216*** (0.068)	0.189*** (0.069)
Low pay - 120% of FMW	0.029 (0.034)		0.043 (0.041)	
Low pay - 66% of median hourly wage		-0.026 (0.040)		-0.061 (0.046)
Tenure - 6-12 months (ref. category: <6 months)	-0.04 (0.041)	-0.039 (0.041)	-0.124*** (0.045)	-0.123*** (0.045)
Tenure - 1 or more years	-0.099** (0.042)	-0.095** (0.042)	-0.141*** (0.048)	-0.145*** (0.049)
Receives paid leave	-0.090** (0.038)	-0.091** (0.038)	-0.116*** (0.042)	-0.118*** (0.042)
Dummy - generally flexible working conditions	-0.084** (0.042)	-0.084** (0.041)	-0.053 (0.046)	-0.055 (0.046)
Interaction terms of low pay and employment dummies	yes	yes	yes	yes
N	616	616	616	616

\*\*\* indicate statistical significance at 1% level, \*\* significant at 5% level, \* significant at 10% level.

Other controls include: age, region, state, ethnicity, children, health, industries.

The marginal effects for the income support history are very similar to the ones reported in Table 5 and confirm the link between previous number of spells and probability of returning for exiters from NSA/YAO. Those with more extensive income support histories are more likely to return, and the effect gets stronger over the 2 years window.

In terms of employment characteristics, the marginal effects again show that there is no significant association between low paid employment and the return to income support for women who have exited from NSA/YAO using either definition of low pay. Tenure on the other hand once more proves to be very important, even short tenure. Having being in the same job for 6-12 months significantly reduces the probability of returning by 12.4 percentage points over 2 years. The size of the marginal effect is on the same order as the one we found for 2 or more years in Table 5 and may suggest that even short-term tenure is more important for female NSA/YAO exiters compared to other groups. The marginal effect of having more than one years' of tenure is 9.9 percentage points over 1 year and 14.1 percentage points over 2 years. Once more, we find a negative association between non-casual employment and the return to income support. Specifically, those in non-casual employment were 9.0 percentage points less likely to return after 1 year, and 11.6 percentage points less likely to return after 2 years. We also find that having more flexible working conditions reduces the probability of returning by about 8.4 percentage points over 1 year.

Table 8 lists the marginal effects for male exiters from NSA/YAO payments. The results are very similar to those presented in Table 6 which can be explained by the fact that most of the observations in Table 6 are exiters from NSA payments (73.7 per cent).

**Table 8: Marginal effects for NSA/YAO exiters, men**

	1 year		2 years	
	(1)	(2)	(3)	(4)
Partner - working (ref. category: single)	-0.088** (0.043)	-0.098** (0.044)	-0.143*** (0.048)	-0.153*** (0.048)
Multiple health condition	0.045 (0.060)	0.034 (0.061)	0.143** (0.066)	0.148** (0.066)
5 or more income spells in past 5 years	0.108** (0.054)	0.105* (0.054)	0.187*** (0.063)	0.181*** (0.063)
Proportion of time on benefits in past 5 years	0.002*** (0.001)	0.002*** (0.001)	0.002** (0.001)	0.002** (0.001)
Low pay - 120% of FMW	0.026 (0.034)		0.077* (0.040)	
Low pay - 66% of median hourly wage		0.015 (0.038)		0.03 (0.045)
Got job through Jobnet	0.094** (0.046)	0.100** (0.045)	0.158*** (0.051)	0.165*** (0.050)

	1 year		2 years	
	(1)	(2)	(3)	(4)
Tenure - 1 or more years	-0.076*	-0.087**	-0.069	-0.073
	(0.039)	(0.039)	(0.045)	(0.045)
Receives paid leave	-0.118***	-0.112***	-0.121***	-0.114***
	(0.035)	(0.036)	(0.040)	(0.040)
Dummy - generally flexible working conditions	-0.098***	-0.105***	-0.104***	-0.114***
	(0.037)	(0.038)	(0.040)	(0.040)
Construction	0.126**	0.116**	0.137**	0.117*
	(0.054)	(0.053)	(0.064)	(0.063)
Information Media & Telecommunications	-0.181	-0.193*	-0.373***	-0.376***
	(0.116)	(0.115)	(0.141)	(0.141)
Public Administration & Safety	-0.195**	-0.205**	-0.281***	-0.297***
	(0.095)	(0.096)	(0.101)	(0.101)
Health Care & Social Assistance	-0.276***	-0.300***	-0.160*	-0.183**
	(0.101)	(0.102)	(0.085)	(0.086)
All others	-0.328***	-0.336***	-0.268***	-0.281***
	(0.121)	(0.120)	(0.100)	(0.100)
Interaction terms of low pay and employment dummies	yes	yes	yes	yes
N	695	695	695	695

\*\*\* indicate statistical significance at 1% level, \*\* significant at 5% level, \* significant at 10% level.  
Other controls include: age, education, region, state, ethnicity, children, industries.

For men exiting from NSA payments, we do not find a significant association for single health conditions anymore, but do find that having multiple health conditions is again significant and associated with a 14.3 percentage points increase in the probability of returning over 2 years, compared to someone without any health conditions. Again, we find strong associations between previous income support history and the return to income support.

For men we again do not find a significant association between low paid employment and the return to income support. Having found a job through the Job Network or through Vocational Rehabilitation Services (CRS) is associated with a 9.4 percentage points increase in the probability of returning over 1 year, and about 15.8 percentage points over 2 years. These effects are much higher than what we found for the general sample and need to be interpreted with caution since we can only speculate whether this reflects a mismatch between the worker and the job, or whether this can be interpreted as a proxy for lower job quality. Tenure again proves highly significant, and non-casual employment is associated with an 11.8 percentage points reduction in the probability of returning after

1 year, and of 12.1 after 2 years. There again is evidence to suggest that more flexible jobs are negatively associated with the return to income support. Taken together, the marginal effects on employment related characteristics do seem to suggest that low quality employment significantly increases the return to income support for male exiters from NSA payments.

#### 4.2.5. Results – Exiters from all other payment types

Table 9 lists the marginal effects for exiters from other payment types for the purpose of completeness. We will not discuss them at this point as the results for DSP suffer from small sample size, and the results for Parenting Payments are largely insignificant apart from a few variables that we have already highlighted as important variables.

**Table 9: Marginal effects for subgroups**

	DSP		PP	
	1 year (1)	2 years (2)	1 year (3)	2 years (4)
Female	-0.066 (0.059)	-0.151** (0.064)	-0.022 (0.039)	0.005 (0.044)
Aged under 25 (ref. category: 35-50)	0.180* (0.105)	0.052 (0.117)	0.056 (0.056)	0.072 (0.072)
Aged 25-35	0.159* (0.085)	0.144 (0.095)	0.037 (0.025)	0.047 (0.031)
Aged 50-60	0.156** (0.074)	0.200*** (0.077)	0.039 (0.041)	0.017 (0.053)
Partner - working (ref. category: single)	-0.117* (0.065)	-0.123* (0.070)	-0.050* (0.028)	-0.073** (0.034)
Partner - not working	-0.287** (0.113)	-0.126 (0.097)	-0.04 (0.044)	-0.065 (0.054)
Year 12 (ref. category: Year 10 or less)	-0.094 (0.091)	-0.019 (0.100)	0.034 (0.034)	0.02 (0.041)
Apprenticeship/TAFE/any trade	-0.186** (0.076)	-0.154** (0.078)	-0.018 (0.029)	-0.069** (0.035)
University	-0.184** (0.082)	-0.146 (0.089)	0.015 (0.032)	-0.032 (0.038)
Number of dependent children	0.079** (0.035)	0.047 (0.037)	-0.017 (0.012)	-0.022 (0.014)
All outer regional	-0.204** (0.094)	-0.095 (0.096)	-0.004 (0.031)	0.077** (0.036)

	DSP		PP	
	1 year (1)	2 years (2)	1 year (3)	2 years (4)
Single health condition (ref. category: no chronic condition)	0.164** (0.083)	0.163* (0.087)	-0.016 (0.033)	0.029 (0.039)
Multiple health condition	0.117 (0.089)	0.194** (0.091)	0.054 (0.051)	0.05 (0.066)
3/4 income spells in past 5 years	0.059 (0.075)	0.105 (0.079)	0.091*** (0.029)	0.138*** (0.035)
5 or more income spells in past 5 years	0.185 (0.117)	0.250* (0.136)	0.114** (0.053)	0.257*** (0.066)
Low pay - 120% of FMW	-0.047 (0.065)	-0.082 (0.067)	-0.011 (0.026)	0.037 (0.035)
Tenure - 1 or more years	-0.124* (0.067)	-0.102 (0.074)	0.006 (0.026)	0.022 (0.031)
Receives paid leave	0.045 (0.062)	0.063 (0.067)	-0.054** (0.026)	-0.073** (0.032)
Interaction terms of low pay and employment dummies	yes	yes	yes	yes
N	202	202	775	775

\*\*\* indicate statistical significance at 1% level, \*\* significant at 5% level, \* significant at 10% level.  
Other controls include: age, education, region, state, ethnicity, children, industries.

#### 4.3. Analysis of ERA survey

Table 10 presents some preliminary findings of the analysis of the 2008 and 2009 waves of the ERA survey. Further analysis of the survey, including an analysis of the third wave will be publicly released as part of the ARC project papers later in 2011. Note that we restrict the sample to only include respondents of both waves of the survey who were employed at their interview in 2008. Using this data set, we can provide further information on subjective measures such as attitudes towards work and non-work related characteristics.

**Table 10: Respondents of ERA survey employed in 2008 and by employment transition in 2009 (%)**

	Retained job			Lost job			H <sub>0</sub> : difference=0
	M	Sd	N	M	0.22	N	p-value
<i>Sex</i>							
Female	0.668	0.471	398	0.62	0.487	121	0.325
<i>Highest year of schooling</i>							
Completed secondary school	0.372	0.484	393	0.322	0.469	118	0.326
Did not complete secondary school	0.628	0.484	393	0.678	0.469	118	0.326

	Retained job			Lost job			H <sub>0</sub> : difference=0
	M	Sd	N	M	0.22	N	p-value
<i>Age groups</i>							
<=25 years	0.092	0.289	393	0.085	0.28	118	0.819
26 to 35 years	0.109	0.313	393	0.144	0.353	118	0.305
36 to 45 years	0.260	0.439	393	0.356	0.481	118	0.041 **
46 to 55 years	0.366	0.482	393	0.288	0.455	118	0.118
56 years plus	0.173	0.379	393	0.127	0.335	118	0.236
<i>Housing situation</i>							
Own home	0.349	0.477	395	0.281	0.451	121	0.163
Rent privately	0.395	0.489	395	0.438	0.498	121	0.398
Public housing	0.122	0.327	395	0.198	0.4	121	0.033 **
Other	0.134	0.341	395	0.083	0.276	121	0.13
<i>Mental Health</i>							
5- Item Mental Health							
Inventory Score	18.237	3.845	392	17.47	4.158	115	0.078 *
<i>Health</i>							
General health	3.033	0.978	395	3	0.917	120	0.735
Health impact	2.39	1.106	395	2.542	1.173	120	0.21
Work readiness	4.445	0.847	393	4.217	1.047	120	0.03 **
<i>Job characteristics</i>							
Pay	3.644	1.007	396	3.672	0.949	119	0.779
Job security	4.415	0.882	398	4.35	0.904	120	0.491
Advancement	3.558	1.173	394	3.661	1.186	118	0.409
Responsibility	3.333	1.167	396	3.342	1.233	117	0.947
Independent work	4.126	0.949	396	4.193	0.816	119	0.451
Interesting work	4.329	0.857	395	4.294	0.817	119	0.686
Flexibility	4.308	0.917	393	4.176	0.85	119	0.149
Skills development	4.043	0.989	398	4.092	0.953	120	0.625
Night shifts	2.776	1.287	388	2.991	1.29	117	0.114
<i>Subjective job attributes</i>							
Stressful job	2.777	1.169	390	2.784	1.291	116	0.955
Fairly paid	3.461	1.237	388	3.496	1.287	115	0.8
New skills	3.299	1.306	381	3.22	1.328	118	0.572
Use skills	3.786	1.242	388	3.629	1.322	116	0.258
Control	3.28	1.214	386	3.229	1.208	118	0.689
Flexible times	3.316	1.369	386	3.212	1.389	118	0.475
Support supervisor	3.916	1.214	382	3.641	1.296	117	0.043 **
Training	3.178	1.365	388	3.068	1.394	118	0.452
Promotion	2.553	1.324	385	2.47	1.304	117	0.548
Fits career goals	2.886	1.391	386	2.771	1.521	118	0.465
<i>Employer-sponsored services</i>							
Job training	0.733	0.443	386	0.661	0.475	118	0.128
Counseling	0.235	0.425	383	0.278	0.45	115	0.344
Career planning	0.23	0.421	383	0.254	0.437	114	0.586
Training	0.135	0.342	385	0.174	0.381	115	0.298
Short course	0.239	0.427	385	0.188	0.392	117	0.25
<i>Employer raised issues</i>							
Beginning work on time	1.191	0.589	387	1.195	0.617	118	0.954
Time off caring	1.112	0.415	385	1.256	0.589	117	0.014 **

	Retained job			Lost job			H <sub>0</sub> : difference=0	
	M	Sd	N	M	0.22	N	p-value	
Time off illness	1.19	0.529	384	1.373	0.749	118	0.015	**
Performance	1.415	0.769	386	1.466	0.781	118	0.529	
Attitude	1.274	0.666	387	1.297	0.658	118	0.744	
Chance lose job	2.078	1.092	385	2.393	1.231	117	0.014	**
<i>Satisfaction with...</i>								
Pay	3.345	1.159	388	3.331	1.22	118	0.907	
Job security	3.264	1.244	387	3.195	1.289	118	0.61	
The work itself	3.768	1.041	388	3.508	1.211	118	0.037	**
Hours	3.519	1.137	387	3.585	1.193	118	0.599	
Flexibility	3.793	1.054	386	3.701	1.162	117	0.445	
Overall satisfaction	3.729	0.949	388	3.615	1.238	117	0.36	
<i>Satisfaction with Case Manager/s (CM)</i>								
CM skills suit	2.819	0.92	348	2.704	0.93	108	0.261	
CM contact	2.888	0.94	384	2.783	1.041	115	0.332	
CM satisfaction	3.954	1.262	392	3.856	1.316	118	0.474	
<i>Case manager help</i>								
Paying for courses	0.216	0.412	343	0.221	0.417	95	0.912	
Long-term career goals	0.276	0.448	340	0.362	0.483	94	0.109	
Equipment	0.279	0.449	341	0.326	0.471	95	0.364	
Adapt to work environment	0.278	0.449	342	0.347	0.479	95	0.187	
Resolve issues	0.183	0.387	339	0.274	0.448	95	0.052	*
Find other job	0.153	0.36	340	0.188	0.392	96	0.415	

\*\*\* indicate statistical significance at 1% level, \*\* significant at 5% level, \* significant at 10% level.

The results presented in Table 10 are consistent with our findings of the analysis of LPS and RED datasets presented earlier. We find that males, those with lower education levels and those with fair to poor self assessed health were more likely to return to unemployment between 2008 and 2009. In addition we find that those in public housing were significantly more likely to lose their job by 2009 than those in other forms of housing, which given the highly targeted nature of public housing in Australia is not surprising. Additional analysis not presented in the table confirms that the majority of persons that became unemployed in 2009 returned to Centrelink payments (91%), implying that we are not omitting a significant section of the population by looking at returns to income support from the RED data.

The ERA survey also provides additional information to that provided in the LPS or RED data so analysis of it can add to our understanding of the circumstances of those that were unable to retain employment after the GFC. The survey provides a range of subjective



measures of attitudes towards work, work readiness, and satisfaction with various job attributes and with the level of service provided by their employment assistance provider. It also provides information on the mental health of respondents using the 5 item Mental Health Inventory (using the five item Mental Health Inventory (MHI-5) as discussed in Kelly et al. 2008).

Note that the mental health score ranges from 1 to 25 with higher values representing better mental health. The table therefore shows that those reporting better average mental health when surveyed in 2008 were significantly more likely to remain employed in 2009.

Interestingly those reporting to be work ready when surveyed in 2008 were significantly more likely to remain employed after the GFC in 2009. Also those reporting that they had a supportive supervisor were likely to remain employed.<sup>12</sup> Respondents' assessment of other job attributes in 2008 does not seem to have any statistical relationship to their employment status in 2009. Also access to a range of employer sponsored services such as job training, counseling, other forms of training or short course, don't seem to affect the likelihood of remaining employed.

It also appears that for those that found themselves unemployed again in 2009 there were certain indications that employers were concerned with certain aspects of performance in 2008. Unemployment was a significantly more likely outcome where concerns were raised by employers about taking time off to care for others or due to ill health. Expectations of job loss also seemed to align with reality with those predicting that job loss was a likely outcome more likely to find themselves without work a year later.

Satisfaction with the work itself also seems to matter to the likelihood of remaining employed, although there was no statistical relationship between satisfaction with other aspects of the job and employment status in 2009.

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<sup>12</sup> The question asks how strongly the respondent agrees to the statement 'My direct supervisor is supportive and understanding.'

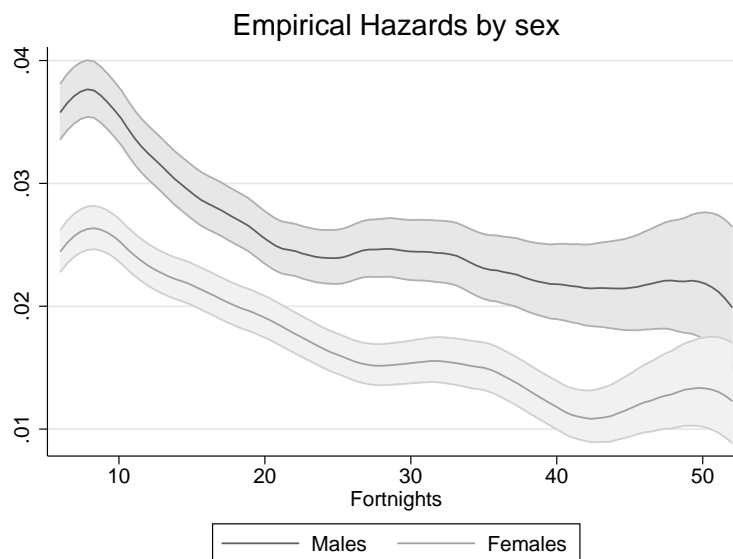
These findings all lend weight to the argument that it was the most vulnerable and the most in need of additional support that lost their jobs after the GFC.

## 5. Findings from duration analysis

### 5.1. Bivariate analysis

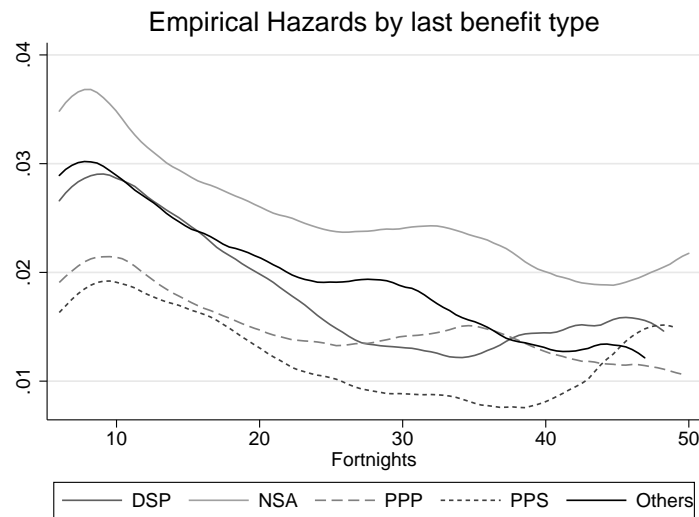
By analysing the return to income support within a two year period, we basically ignored the duration of time that these individuals spent off income support in the previous chapter. This section is intended to fill this gap and fully exploit the duration nature of the data. The empirical hazard in Figure 3 plots the fortnightly hazard rates disaggregated by sex over time where time on the x-axis. The figure shows that the men in our sample face a significantly higher hazard rate at almost any time of a spell compared to women, conditional on not having returned up until that point. The hazard for both men and women increases during the first 6 fortnights, indicating that individuals are at the highest risk of returning to income support after about 6 fortnights. From then onwards, the risk decreases gradually for both sexes which suggests that the longer people have managed to stay off income support, the higher are their chances of staying off income support. However, gender differences persist over time.

**Figure 3: Empirical hazard rate with 95% confidence intervals, by sex**



For the next figure, we disaggregate the hazard rates by previous payment types. As before, these are split into NSA/YAO, DSP, PPS, PPP, and all other payments. Figure 4 indicates that exiters from parenting payments face the lowest hazard at almost all points in time, and that exiters from NSA payments face the highest hazard at any given point in time. We cannot display any confidence intervals in this graph as the lower ones would all be overlapping.

**Figure 4: Empirical hazards, by last benefit type**



However, once we lump all payment types apart from NSA into one category, Figure 5 shows that those who had previously exited from NSA payments have significantly higher hazard rates compared to all other payments. Recall that these are only empirical hazards and that we are not controlling for the confounding factors of any covariates yet.

**Figure 5: Hazard rates with 95% confidence intervals, by NSA**

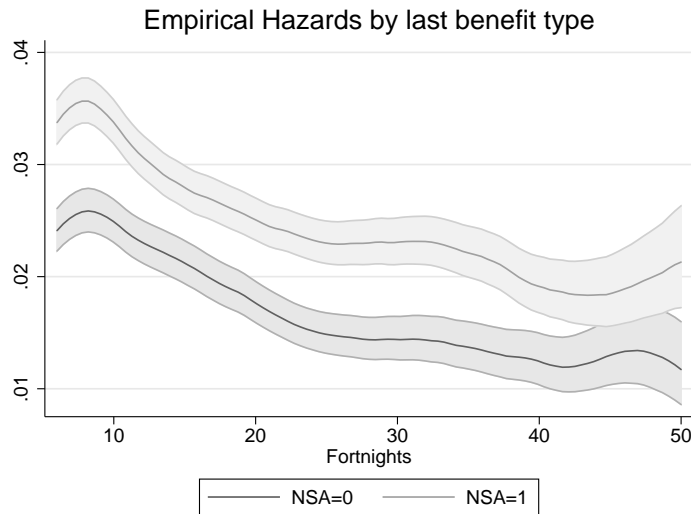
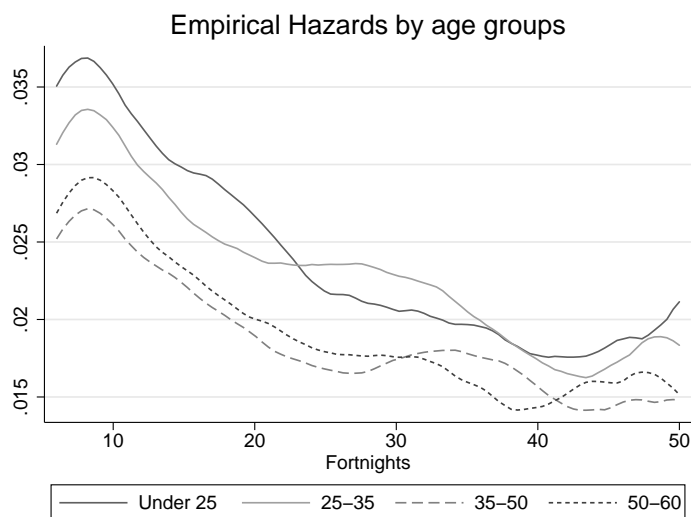


Figure 6 presents the empirical hazards disaggregated by age-at-grant and show that those of prime working age, i.e. aged 35-50, face the lowest hazard at almost any point in time. It also confirms that the youngest workers, especially under 25 years of age, face the highest hazard at any point in time. Interestingly, the oldest group in our sample face relatively low hazard rates which closely follow the hazards for the prime-working age group. This is somewhat of a counterintuitive finding as the literature tends to find that the youngest and oldest workers are typically at the highest risk of re-entering income support (Buddelmeyer and Vu, 2005).

**Figure 6: Empirical hazards, by age groups**



Up to this point we have seen how the hazard rate changes over time, disaggregated for different groups, but we have not yet analysed the duration of spells. In this section we will be exploiting the continuous measure of duration we have for each spell. Table 11 presents the distribution of spell durations by the year a spell started. For this purpose, we have excluded spells that started in 2010 as most of these are either right-censored or would have lasted for less than six months as the right-censoring date was the 1<sup>st</sup> of July 2010.

**Table 11: Distribution of duration of spells off -IS, by spell start year**

	2006	2007	2008	2009
<i>Duration (%)</i>				
<3 months	5.4	5.3	6.6	8.0
3-6 months	13.7	13.5	16.4	15.5
6-12 months	13.4	15.8	17.8	13.6
1-1.5 years	7.4	9.3	10.1	2.1
1.5-2 years	5.6	6.8	3.9	.
2-3 years	8.8	7.1	1.1	.
3-4 years	5.1	0.3	.	.
Right-censored	40.6	42.0	44.0	60.8
<i>Mean duration (in months)</i>				
All spells	27.4	21.9	15.7	9.4
Censored spells	45.6	35.4	24.3	11.7
Non-censored spells	14.9	12.1	8.9	5.9
N	1,142	2,550	2,169	1,579

There are several observations to be made about Table 11. First, approximately 40-44 per cent of all spells-off income support that started between 2006 and 2008 were still ongoing at the relevant cut-off date. Secondly, there appears to be a slight increase in shorter spells over the time horizon. Specifically, 5.4 per cent of all spells that began in 2006 lasted less than 3 months, compared to about 8 per cent of spells started in 2009. Similarly, the share of spells lasting between 3-6 months increased from 13.7 to 15.5 per cent for spells starting in 2006 and 2009, respectively. These differences are also reflected in the mean length of spells for which we have provided three measures. It is natural to expect the mean duration of spells that were censored to go up as we move to

the right from 2006 to 2009. Indeed, if that were not the case, there was a strong case for a coding error in the data. However, once we focus on the spells that were *not* censored, i.e. those that ended in a return to income support, we can see a steady decline in the average length of spells. Specifically, the average duration for each spell off income was 14.9 months in 2006, 12.1 months in 2007, 8.9 months in 2008 and 5.9 months in 2009. Put differently, the average duration of each spell off-income support reduced by about 60 per cent between 2006 and 2009. Whether the GFC played a significant role in this will be addressed once we control for other characteristics in the econometric section. However, we can also break down the duration by classifying the start date of each spell as pre-GFC, post GFC, or as having started during the first or second year after the onset of the GFC. The results are presented in Table 12.

**Table 12: Distribution of duration of spells off -IS, by timing of start of spell date**

	pre-GFC	1st year	2nd year	post-GFC
<i>Duration (%)</i>				
<3 months	5.7	8.0	5.7	7.1
3-6 months	14.2	16.0	9.5	13.4
6-12 months	16.1	16.5	0.9	10.4
1-1.5 years	9.1	4.7	.	2.9
1.5-2 years	5.8	0.2	.	0.1
2-3 years	5.6	.	.	.
3-4 years	1.2	.	.	.
Right-censored	42.3	54.5	83.9	66.0
<i>Mean duration (in months)</i>				
All spells	21.2	10.9	4.5	8.4
Censored spells	34.2	14.5	4.6	9.6
Non-censored spells	11.8	6.6	3.6	6.1
N	5,450	1,633	1,054	2,687

Table 12 draws a more pronounced picture than the previous table. Clearly, non-censored spells that started post-GFC were almost half as long as those that began pre-GFC (6.1 compared to 11.8 months). Due to the different proportions of spells that were right-censored it becomes difficult to compare the proportions within each group, but the table also shows that the non-censored spells that began in the first year after the GFC on

average lasted for about 6.6 months, whereas those that started in the second year after the onset of the GFC lasted for about 3.6 months on average.

Table 13 reports the same statistics disaggregated by age-at-grant and sex. Analysing the distribution by age-at-grant, we see that younger people tend to have shorter spells than older people. For instance, the proportion of non-censored spells that lasted less than a year was 39.2 per cent for those under the age of 25, 36.7 for those aged 25-35, and 32.9 for those aged 50-60. This is not quite reflected in the mean duration of non-censored spells which are very similar for all groups. In sum, there are only weak differences by age-at-grant in terms of duration. We do however see some important gender differences. The mean duration of non-censored spells is 11.3 for women and 9.9 for men respectively. In terms of the distribution, 40.9 per cent of men's non-censored spells lasted less than a year, compared to 28.1 per cent of spells for women.

**Table 13: Distribution of duration of spells off -IS, by age-at-grant and sex (%)**

	Under 25	25-35	35-50	50-60	Men	Women
<i>Duration (%)</i>						
<3 months	6.9	6.5	5.7	5.6	7.9	4.4
3-6 months	17.2	15.2	11.3	13.8	17.0	11.1
6-12 months	15.1	15.0	13.5	13.5	16.0	12.6
1-1.5 years	8.9	6.3	7.0	6.1	6.8	7.2
1.5-2 years	4.9	4.6	3.2	3.3	4.2	3.7
2-3 years	3.7	3.6	4.0	3.5	3.9	3.5
3-4 years	0.9	0.6	0.9	0.8	0.7	0.9
Right-censored	42.4	48.4	54.4	53.4	43.4	56.4
<i>Mean duration (in months)</i>						
All spells	16.9	15.7	17.8	17.5	15.5	18.4
Censored spells	25.7	21.6	23.5	23.7	22.9	23.9
Non-censored spells	10.5	10.1	11.0	10.4	9.9	11.3
N	1,718	2,138	2,904	1,377	3,930	4,207

Lastly, Table 14 presents the figures disaggregated by previous payment type. There appear to be some notable differences between the Parenting Payments (both PPP and



PPS) and the other three payment groups. The average duration of non-censored spells is around 13 months for Parenting Payments, compared to 9.3 months for exiters from DSP, 10.1 months for NSA, and 10.5 months for all other payments, respectively.

**Table 14: Distribution of duration of spells off -IS, by previous payment type (%)**

	DSP	NSA	PPP	PPS	Others
<i>Duration (%)</i>					
<3 months	6.2	7.6	2.1	1.9	6.2
3-6 months	14.6	15.6	10.6	7.9	13.5
6-12 months	12.8	15.9	11.5	11.0	12.6
1-1.5 years	6.2	7.1	6.6	6.3	8.2
1.5-2 years	2.2	4.2	4.3	3.1	4.3
2-3 years	2.1	3.9	4.7	3.2	3.6
3-4 years	0.9	0.6	1.0	1.8	0.6
Right-censored	55.1	45.0	59.2	64.8	51.0
<i>Mean duration (in months)</i>					
All spells	17.1	15.3	20.7	21.5	17.8
Censored spells	23.4	21.8	26.2	26.1	24.8
Non-censored spells	9.3	10.1	12.7	13.0	10.5
N	679	4,708	912	782	1,056

In the next section we will further probe the issue by accounting for the various factors within a multivariate modelling framework.

## 5.2. Results from the Cox-Proportional Hazards model

### 5.2.1. Men

Table 15 presents the results from the Cox-Proportional Hazards model for men for our preferred specification. In this specification we control for the GFC as a time-varying covariate using the one and two-year horizon after the 30<sup>th</sup> of September 2008. Low-paid employment is defined as less than 120% of the FMW<sup>13</sup>. In addition, the models control for industry dummies and include interaction terms between the GFC variable and the dummy variables for low pay and paid leave to capture the effect of the GFC on these characteristics. The complete set of results, including the results without interaction terms and using the second definition of low paid employment, are reported in the appendix in Table 36. The results are very robust across the specifications, which is the reason we present one set of results only in this section. For now we do not split the sample by previous benefit type but we control for the previous benefit type. We have converted the coefficients into hazard ratios to make the coefficients more readily interpretable. Note that a hazard ratio greater than 1 is associated with a higher probability of re-entering income support, and a hazard ratio lower than 1 denotes a lower probability of returning.

Since the sign and size of the hazard ratios are very similar between the two definitions for the GFC, we will mainly focus our discussion on the first two columns in Table 15. In terms of age, the results show that the oldest and youngest age groups are at highest risk of returning relative to those aged 35-50. The only significant result, however, pertains to men aged 50-60 who are 40.7 per cent more likely to return than the prime working age group. Compared to being single, those with working partner are about  $(1-0.611=0.389)$  38.9 per cent less likely to come back on IS. This could be the result of two factors: one, the impact of the partner's earnings on the overall household income and thus on income support eligibility; or reflect some underlying unobserved ethics towards work. Holding other things constant, all education variables reduce the probability of returning and indicate that those with Year 10 or less are at the highest risk

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<sup>13</sup> It almost made no difference using the other definition, see results in the appendix.

of returning to IS. However, only the groups TAFE/Apprenticeship and University are statistically significant. Specifically, those with an apprenticeship, TAFE, or any other trade qualification are 22.7 per cent less likely to come back on IS. As expected, given the high investment they have undertaken in their education, the probability of returning for those with a degree is 44.1 per cent lower compared to those with Year 10 or less.

**Table 15: Results from Cox Proportional Hazards model, Men**

	GFC 1 year		GFC 2 years	
	Hazard ratio	S.E.	Hazard ratio	S.E.
Aged under 25 (reference category: 35-50)	1.271	(0.214)	1.263	(0.212)
Aged 25-35	1.121	(0.165)	1.117	(0.165)
Aged 50-60	1.407**	(0.218)	1.416**	(0.220)
Partner - working (ref. category: single)	0.611***	(0.112)	0.608***	(0.112)
Partner - not working	0.981	(0.164)	0.972	(0.163)
Year 12 (ref. category: Year 10 or less)	0.843	(0.115)	0.832	(0.114)
Apprenticeship/TAFE/any trade	0.773*	(0.108)	0.765*	(0.107)
University	0.559***	(0.111)	0.556***	(0.111)
Dummy - major financial/economic changes	1.109	(0.133)	1.109	(0.133)
Dummy - major personal life events	1.490***	(0.207)	1.492***	(0.207)
Single health condition (ref. category: no chronic condition)	1.158	(0.161)	1.148	(0.160)
Multiple health condition	0.960	(0.179)	0.959	(0.179)
2 income spells in past 5 years (ref. category: one spell)	1.437***	(0.190)	1.444***	(0.191)
3/4 income spells in past 5 years	1.670***	(0.243)	1.668***	(0.242)
5 or more income spells in past 5 years	2.274***	(0.455)	2.258***	(0.451)
Proportion of time on benefits in past 5 years	1.459*	(0.291)	1.461*	(0.292)
Previous benefit type - DSP	1.767***	(0.303)	1.774***	(0.305)
Previous benefit type - PPS	0.735	(0.292)	0.737	(0.293)
Previous benefit type - PPP	0.527	(0.221)	0.536	(0.225)
Previous benefit type - All others	0.852	(0.155)	0.848	(0.154)
GFC	1.002	(0.162)	0.976	(0.168)
Low pay	1.071	(0.151)	1.059	(0.163)
Full time	1.124	(0.151)	1.115	(0.150)
Got job through Jobnet	1.219	(0.162)	1.223	(0.163)
Tenure - 6-12 months (ref. category: <6 months)	1.113	(0.151)	1.119	(0.152)
Tenure - 1-2 years	0.810	(0.146)	0.813	(0.147)
Tenure - 2 or more years	1.316	(0.286)	1.322	(0.287)
Receives paid leave	0.559***	(0.078)	0.480***	(0.074)
Dummy - generally flexible working conditions	0.708***	(0.087)	0.715***	(0.088)
GFC interacted with				
Any leave	1.552**	(0.332)	1.907***	(0.398)
Low pay	1.366	(0.304)	1.295	(0.278)
N	1510	0.031	1510	0.032
Pseudo R-squared	0.031		0.032	

\*\*\* indicate statistical significance at 1% level, \*\* significant at 5% level, \* significant at 10% level.

Once again, the results show that non-financial major life events have a more significant impact than economic or financial life events (such as loss of job in previous six months). We find that men who experienced a non-financial major life event were about 49 per cent more likely to return to income support. This could capture some unobserved ability or stress tolerance and indicates that these individuals are at much higher risk of returning to income support.

In terms of income support history, the results confirm the results from the transition analysis. Men with more extensive income support histories are at a higher risk of returning to IS, both in terms of numbers of spells and proportion of time spent on income support. Those with two spells are already 43.7 per cent more likely to come back, those with three or four spells are 67.0 per cent, and those with five or more are more than twice as likely to return to income support compared to those with one spell in the past five years. We find some evidence for differences between previous payment types. In particular, those who have come off a DSP payment in the past are 76.7 per cent more likely to come back to IS relative to those who have exited from a NSA/YAO payment. This is probably explained by the condition that those who have come off a DSP payment return to IS within a two year window, they get to remain on DSP without having their eligibility/job capacity tested again. Those coming off all other payments are less likely to return compared to the reference group, although the differences are not statistically significant.

The model allows us to address the impact of the GFC and if those in low paid or non-casual employment were affected differently by the GFC. First, the hazard ratios for the GFC variables are individually insignificant which indicates that for those in high-paid employment, other things being equal, the GFC did not affect their hazard of returning to income support. However, a joint F-test of the GFC and its interaction terms shows that they are jointly significant at the 1 per cent level which implies that there was a higher risk of returning to income support during the first and second year after the 30<sup>th</sup> of

September 2008<sup>14</sup>. Controlling for the effect of the GFC, we do not find any significant associations between low paid employment or the length of job tenure and the risk of returning to IS. However, non-casual employment and more flexible work arrangements are associated with a significantly lower risk of returning to income support on the order of 44.1 and 29.2 per cent, respectively.

We cannot readily discuss the hazard ratios on the interaction terms as more than one coefficient is involved in calculating the hazard ratio for the interacted variables. However, once we have performed the necessary calculations, the results show that the hazard of returning to income support for those who were in non-casual employment during the GFC was 13.3 per cent lower compared to those in casual employment during the GFC<sup>15</sup>. This points to two important conclusions: one, men in non-casual employment are less likely to return than those in casual employment both pre- and post-GFC. Moreover, even those in non-casual employment were more likely to return after the GFC than before as the hazard ratio for those in non-casual employment post-GFC (0.867) is higher than pre-GFC (0.559). Importantly, we find no significant evidence to suggest that those in low pay were more likely to return compared to those in high pay, both before and after the GFC.

### 5.2.2. *Women*

Table 16 presents the results from the same models for women. Starting off with age, the results indicate the women aged 25-35 are the only group with significantly rates of returning to income support. Specifically, women aged 25-35 are 40.3 per cent more likely to return to IS compared to women of prime-working age.

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<sup>14</sup> In addition, the models presented in the appendix that do not include the interaction terms of the GFC show that men were about 30 per cent more likely to return to income support during the first year after the GFC, and about 32 per cent in the two years after the GFC.

<sup>15</sup> In order to calculate the hazard ratios for the interacted items, it is necessary to convert the hazard ratios back into the raw coefficients. Then the hazard ratio, for example for low pay, is equal to  $\exp(\text{coeff}[\text{low pay}] + \text{coeff}[\text{low pay interacted with GFC}])$ .

**Table 16: Results from Cox Proportional Hazards model, Women**

	GFC 1 year		GFC 2 years	
	Hazard ratio	S.E.	Hazard ratio	S.E.
Aged under 25 (reference category: 35-50)	1.098	(0.204)	1.096	(0.203)
Aged 25-35	1.403**	(0.228)	1.402**	(0.228)
Aged 50-60	1.111	(0.212)	1.110	(0.212)
Partner - working (ref. category: single)	0.702**	(0.102)	0.702**	(0.102)
Partner - not working	0.764	(0.200)	0.765	(0.200)
Year 12 (ref. category: Year 10 or less)	0.601***	(0.108)	0.602***	(0.108)
Apprenticeship/TAFE/any trade	0.848	(0.125)	0.849	(0.125)
University	0.695*	(0.131)	0.695*	(0.131)
Dummy - major financial/economic changes	1.300**	(0.153)	1.301**	(0.154)
Dummy - major personal life events	0.780	(0.120)	0.781	(0.120)
Single health condition (ref. category: no chronic condition)	1.342*	(0.201)	1.341*	(0.201)
Multiple health condition	1.091	(0.243)	1.088	(0.244)
2 income spells in past 5 years (ref. category: one spell)	1.054	(0.145)	1.054	(0.145)
3/4 income spells in past 5 years	1.407**	(0.218)	1.405**	(0.218)
5 or more income spells in past 5 years	1.815*	(0.572)	1.816*	(0.573)
Proportion of time on benefits in past 5 years	2.026***	(0.441)	2.026***	(0.441)
Previous benefit type - DSP	0.841	(0.250)	0.838	(0.250)
Previous benefit type - PPS	0.629**	(0.118)	0.627**	(0.118)
Previous benefit type - PPP	0.900	(0.199)	0.897	(0.199)
Previous benefit type - All others	0.838	(0.171)	0.837	(0.171)
GFC	1.059	(0.197)	1.031	(0.207)
Low pay	1.079	(0.159)	1.049	(0.177)
Full time	1.087	(0.149)	1.087	(0.149)
Got job through Jobnet	0.702*	(0.148)	0.701*	(0.148)
Tenure - 6-12 months (ref. category: <6 months)	0.984	(0.142)	0.985	(0.142)
Tenure - 1-2 years	0.723*	(0.132)	0.725*	(0.133)
Tenure - 2 or more years	0.798	(0.147)	0.798	(0.147)
Receives paid leave	0.775*	(0.117)	0.791	(0.134)
Dummy - generally flexible working conditions	0.749*	(0.111)	0.750*	(0.111)
GFC interacted with				
Any leave	0.952	(0.224)	0.929	(0.204)
Low pay	0.807	(0.207)	0.923	(0.218)
N	1961	0.029	1961	0.029
Pseudo R-squared	0.029		0.029	

\*\*\* indicate statistical significance at 1% level, \*\* significant at 5% level, \* significant at 10% level.

Women with a partner are 29.8 per cent less likely to come back on IS compared to single women. We find that all education variables are again associated with a lower probability of returning to IS. Women in the apprenticeship category have a 15.2 per cent lower probability of returning, where as those with Year 12 or a degree are 39.9 per cent and

30.5 per cent less likely to return, respectively. However, only the latter two of these are significant. For women, we find that having experienced a major financial or economic life event is associated with a 30 per cent higher probability of returning to income support. In contrast, for men, this association is insignificant.

Income support history again proves to be highly significant. Women with three or four spells on IS in the last five years are 40.7 per cent more likely to return compared to women with one spell, and those with 5 or more are 81.5 per cent more likely to return. The fact that the results are statistically significant just at the 10 per cent level for the last group might be due to correlation with the amount of time spent on IS for that group. The results indicate that women who have spent one additional per cent of the last five years on IS are about twice as likely to return to income support. In terms of previous benefit types, we find that only those who have exited from a PPS payment are significantly less likely to return to income support.

Concerning the GFC and employment variables, we see some important differences between men and women. Whereas the GFC did significantly impact on men in non-casual employment, the results from all our specifications show that the GFC does not seem to have raised the risk of returning for women. This is quite a surprising result given that we also control for industry in this specification. There is some slight evidence at the 10 per cent significance level to suggest that those who did not get their job through a Job Network Agency, those with 1-2 years of tenure, and those in non-casual employment and with flexible working conditions were less likely to return to income support.

### *5.2.3. By previous payment type*

In this section we split up our samples by the previous payment types and run the same model on these different groups. However, due to sample size issues, there are some limitations. We have not been able to conduct separate analysis for those coming off DSP

or all other payment types<sup>16</sup>. In addition, the small number of male Parenting Payments recipients also rules out running separate regressions on this subgroup. We therefore end up estimating models for male and females exiters from NSA/YAO payments, as well as for females exiters from Parenting Payments.

Table 17 presents the results from the Cox Proportional Hazards model for male exiters from NSA/YAO payments. The results are largely in line with the results from the model where we control for previous benefit type, which is to be expected given that NSA spells are the largest group. There are two noteworthy points of comparison between the general sample and those who exited from NSA/YAO payments: surprisingly, those in full time employment were about 47.0 per cent more likely to return to income support. Secondly, those who were in low paid employment were about 55 per cent more likely to return to income support during the first year of the GFC (calculated using the interaction terms). This is quite different from the general sample where we did not find any impact of the GFC on the low pay dummy.

**Table 17: Results from Cox proportional hazard models - Hazard ratios for NSA/YAO exiters (men)**

	GFC 1 year		GFC 2 years	
	Hazard ratio	S.E.	Hazard ratio	S.E.
Aged under 25 (reference category: 35-50)	1.061	(0.216)	1.046	(0.213)
Aged 25-35	1.066	(0.177)	1.055	(0.176)
Aged 50-60	1.359*	(0.250)	1.363*	(0.251)
Partner - working (ref. category: single)	0.449***	(0.107)	0.449***	(0.107)
Partner - not working	1.056	(0.209)	1.046	(0.207)
Year 12 (ref. category: Year 10 or less)	0.984	(0.159)	0.978	(0.158)
Apprenticeship/TAFE/any trade	0.878	(0.148)	0.867	(0.147)
University	0.610**	(0.138)	0.604**	(0.137)
Dummy - major financial/economic changes	1.068	(0.155)	1.063	(0.154)
Dummy - major personal life events	1.528**	(0.254)	1.538***	(0.256)
Single health condition (ref. category: no chronic condition)	1.207	(0.189)	1.197	(0.188)
Multiple health condition	0.811	(0.201)	0.821	(0.204)
2 income spells in past 5 years (ref. category: one spell)	1.217	(0.194)	1.216	(0.194)
3/4 income spells in past 5 years	1.393*	(0.243)	1.384*	(0.242)
5 or more income spells in past 5 years	2.036***	(0.475)	2.009***	(0.469)
Proportion of time on benefits in past 5 years	1.714**	(0.407)	1.733**	(0.412)
GFC	0.974	(0.182)	0.914	(0.185)
Low pay	1.305	(0.215)	1.256	(0.227)

<sup>16</sup> Despite including those receiving NSA with a permanent partial capacity to work in the DSP definition.



Full time	1.470**	(0.243)	1.459**	(0.242)
Got job through Jobnet	1.122	(0.174)	1.129	(0.175)
Tenure - 6-12 months (ref. category: <6 months)	1.230	(0.202)	1.228	(0.202)
Tenure - 1-2 years	0.950	(0.217)	0.950	(0.217)
Tenure - 2 or more years	1.528	(0.410)	1.550	(0.415)
Receives paid leave	0.489***	(0.084)	0.410***	(0.079)
Dummy - generally flexible working conditions	0.632***	(0.091)	0.637***	(0.092)
GFC interacted with				
Paid leave	1.594*	(0.407)	2.001***	(0.501)
Low pay	1.181	(0.313)	1.235	(0.313)
N	1092	0.037	1092	0.039
Pseudo R-squared	0.037		0.039	

\*\*\* indicate statistical significance at 1% level, \*\* significant at 5% level, \* significant at 10% level.

The significant results of the same model for female exiters from NSA/YAO payments are presented in Table 18. The full table of results is included in Table 39 in the appendix. Comparing the results with the model from Table 16, we discover by and large the same results.

**Table 18: Results from Cox proportional hazard models - Hazard ratios for NSA/YAO exiters (women)**

	GFC 1 year		GFC 2 years	
	Hazard ratio	S.E.	Hazard ratio	S.E.
Aged under 25 (reference category: 35-50)	0.981	(0.248)	0.962	(0.244)
Aged 25-35	1.503	(0.381)	1.490	(0.377)
Aged 50-60	0.990	(0.248)	0.979	(0.246)
Partner - working (ref. category: single)	0.662**	(0.133)	0.659**	(0.132)
Partner - not working	0.899	(0.304)	0.898	(0.304)
Year 12 (ref. category: Year 10 or less)	0.595**	(0.152)	0.593**	(0.152)
Apprenticeship/TAFE/any trade	0.785	(0.169)	0.792	(0.170)
University	0.662	(0.185)	0.657	(0.183)
Dummy - major financial/economic changes	1.213	(0.202)	1.223	(0.204)
Dummy - major personal life events	0.769	(0.183)	0.773	(0.184)
Single health condition (ref. category: no chronic condition)	1.394	(0.285)	1.380	(0.283)
Multiple health condition	0.917	(0.261)	0.915	(0.262)
2 income spells in past 5 years (ref. category: one spell)	1.340	(0.270)	1.356	(0.274)
3/4 income spells in past 5 years	1.782***	(0.380)	1.798***	(0.384)
5 or more income spells in past 5 years	1.726	(0.654)	1.718	(0.650)
Proportion of time on benefits in past 5 years	2.145**	(0.654)	2.171**	(0.663)
GFC	1.025	(0.250)	1.116	(0.297)
Low pay	1.125	(0.229)	1.125	(0.259)
Full time	1.003	(0.179)	1.003	(0.180)
Got job through Jobnet	0.546**	(0.145)	0.553**	(0.147)
Tenure - 6-12 months (ref. category: <6 months)	0.983	(0.198)	0.988	(0.200)
Tenure - 1-2 years	0.731	(0.185)	0.742	(0.188)

	GFC 1 year		GFC 2 years	
	Hazard ratio	S.E.	Hazard ratio	S.E.
Tenure - 2 or more years	1.055	(0.282)	1.059	(0.285)
Receives paid leave	0.698*	(0.141)	0.856	(0.193)
Dummy - generally flexible working conditions	0.598**	(0.123)	0.601**	(0.123)
GFC interacted with				
Paid leave	1.024	(0.316)	0.681	(0.202)
Low pay	1.009	(0.322)	1.012	(0.313)
N	1003	0.038	1003	0.039
Pseudo R-squared	0.038		0.039	

\*\*\* indicate statistical significance at 1% level, \*\* significant at 5% level, \* significant at 10% level.

Lastly, we present the results for female exiters from Parenting Payments in Table 19. The full table of results is included in Table 40 in the appendix. Despite sufficient sample size, most of the variables included in the model are insignificant and mirror the results found when modelling the probability of returning to income support for this group (see Table 9).

**Table 19: Results from Cox proportional hazard models - Hazard ratios for Parenting Payment (PPs/PPp) exiters (women only)**

	GFC 1 year		GFC 2 years	
	Hazard ratio	S.E.	Hazard ratio	S.E.
Aged under 25 (reference category: 35-50)	1.979	(0.834)	2.048*	(0.865)
Aged 25-35	1.528*	(0.356)	1.569*	(0.366)
Aged 50-60	0.822	(0.501)	0.838	(0.510)
Partner - working (ref. category: single)	0.763	(0.202)	0.746	(0.197)
Partner - not working	0.83	(0.371)	0.765	(0.343)
Year 12 (ref. category: Year 10 or less)	0.621	(0.208)	0.623	(0.209)
Apprenticeship/TAFE/any trade	1.131	(0.314)	1.133	(0.316)
University	0.695	(0.221)	0.68	(0.217)
ESC (ref. category: Australian born non-indigineous)	0.78	(0.336)	0.782	(0.337)
NESC	1.218	(0.405)	1.179	(0.392)
ABTSI	1.935*	(0.771)	1.943*	(0.772)
Number of dependent children	0.946	(0.113)	0.95	(0.113)
Dummy - major financial/economic changes	1.342	(0.301)	1.351	(0.303)
Dummy - major personal life events	1.117	(0.266)	1.082	(0.258)
Inner regional (ref. category: major city)	0.657	(0.171)	0.642*	(0.167)
All outer regional	0.852	(0.259)	0.845	(0.257)
VIC	0.598	(0.221)	0.613	(0.228)
QLD	0.535**	(0.144)	0.544**	(0.147)
SA	0.368*	(0.201)	0.378*	(0.208)
WANT	0.655	(0.239)	0.671	(0.245)
TAS	0.906	(0.590)	0.874	(0.571)

	GFC 1 year		GFC 2 years	
	Hazard ratio	S.E.	Hazard ratio	S.E.
Single health condition (ref. category: no chronic condition)	2.293***	(0.649)	2.273***	(0.639)
Multiple health condition	0.19	(0.201)	0.195	(0.205)
2 income spells in past 5 years (ref. category: one spell)	0.982	(0.234)	0.964	(0.230)
3/4 income spells in past 5 years	1.115	(0.346)	1.13	(0.351)
5 or more income spells in past 5 years	1.535	(1.763)	1.759	(2.010)
Proportion of time on benefits in past 5 years	1.709	(0.638)	1.69	(0.634)
GFC	1.222	(0.395)	1.123	(0.398)
Low pay	1.075	(0.332)	1.019	(0.400)
Full time	0.869	(0.223)	0.875	(0.225)
Got job through Jobnet	2.794**	(1.335)	2.751**	(1.312)
Tenure - 6-12 months (ref. category: <6 months)	0.858	(0.232)	0.854	(0.230)
Tenure - 1-2 years	0.537*	(0.186)	0.535*	(0.185)
Tenure - 2 or more years	0.599	(0.193)	0.591	(0.191)
Receives paid leave	0.748	(0.228)	0.568	(0.201)
Dummy - generally flexible working conditions	1.099	(0.319)	1.071	(0.310)
GFC interacted with		0.637		1.327
Receives paid leave	0.637	(0.281)	1.327	(0.544)
Lowp pay	0.38	(0.233)	0.66	(0.337)
N	765		765	
Pseudo R-squared	0.051		0.048	

\*\*\* indicate statistical significance at 1% level, \*\* significant at 5% level, \* significant at 10% level.

## **6. Summary and policy relevance**

In this report we examine the relationship between employment conditions and the return to income support in Australia for a sample of former income support recipients over the period of 2006-2010. It provides one of the first rigorous assessments of the link between individual's socio-economic characteristics, and measures of their job quality, once they leave income support and their probability of returning to income support within the first two years of the onset of the Global Financial Crisis in September 2008. The report combines two complementary data sources: i) the Longitudinal Pathways Survey (LPS), a longitudinal survey of former income support recipients that provides a rich array of information on individual's socio-economic characteristics, with ii) the administrative records on people's income support histories which provide detailed information on the amount of time, as well as the exact timing, that people spend off and on income support. A third independent data set is also analysed to cross validate our findings and provide further information about differences regarding subjective job attributes.

Since the last wave of the LPS occurred mid-2008, we unfortunately do not observe if individuals retained their job during the GFC, but do observe if they returned to income support post September 2008. We therefore have to make the reasonable assumption that individuals lost their job if they returned to income support post September 2008. This assumption guides the formulation of our research questions.

Specifically, the report examines the following research questions in detail:

1. What are the socio-economic characteristics and circumstances of individuals who were unable to retain employment (i.e. a return to income support) after the economic downturn?

For those who were off income support at wave 5 of the LPS (May/June 2008) the report finds that men are significantly more likely to return to income support than women. 37 per cent of men return within 2 years compared to 28 per cent of women. The duration

analysis shows that men also face a higher hazard of returning to income support at any time of their spell off income support. Returners to income support typically have lower levels of education, so policy could be targeted at increasing the levels of education through vocational training or formal studies. The evidence presented in this paper is ambiguous on this issue as the probit and duration models report different levels of significance for the education variables. We find higher levels of high significance in the duration analysis which is likely to be caused by the fact that we are using every spell from 2006-2008 and do not exclusively focus on the spells at wave 5 as we did for the probit analysis. In other words, the results from the duration analysis cover both the pre- and post-GFC period which may intuitively be interpreted as ‘generally, education matters’. We also find that returners are more likely to be single and without children, and are less likely to have a working partner. We find very strong evidence that those individuals with more extensive income support histories are much more likely to return to income support compared to non-returners. In particular, returners have on average had 2.8 spells of income support in the past five years, non-returners 2.1. Similarly, returners have spent 49.1 per cent of their past five years on income support, compared to 42.3 per cent for non-returners. This translates into just over four months more on income support over a five year period compared to the non-returners. In light of this robust finding, reducing people’s dependence on income support, both in terms of spells and duration, seems to be an important point for policy makers. The obvious way of achieving this is by getting people into jobs, although the report finds that those employed in lower quality jobs characterised by low pay, casual work contracts, and low job flexibility are more likely to return to income support compared to those in better jobs, as discussed below.

2. Which factors (personal or employment related) affect the likelihood of an ‘unsuccessful’ transition (i.e. a return to income support) to employment during a time of weakening employment demand?

For women who were employed and off benefits at the time of wave 5, we find that those with a working partner are about 10.1 per cent less likely to return within 2 years than single women. Women who have experienced a major financial or economic change are

about 4.6 per cent more likely to return within 1 or 2 years compared to those who did not. We do not find any significant differences by region or state of residence, age, ethnicity, children or health status. However, those with more than 3 spells of income support in the past five years are between 10.1 and 19.1 per cent more likely to return to income support within 2 years compared to those with one spell.

For men who were employed and off benefits at the time of wave 5, we find that those with a working partner are about 11.3 per cent less likely to return within 2 years than single men. Those with multiple health conditions are at greater risk of returning (11.8 per cent) within 2 years than those with no health conditions. Previous income support history proves highly significant. A ten per cent increase in the proportion of time on benefits is associated with a 2 (1) per cent increase in the probability of returning within 1 (2) year(s). We also find that men with more than 5 spells of income support in the past five years are about 19.2 per cent more likely to return to income support within 2 years compared to those with one spell.

3. Does the nature and type of employment at the time of job entry affect the likelihood of retaining employment (i.e. a return to income support)?

The report finds very strong and robust associations between certain work-related characteristics, especially non-casual employment and flexible working conditions, and the return to income support. Within two years of the GFC, men and women employed in non-casual jobs are about 8.8 or 10 per cent less likely to return to income support than casual employees, respectively. Workers with one or more years of tenure in their current job are between 5.7 and 13.0 per cent less likely to return compared to those with tenure of less than six months. For women, there is some weak evidence that low pay is associated with a 5.1 greater probability of returning to income support within 2 years, although this finding is not robust using a different definition of low pay. For men, we do not find a significant link between low pay and returning to income support. We also find that having generally flexible working conditions is associated with a lower probability of returning to income support. The results also reveal some short-run negative industry

effects for women which were significant only in the first year of the GFC, and some persistent industry effects for men which mainly occurred in government-financed sectors (health care, public administration, the arts) and were associated with a lower likelihood of returning to income support.

4. Are there differences between different groups of income support recipients?

The descriptive statistics show that the following proportions of previous exiters from the different payment types return to income support within the first two years of the GFC: 38 per cent of NSA/YAO exiters; 28 per cent of DSP exiters; 19 per cent of PPS exiters; 25 per cent of PPP exiters; and 27 per cent of exiters from all other payment types. Seeing that exiters from NSA/YAO and DSP display much higher rates of returning to income support than the other groups, and that NSA/YAO is the largest group of income support recipients, policy makers could target these groups in particular. Furthermore, the fortnightly hazard of returning to income support is significantly higher for those who have exited of a NSA/YAO payment. Exiters from Parenting Payments have the longest duration of spells off income support (about 13 months for non-censored spells). DSP exiters have the lowest average duration of non-censored spells (9.3 months), followed by NSA (10.1 months) and all other payment types (10.5 months). When we model the return to income support within one or two years, we mainly find that all groups are less likely to return to income support compared to exiters from NSA/YAO payments, although these are mostly insignificant.

5. Are there differences/similarities across the different stages of the economic cycle?

Using the Cox Proportional Hazards model, we can control for the impact of the GFC and interact it with low paid employment and non-casual employment to determine the aggregate impact of the GFC as well as address the question whether those in low-paid employment or casual employment were more likely to return to income support during the GFC than before. Firstly, we find that men were about 30.8 per cent more likely to

return to income support during the first year of the GFC, and about 32.4 per cent more likely to return within the first two years. We also find that the GFC raised the hazard of returning to income support for those in non-casual and casual employment compared to the pre-GFC hazard of returning. We do not find that men in low paid employment are more or less likely to return compared to those in high-paid employment, both pre- and post-GFC. For women, there is no evidence to suggest that women were significantly more likely to return during the first two years of the GFC or that women in casual jobs were more likely to return to income support during the GFC.

In addition, we also controlled for the timing aspect by using quarterly dummies. For both men and women, the model shows that the hazard of returning to income support increased between the 3<sup>rd</sup> quarter of 2008, peaked in the 1<sup>st</sup> quarter of 2009, and returned to pre-crisis levels in the first quarter of 2010. This confirms the differences that can be expected *a priori* for the hazard of returning to income support during different stages of the economic cycle.

#### Implications for policy

Firstly, and importantly, macroeconomic conditions matter and governments, where possible, should avoid recession. Our findings confirm that it is those most vulnerable with the least prior attachment to the workforce that are at particular risk of job loss in an economic downturn. These are the people that are going to find it the hardest to enter employment again once the economy starts picking up again. The results also provide some indication that targeting certain industries may reduce the probability of returning to income support of those employed in these industries, or that targeting particular sectors (such as those with higher shares of casual workers) could help alleviate the negative effects of a downturn.

Secondly education matters. Although the results found on education are somewhat ambiguous they do generally support the idea that education matters, so investments in education and training are generally seen as favourable investments.



Thirdly our findings provide further evidence to inform the ‘jobs first’ debate. On the one hand we find evidence against adopting a ‘jobs first’ approach. We consistently find that casual work significantly increases the probability of returning to income support for our sample of former income support recipients. And in our analysis of the ERA data, it is those least work ready that lost their jobs after the GFC. However it needs to be borne in mind that due to our data limitations we have not been able to determine whether a casual job is better or worse than remaining unemployed, or whether those that weren’t work ready but had some employment experience were any better off for this experience over the longer term. Future research will need to employ a nationally representative data set such as HILDA to analyse the complete transitions between employment states to address that issue.

On the other hand, when we examine other aspects of job quality, such as pay, it does not appear that those employed in lower quality jobs are any more or less likely to return to income support than those in higher quality jobs. Therefore in relation to these measures there seems to be no evidence to suggest that a ‘jobs first’ approach, at least in Australia over this period of time, led to adverse circumstances for those affected on average.

However, our analysis does find that it is the most vulnerable workers that are most likely to be affected by an economic downturn. This implies that future policy needs to focus more on preventative measures that increase individuals’ skills and abilities, as well as around ‘acute’ measures to assist individuals during the next downturn. Preventative measures could include increasing individuals’ labour market attachments for instance by providing workers with additional training, or in-work support for the most vulnerable workers to help them to retain employment and eventually move into higher quality employment. Examining the characteristics of those that remained employed in 2009 relative to those unemployed in the ERA survey is consistent with the view that the provision of further in-work support for the most vulnerable could potentially improve their longer term employment prospects, particular over the period of an economic downturn.

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## 8. Appendix

**Table 20: Definitions of low pay (\$)**

	Wave 1	Wave 2	Wave 3	Wave 4	Wave 5
66% of median hourly wages (HILDA)	13.3	14.1	14.1	14.9	14.9
120% of Federal Minimum Wage	15.3	16.16	16.16	16.48	16.48

**Table 21: Proportion of individuals who return to income support within each category (%),**

	Return within 1 year	Return within 2 years	N
<b>Socio-economic characteristics</b>			
<u>Age</u>			
Under 25	25	39	460
25-35	23	34	892
35-50	17	27	1676
50-60	22	33	835
Female	18	28	2368
Male	24	37	1577
<u>Ethnicity</u>			
Australian non-indigenous	21	32	2999
English-speaking	17	29	381
Non English-speaking	21	32	461
Aboriginal/Torres Strait Islander	30	40	104
<b>Highest level of formal education</b>			
Year 10 or less	24	36	1234
Year 12	21	33	684
Trade/Apprenticeship/TAFE	19	29	1119
All degrees	17	27	876
<b>Household characteristics</b>			
Single	26	38	1760
Partner - working	15	24	1712
Partner - not working	21	35	467
No children	26	38	1718
1 child	18	27	683
2 children	16	26	899
3+ children	17	27	645
<b>Payment history – past 5 years</b>			
Number of spells - 2	19	30	1148
Number of spells - 3-4	27	40	983
Number of spells - 5+	41	57	303
Proportion of time on benefits - 0	75	75	4

Proportion of time on benefits - 1-20	15	24	1019
Proportion of time on benefits - 20-40	22	32	701
Proportion of time on benefits - 40-60	19	31	961
Proportion of time on benefits - 60-80	23	34	965
Proportion of time on benefits - 80-100	35	49	295
<b>Previous benefit type</b>			
Last benefit type - NSA/YAO	25	38	2203
Last benefit type - DSP	20	28	291
Last benefit type - PPS	11	19	575
Last benefit type - PPP	15	25	722
Last benefit type - Other	16	27	151
<b>Health status</b>			
No health condition	19	30	2778
Single health condition	24	33	761
Multiple health condition	25	40	401
<b>Working</b>	19	29	3234
<b>Job characteristics</b>			
Full time	19	31	1854
Got job through Jobnet	27	42	290
Tenure - <6 months	29	42	661
Tenure - 6-12 months	23	36	616
Tenure - 1-2 years	15	24	1476
Tenure - 2-4 years	11	20	236
Tenure - 5+ years	8	18	235
Job - any paid leave granted	15	25	1741
Job - paid leave	15	24	1643
Job - paid sick leave	15	25	1694
Job - paid carer leave	12	22	813
Job - paid maternity leave	10	19	492
Job - paid other leave	13	23	310
Flexibility - start hours	17	27	1723
Flexibility - work	17	28	2266
Flexibility - days worked	17	28	1163
Flexibility - can swap shifts	17	27	1687
<b>Total</b>	<b>21</b>	<b>32</b>	<b>3945</b>

**Table 22: Variable definitions**

Variable name	Definition and description
<u>Age</u>	
Under 25	Under 25 years of age
25-35	25-35 years of age
35-50	35-50 years of age
50-60	50-60 years of age
Female	Female
Male	Male
<u>Ethnicity</u>	
Australian non-indigenous	Australian of non-indigenous background
English-speaking	Immigrant born in one of the main English speaking countries
Non English-speaking	Immigrant born in a non-English speaking countries
Aboriginal/Torres Strait Islander	Aboriginal or Torres Strait Islander
<b>Highest level of formal education</b>	
Year 10 or less	Year 10/4th form or below
Year 12	Year 12/4th form or equivalent
Trade/Apprenticeship/TAFE	Trade/apprenticeship/TAFE/Technical certificate or diploma
All degrees	Undergraduate certificate or diploma. Degree/Masters/Doctorate
<b>Household characteristics</b>	
Single	Single, no partner
Partner - working	Partner is working
Partner - not working	Partner is not working
No children	No dependent children
1 child	One dependent child in the household
2 children	Two dependent children in the household
3+ children	Three or more dependent children in the household
<b>Health status</b>	
No health condition	No persistent health condition in the six months prior to interview
Single health condition	One persistent health condition in the six months prior to interview
Multiple health condition	Multiple persistent health conditions in the six months prior to interview
<b>Major financial/economic changes</b>	If individual responded as having experienced any financial or economic changes in the previous six months. The variable equals 1 if any of these were experienced.
<b>Major personal life events</b>	If individual responded has having experienced any personal major life events in the previous six months, including: Separation / Divorce; Death in family; Changes in OWN health; Changes in health of OTHERS; Changes in living arrangements; Moved house; other events. The variable equals 1 if any of these were experienced.
<b>Working</b>	If in paid employment at the time of the interview
<b>Job characteristics</b>	
Full time	Working full-time ( $\geq 35$ hours)
Got job through Jobnet	If job found through Job Network or Vocational rehabilitation services CRS
Tenure - <6 months	If tenure in main job has been less than 6 months
Tenure - 6-12 months	If 6 months $\leq$ tenure in main job < 12 months
Tenure - 1-2 years	If 12 months $\leq$ tenure in main job < 24 months
Tenure - 2-4 years	If 2 years $\leq$ tenure in main job < 4 years
Tenure - 5+ years	If tenure in main job has been more than 5 years
Job - any paid leave granted	If receives any form of paid leave in main current job
Job - paid leave	If main current job provides paid annual leave

Job - paid sick leave	If main current job provides paid sick leave
Job - paid carer leave	If main current job provides paid personal or carers leave
Job - paid maternity leave	If main current job provides paid maternity/paternity/adoption leave
Job - paid other leave	If main current job provides any other form of paid leave
Flexibility - start hours	If respondent can change the times they start and finish work at short notice
Flexibility - work	“To what extent do you agree or disagree that your (main) current job provides flexible working conditions?” Categorical variable ranging from 1 (strongly disagree) to 5 (strongly agree). The higher the value, the more flexible the working conditions.
Flexibility - days worked	If respondent has flexibility in choosing the days worked
Flexibility - can swap shifts	If respondent can change or swap shifts if needed
<b><u>From the RED</u></b>	
<b>Payment history – past 5 years</b>	
Number of spells	The number of spells an individual was on income support in the past five years (calculated either at the start of a spell off income support, or at the time of the LPS interview). Short spells will be joined together as we apply the standard 6/13 week break rule and therefore merge income support spells if the break between episodes is either 6 or 13 weeks. Note that the variable covers the period where respondent <i>was eligible</i> for income support in the past 5 years (i.e. may be less than 5 years for respondents aged between 16 and 20).
Proportion of time on benefits	Proportion of time the individual was on income support in the past 5 years (calculated either at the start of a spell off income support, or at the time of the LPS interview). The denominator of this variable has been adjusted for younger recipients as the proportion is calculated as the number of days in receipt of benefits divided by the number of days the respondent <i>was eligible</i> for income support in the past 5 years (thus may be less than 5 years for respondents aged between 16 and 20).
<b>Previous benefit type</b>	
Last benefit type - NSA/YAO	For those currently off benefits, if the last benefit type received was Newstart Allowance or Youth Allowance Other. Those who had a permanent limited capacity to work during that spell were removed and reclassified as ‘DSP’ recipients.
Last benefit type - DSP	For those currently off benefits, if the last benefit type received was a Disability Support Pension. Also includes those in receipt of a NSA who had a permanent limited capacity to work during that spell.
Last benefit type - PPS	For those currently off benefits, if the last benefit type received was a Parenting Payment – Single.
Last benefit type - PPP	For those currently off benefits, if the last benefit type received was a Parenting Payment – Partnered.
Last benefit type - Other	For those currently off benefits, if the last benefit type received was any other payment type.

**Table 23: Descriptive statistics, by last benefit type, 2-year window after wave 5 of the LPS**

	NSA		DSP		PPP		PPS		
	Not return	Return	Not return	Return	Not return	Return	Not return	Return	
<b>Socio-economic characteristics</b>									
Age	40.97	39.70 **	43.26	45.42	37.35	35.08 ***	39.79	37.05 ***	
Female	48.42%	42.73% **	43.92%	34.23%	87.64%	89.44%	89.03%	91.82%	
<u>Ethnicity</u>									
Australian non-indigenous	73.46%	75.81%	78.43%	82.88%	75.65%	71.67%	80.86%	77.27%	
English-speaking	10.45%	9.40%	6.67%	8.11%	11.07%	7.78%	9.25%	8.18%	
Non English-speaking	13.01%	11.28%	12.94%	9.01%	11.62%	16.67% *	8.39%	10.00%	
Aboriginal/Torres Strait Islander	3.08%	3.51%	1.96%	0.00%	1.66%	3.89% *	1.51%	4.55% *	
<b>Highest level of formal education</b>									
Year 10 or less	31.56%	36.58% **	33.20%	41.82%	24.95%	33.89% **	29.07%	29.09%	
Year 12	17.57%	17.09%	15.42%	15.45%	19.59%	25.00%	14.32%	18.18%	
Trade/Apprenticeship/TAFE	27.38%	27.97%	30.83%	23.64%	31.98%	20.00% ***	31.24%	32.73%	
All degrees	23.50%	18.35% ***	20.55%	19.09%	23.48%	21.11%	25.38%	20.00%	
<b>Household characteristics</b>									
Single	52.48%	63.66% ***	36.08%	58.56% ***	4.06%	8.33% **	46.45%	50.00%	
Partner - working	33.53%	21.68% ***	47.06%	28.83% ***	86.72%	78.33% ***	49.46%	49.09%	
Partner - not working	13.68%	14.54%	16.47%	12.61%	9.23%	13.33%	4.09%	0.91%	
Number of children	0.82	0.68 **	0.71	0.53	2.43	2.32	1.80	1.83	
No children	59.62%	67.92% ***	64.31%	70.27%	0.37%	2.78% **	5.59%	5.45%	
1 child	14.89%	11.53% **	13.33%	11.71%	14.58%	16.11%	37.85%	37.27%	
2 children	14.96%	11.15% **	12.94%	14.41%	47.23%	41.67%	35.70%	38.18%	
3+ children	10.53%	9.40%	9.41%	3.60% *	37.82%	39.44%	20.86%	19.09%	
Age youngest child	9.08	8.10 **	8.43	8.11	5.65	4.45 ***	8.69	6.92 ***	
<b>Payment history – past 5 years</b>									
Number of IS spells	2.24	2.87 ***	1.82	2.33 ***	1.86	2.61 ***	1.55	1.97 ***	
Number of spells - 2	30.53%	28.32%	32.55%	21.62% **	34.13%	29.44%	21.94%	24.55%	
Number of spells - 3-4	27.29%	33.21% ***	17.25%	30.63% ***	17.53%	30.56% ***	10.54%	24.55% ***	
Number of spells - 5+	6.62%	16.42% ***	1.96%	7.21% **	2.40%	11.67% ***	2.15%	3.64%	
% of time on income support	39.25	47.65 ***	49.70	53.79	37.03	44.36 ***	49.19	49.71	
Proportion of time on benefits - 0	0.08%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	



Proportion of time on benefits - 1-20	33.91%	21.55% ***	13.73%	10.81%	34.87%	19.44% ***	16.13%	19.09%
Proportion of time on benefits - 20-40	17.44%	17.92%	16.08%	17.12%	19.93%	22.22%	16.56%	14.55%
Proportion of time on benefits - 40-60	20.68%	21.18%	33.73%	31.53%	23.80%	31.11% *	29.89%	22.73%
Proportion of time on benefits - 60-80	21.13%	27.19% ***	29.41%	20.72% *	19.19%	20.00%	32.26%	37.27%
Proportion of time on benefits - 80-100	6.77%	12.16% ***	7.06%	19.82% ***	2.21%	7.22% ***	5.16%	6.36%
<b>Health status</b>								
No health condition	74.40%	68.76% ***	18.43%	14.41%	81.92%	83.89%	82.15%	78.18%
Single health condition	17.39%	20.83% *	47.06%	39.64%	13.84%	12.22%	13.55%	14.55%
Multiple health condition	8.13%	10.41% *	34.51%	45.95% **	4.24%	3.89%	4.09%	7.27%
<b>Working</b>								
<b>Job characteristics</b>	89.70%	83.46% ***	73.73%	69.37%	71.77%	55.56% ***	88.39%	73.64% ***
Wage main job								
Full time	20.67	19.71 **	21.78	21.68	20.98	19.73	22.65	21.34
Got job through Jobnet	63.16%	67.50% *	63.74%	70.00%	35.19%	32.99%	60.40%	55.84%
Tenure - <6 months	10.39%	16.52% ***	6.91%	9.09%	2.57%	4.00%	3.16%	1.23%
Tenure - 6-12 months	17.44%	29.88% ***	14.89%	28.57% **	19.54%	28.00% *	12.90%	23.46% **
Tenure - 1-2 years	20.03%	25.23% **	15.43%	25.97% *	15.42%	17.00%	10.46%	13.58%
Tenure - 2-4 years	52.56%	37.69% ***	55.85%	37.66% ***	42.16%	41.00%	42.82%	39.51%
Tenure - 5+ years	4.78%	4.05%	9.57%	3.90%	9.77%	9.00%	15.82%	7.41% *
Job - any paid leave granted	4.61%	3.00%	4.26%	3.90%	13.11%	4.00% ***	17.76%	16.05%
Job - paid leave	63.35%	49.34% ***	63.13%	61.11%	56.02%	47.50%	73.70%	56.76% ***
Job - paid sick leave	60.35%	45.38% ***	55.00%	55.56%	53.31%	45.00%	70.96%	55.41% **
Job - paid carer leave	61.90%	47.19% ***	61.25%	58.33%	54.22%	46.25%	72.33%	56.76% **
Job - paid maternity leave	28.99%	17.99% ***	30.00%	26.39%	28.01%	26.25%	42.74%	32.43%
Job - paid other leave	18.14%	8.75% ***	17.50%	12.50%	20.18%	17.50%	25.21%	18.92%
Flexible working conditions in job	10.67%	7.76% *	15.00%	6.94%	9.64%	7.50%	15.07%	13.51%
Flexibility - start hours	79.50%	72.27% ***	82.91%	75.36%	81.82%	88.61%	81.27%	83.78%
N	1330	798	255	111	542	180	465	110

\*\*\* indicate statistical significance at 1% level, \*\* significant at 5% level, \* significant at 10% level.

**Table 24: Marginal effects for women, return to income support within 1 year**

	(1)	(2)	(3)	(4)	(5)	(6)
Aged under 25 (reference category: 35-50)	0.007 (0.035)	0.006 (0.035)	0.000 (0.035)	0.012 (0.035)	0.011 (0.035)	0.01 (0.035)
Aged 25-35	0.045* (0.025)	0.038 (0.025)	0.038 (0.025)	0.047* (0.025)	0.04 (0.025)	0.041* (0.025)
Aged 50-60	0.025 (0.028)	0.025 (0.028)	0.024 (0.028)	0.027 (0.028)	0.027 (0.028)	0.028 (0.028)
Partner - working (ref. category: single)	-0.081*** (0.023)	-0.077*** (0.023)	-0.080*** (0.023)	-0.080*** (0.023)	-0.075*** (0.023)	-0.077*** (0.023)
Partner - not working	-0.03 (0.041)	-0.028 (0.040)	-0.032 (0.040)	-0.031 (0.041)	-0.029 (0.040)	-0.029 (0.040)
Year 12 (ref. category: Year 10 or less)	-0.02 (0.030)	-0.027 (0.030)	-0.024 (0.030)	-0.022 (0.030)	-0.029 (0.030)	-0.032 (0.030)
Apprenticeship/TAFE/any trade	-0.023 (0.025)	-0.024 (0.025)	-0.024 (0.025)	-0.026 (0.025)	-0.027 (0.025)	-0.03 (0.025)
University	-0.03 (0.028)	-0.037 (0.029)	-0.033 (0.029)	-0.037 (0.027)	-0.044 (0.029)	-0.046 (0.029)
ESC (ref. category: Australian born non-indigenous)	-0.029 (0.035)	-0.02 (0.034)	-0.019 (0.034)	-0.03 (0.035)	-0.021 (0.034)	-0.02 (0.034)
NESC	0.013 (0.034)	0.03 (0.034)	0.032 (0.034)	0.015 (0.034)	0.033 (0.034)	0.032 (0.034)
ABTSI	0.006 (0.055)	0.007 (0.054)	0.008 (0.054)	0.003 (0.055)	0.003 (0.054)	0.006 (0.054)
Number of dependent children	-0.006 (0.010)	-0.009 (0.010)	-0.009 (0.010)	-0.006 (0.010)	-0.009 (0.010)	-0.009 (0.010)
Dummy - major financial/economic changes	0.042** (0.020)	0.041** (0.020)	0.044** (0.020)	0.041** (0.020)	0.041** (0.020)	0.040** (0.020)
Dummy - major personal life events	0.037 (0.027)	0.036 (0.027)	0.042 (0.026)	0.037 (0.027)	0.036 (0.027)	0.038 (0.027)
Inner regional (ref. category: major city)	0.003 (0.022)	0.002 (0.022)	0.001 (0.022)	0.004 (0.022)	0.003 (0.022)	0.003 (0.022)
All outer regional	-0.005 (0.028)	-0.005 (0.028)	-0.005 (0.028)	-0.003 (0.028)	-0.003 (0.028)	-0.002 (0.028)

VIC	0.017 (0.028)	0.010 (0.028)	0.011 (0.028)	0.019 (0.028)	0.012 (0.028)	0.011 (0.028)
QLD	0.017 (0.026)	0.019 (0.025)	0.017 (0.025)	0.017 (0.026)	0.02 (0.026)	0.019 (0.026)
SA	0.021 (0.039)	0.023 (0.039)	0.023 (0.039)	0.02 (0.039)	0.022 (0.039)	0.021 (0.039)
WANT	0.016 (0.033)	0.015 (0.032)	0.015 (0.032)	0.014 (0.033)	0.013 (0.032)	0.012 (0.032)
TAS	0.036 (0.050)	0.037 (0.049)	0.032 (0.049)	0.039 (0.050)	0.04 (0.049)	0.047 (0.049)
Single health condition (ref. category: no chronic condition)	-0.019 (0.028)	-0.014 (0.027)	-0.013 (0.027)	-0.018 (0.028)	-0.013 (0.028)	-0.009 (0.028)
Multiple health condition	-0.003 (0.037)	-0.01 (0.037)	-0.009 (0.037)	-0.003 (0.037)	-0.009 (0.037)	-0.003 (0.037)
2 income spells in past 5 years (ref. category: one spell)	0.028 (0.025)	0.019 (0.025)	0.02 (0.025)	0.027 (0.025)	0.018 (0.025)	0.018 (0.025)
3/4 income spells in past 5 years	0.068*** (0.026)	0.060** (0.026)	0.060** (0.026)	0.066** (0.026)	0.058** (0.026)	0.056** (0.026)
5 or more income spells in past 5 years	0.121*** (0.038)	0.113*** (0.037)	0.115*** (0.037)	0.115*** (0.038)	0.107*** (0.037)	0.107*** (0.038)
Proportion of time on benefits in past 5 years	0.000 (0.000)	0.000 (0.000)	0.000 (0.000)	0.000 (0.000)	0.000 (0.000)	0.000 (0.000)
Previous benefit type - DSP	0.041 (0.042)	0.047 (0.043)	0.047 (0.043)	0.04 (0.042)	0.047 (0.043)	0.048 (0.043)
Previous benefit type - PPS	-0.024 (0.029)	-0.034 (0.029)	-0.032 (0.029)	-0.029 (0.029)	-0.039 (0.029)	-0.036 (0.029)
Previous benefit type - PPP	-0.016 (0.031)	-0.011 (0.031)	-0.009 (0.031)	-0.017 (0.031)	-0.012 (0.031)	-0.013 (0.031)
Previous benefit type - All others	-0.035 (0.058)	-0.042 (0.057)	-0.039 (0.057)	-0.035 (0.058)	-0.042 (0.057)	-0.039 (0.057)
Low pay - 120% of FMW	0.024 (0.024)	0.029 (0.024)	0.025 (0.023)			
Low pay - 66% of median hourly wage				-0.005	-0.002	0.006

Full time	0.000	-0.006	-0.009	(0.029)	(0.029)	(0.031)
	(0.021)	(0.022)	(0.022)	(0.021)	(0.022)	(0.022)
Got job through Jobnet	-0.005	-0.011	-0.011	-0.006	-0.011	-0.008
	(0.035)	(0.033)	(0.033)	(0.035)	(0.033)	(0.034)
Tenure - 6-12 months (ref. category: <6 months)	-0.013	-0.012	-0.009	-0.014	-0.013	-0.012
	(0.028)	(0.027)	(0.028)	(0.028)	(0.027)	(0.028)
Tenure - 1-2 years	-0.059**	-0.057**	-0.057**	-0.060**	-0.058**	-0.058**
	(0.025)	(0.025)	(0.025)	(0.025)	(0.025)	(0.025)
Tenure - 2 or more years	-0.083***	-0.080***	-0.082***	-0.085***	-0.082***	-0.079***
	(0.025)	(0.026)	(0.025)	(0.025)	(0.025)	(0.026)
Receives paid leave	-0.079***	-0.078***	-0.073***	-0.077***	-0.074***	-0.076***
	(0.024)	(0.024)	(0.024)	(0.023)	(0.024)	(0.024)
Dummy - generally flexible working conditions	-0.039	-0.035	-0.035	-0.040	-0.037	-0.039
	(0.026)	(0.026)	(0.026)	(0.026)	(0.026)	(0.026)
Agriculture, Forestry & Fishing (ref. category: retail trade)		-0.113	-0.107		-0.114	-0.114
		(0.087)	(0.087)		(0.087)	(0.087)
Mining		-0.014	-0.020		-0.019	-0.013
		(0.132)	(0.132)		(0.132)	(0.132)
Manufacturing		0.086	0.078		0.083	0.084
		(0.054)	(0.054)		(0.054)	(0.054)
Construction		0.129**	0.130**		0.124**	0.129**
		(0.062)	(0.061)		(0.062)	(0.062)
Wholesale Trade		0.012	0.004		0.010	0.000
		(0.069)	(0.069)		(0.069)	(0.069)
Accommodation & Food Services		0.090**	0.087**		0.089**	0.089**
		(0.036)	(0.036)		(0.036)	(0.036)
Transport, Postal & Warehousing		-0.027	-0.03		-0.03	-0.029
		(0.074)	(0.075)		(0.074)	(0.074)
Information Media & Telecommunications		0.074	0.062		0.073	0.069
		(0.063)	(0.064)		(0.064)	(0.064)
Financial & Insurance Services		0.094**	0.097**		0.086*	0.089*
		(0.047)	(0.047)		(0.046)	(0.047)

Rental, Hiring & Real Estate Services	-0.01 (0.090)	0.009 (0.089)	-0.011 (0.090)	-0.006 (0.089)		
Professional, Scientific & Technical Services	-0.031 (0.056)	-0.038 (0.056)	-0.035 (0.056)	-0.032 (0.056)		
Administrative & Support Services	0.042 (0.049)	0.039 (0.049)	0.038 (0.049)	0.036 (0.049)		
Public Administration & Safety	0.125** (0.049)	0.124** (0.049)	0.120** (0.049)	0.124** (0.049)		
Education & Training	0.049 (0.039)	0.042 (0.039)	0.045 (0.039)	0.045 (0.039)		
Health Care & Social Assistance	-0.024 (0.034)	-0.025 (0.034)	-0.027 (0.034)	-0.028 (0.034)		
Arts & Recreation Services	0.046 (0.060)	0.043 (0.059)	0.043 (0.060)	0.047 (0.060)		
All others	-0.018 (0.047)	-0.021 (0.048)	-0.021 (0.047)	-0.023 (0.048)		
Interaction terms of low pay and employment dummies	no	no	yes	no	no	yes
N	1362	1362	1362	1362	1362	1362
P value of Chi2	0.000	0.000	0.000	0.000	0.000	0.000
Pseudo R-squared	0.093	0.122	0.129	0.093	0.121	0.125

\*\*\* indicate statistical significance at 1% level, \*\* significant at 5% level, \* significant at 10% level. Standard errors in parentheses.

**Table 25: Marginal effects for women, return to income support within 2 years**

	(1)	(2)	(3)	(4)	(5)	(6)
Aged under 25 (reference category: 35-50)	0.001 (0.041)	-0.004 (0.041)	-0.009 (0.041)	0.013 (0.041)	0.006 (0.041)	0.01 (0.041)
Aged 25-35	0.044 (0.029)	0.033 (0.029)	0.032 (0.029)	0.046 (0.029)	0.035 (0.029)	0.035 (0.029)
Aged 50-60	-0.007 (0.033)	-0.007 (0.033)	-0.011 (0.033)	-0.004 (0.033)	-0.004 (0.033)	-0.004 (0.033)
Partner - working (ref. category: single)	-0.104*** (0.026)	-0.100*** (0.026)	-0.101*** (0.026)	-0.101*** (0.026)	-0.097*** (0.026)	-0.098*** (0.026)
Partner - not working	-0.104** (0.050)	-0.105** (0.049)	-0.104** (0.049)	-0.107** (0.050)	-0.107** (0.050)	-0.105** (0.049)
Year 12 (ref. category: Year 10 or less)	-0.057 (0.035)	-0.061* (0.035)	-0.060* (0.035)	-0.062* (0.035)	-0.066* (0.035)	-0.070** (0.035)
Apprenticeship/TAFE/any trade	-0.047 (0.029)	-0.044 (0.029)	-0.044 (0.029)	-0.055* (0.029)	-0.052* (0.029)	-0.056* (0.029)
University	-0.051 (0.032)	-0.05 (0.033)	-0.046 (0.034)	-0.067** (0.031)	-0.064* (0.033)	-0.069** (0.033)
ESC (ref. category: Australian born non-indigineous)	-0.009 (0.039)	0.000 (0.039)	0.001 (0.039)	-0.011 (0.039)	-0.002 (0.039)	-0.002 (0.039)
NESC	0.044 (0.039)	0.058 (0.039)	0.06 (0.039)	0.049 (0.039)	0.063 (0.039)	0.064 (0.039)
ABTSI	0.007 (0.063)	0.008 (0.063)	0.007 (0.063)	-0.001 (0.063)	0.000 (0.063)	-0.001 (0.063)
Number of dependent children	-0.011 (0.011)	-0.014 (0.011)	-0.015 (0.011)	-0.012 (0.011)	-0.015 (0.011)	-0.015 (0.011)
Dummy - major financial/economic changes	0.048** (0.023)	0.046** (0.023)	0.046** (0.023)	0.047** (0.023)	0.045* (0.023)	0.044* (0.023)
Dummy - major personal life events	0.053* (0.031)	0.05 (0.031)	0.053* (0.031)	0.054* (0.031)	0.051 (0.031)	0.05 (0.031)
Inner regional (ref. category: major city)	0.004 (0.026)	0.003 (0.026)	0.003 (0.026)	0.006 (0.026)	0.006 (0.026)	0.007 (0.026)
All outer regional	0.045 (0.031)	0.046 (0.031)	0.047 (0.032)	0.05 (0.031)	0.051 (0.032)	0.05 (0.032)

VIC	-0.014 (0.033)	-0.019 (0.032)	-0.019 (0.033)	-0.01 (0.033)	-0.014 (0.032)	-0.013 (0.033)
QLD	0.004 (0.029)	0.003 (0.029)	0.002 (0.029)	0.006 (0.029)	0.005 (0.029)	0.006 (0.029)
SA	0.000 (0.045)	0.003 (0.045)	0.005 (0.045)	-0.003 (0.045)	0.000 (0.045)	0.003 (0.045)
WANT	-0.011 (0.038)	-0.014 (0.038)	-0.012 (0.038)	-0.014 (0.038)	-0.017 (0.038)	-0.014 (0.038)
TAS	-0.051 (0.062)	-0.055 (0.062)	-0.058 (0.062)	-0.045 (0.062)	-0.048 (0.061)	-0.043 (0.062)
Single health condition (ref. category: no chronic condition)	0.018 (0.032)	0.019 (0.032)	0.021 (0.032)	0.02 (0.032)	0.021 (0.032)	0.024 (0.032)
Multiple health condition	0.023 (0.043)	0.019 (0.043)	0.021 (0.043)	0.026 (0.043)	0.021 (0.043)	0.022 (0.044)
2 income spells in past 5 years (ref. category: one spell)	0.052* (0.029)	0.045 (0.029)	0.047 (0.029)	0.049* (0.029)	0.042 (0.029)	0.045 (0.029)
3/4 income spells in past 5 years	0.109*** (0.030)	0.106*** (0.030)	0.108*** (0.030)	0.103*** (0.030)	0.100*** (0.030)	0.101*** (0.030)
5 or more income spells in past 5 years	0.191*** (0.045)	0.190*** (0.045)	0.191*** (0.045)	0.178*** (0.045)	0.178*** (0.045)	0.178*** (0.045)
Proportion of time on benefits in past 5 years	0.000 (0.000)	0.000 (0.000)	0.000 (0.000)	0.001 (0.000)	0.001 (0.000)	0.001 (0.000)
Previous benefit type - DSP	-0.029 (0.051)	-0.02 (0.052)	-0.021 (0.052)	-0.034 (0.052)	-0.023 (0.052)	-0.022 (0.052)
Previous benefit type - PPS	-0.035 (0.033)	-0.043 (0.033)	-0.042 (0.033)	-0.044 (0.033)	-0.052 (0.033)	-0.051 (0.033)
Previous benefit type - PPP	-0.009 (0.036)	-0.007 (0.036)	-0.006 (0.036)	-0.01 (0.036)	-0.008 (0.036)	-0.009 (0.036)
Previous benefit type - All others	-0.159** (0.074)	-0.167** (0.073)	-0.166** (0.073)	-0.159** (0.073)	-0.166** (0.073)	-0.164** (0.073)
Low pay - 120% of FMW	0.050* (0.027)	0.051* (0.027)	0.051* (0.027)			
Low pay - 66% of median hourly wage				-0.018 (0.033)	-0.016 (0.033)	-0.011 (0.034)

Full time	0.016 (0.025)	0.008 (0.025)	0.004 (0.025)	0.02 (0.025)	0.011 (0.025)	0.009 (0.025)
Got job through Jobnet	0.052 (0.044)	0.047 (0.044)	0.045 (0.043)	0.052 (0.044)	0.048 (0.044)	0.048 (0.043)
Tenure - 6-12 months (ref. category: <6 months)	-0.069** (0.030)	-0.068** (0.030)	-0.070** (0.030)	-0.071** (0.030)	-0.069** (0.030)	-0.071** (0.030)
Tenure - 1-2 years	-0.080*** (0.029)	-0.078*** (0.030)	-0.079*** (0.029)	-0.082*** (0.029)	-0.080*** (0.030)	-0.082*** (0.030)
Tenure - 2 or more years	-0.130*** (0.030)	-0.127*** (0.031)	-0.130*** (0.031)	-0.133*** (0.030)	-0.131*** (0.030)	-0.126*** (0.031)
Receives paid leave	-0.108*** (0.027)	-0.103*** (0.028)	-0.100*** (0.028)	-0.104*** (0.027)	-0.097*** (0.027)	-0.096*** (0.027)
Dummy - generally flexible working conditions	-0.022 (0.029)	-0.021 (0.029)	-0.02 (0.029)	-0.024 (0.029)	-0.023 (0.029)	-0.022 (0.029)
Agriculture, Forestry & Fishing (ref. category: retail trade)		-0.066 (0.084)	-0.062 (0.084)		-0.071 (0.084)	-0.067 (0.084)
Mining		-0.148 (0.175)	-0.154 (0.175)		-0.159 (0.175)	-0.148 (0.173)
Manufacturing		0.04 (0.066)	0.039 (0.067)		0.035 (0.066)	0.041 (0.067)
Construction		0.11 (0.075)	0.108 (0.075)		0.103 (0.075)	0.105 (0.075)
Wholesale Trade		-0.055 (0.082)	-0.056 (0.082)		-0.057 (0.082)	-0.055 (0.082)
Accommodation & Food Services		0.080* (0.042)	0.081* (0.043)		0.079* (0.042)	0.084** (0.043)
Transport, Postal & Warehousing		0.005 (0.079)	0.011 (0.079)		0.004 (0.079)	0.004 (0.079)
Information Media & Telecommunications		0.105 (0.075)	0.098 (0.075)		0.103 (0.074)	0.11 (0.074)
Financial & Insurance Services		0.073 (0.056)	0.079 (0.056)		0.058 (0.056)	0.063 (0.056)
Rental, Hiring & Real Estate Services		0.004 (0.097)	0.014 (0.097)		0.002 (0.097)	-0.01 (0.098)



Professional, Scientific & Technical Services	-0.038	-0.042	-0.046	-0.042		
	(0.063)	(0.063)	(0.063)	(0.063)		
Administrative & Support Services	0.013	0.012	0.005	0.003		
	(0.058)	(0.058)	(0.058)	(0.058)		
Public Administration & Safety	0.091	0.095	0.08	0.085		
	(0.060)	(0.060)	(0.060)	(0.060)		
Education & Training	0.01	0.01	0.002	0.006		
	(0.046)	(0.046)	(0.046)	(0.046)		
Health Care & Social Assistance	-0.038	-0.036	-0.044	-0.042		
	(0.038)	(0.039)	(0.038)	(0.038)		
Arts & Recreation Services	0.025	0.028	0.018	0.021		
	(0.071)	(0.072)	(0.072)	(0.072)		
All others	-0.029	-0.029	-0.034	-0.034		
	(0.053)	(0.054)	(0.053)	(0.054)		
Interaction terms of low pay and employment dummies	no	no	yes	no	no	yes
N	1362	1362	1362	1362	1362	1362
P value of Chi2	0.000	0.000	0.000	0.000	0.000	0.000
Pseudo R-squared	0.107	0.121	0.124	0.105	0.119	0.121
Log likelihood	-662.066	-651.535	-649.764	-663.685	-653.247	-651.364

\*\*\* indicate statistical significance at 1% level, \*\* significant at 5% level, \* significant at 10% level. Standard errors in parentheses.

**Table 26: Marginal effects for men, return to income support within 1 year**

	(1)	(2)	(3)	(4)	(5)	(6)
Aged under 25 (reference category: 35-50)	-0.015 (0.045)	-0.021 (0.045)	-0.016 (0.045)	-0.019 (0.045)	-0.025 (0.045)	-0.024 (0.045)
Aged 25-35	0.025 (0.036)	0.011 (0.036)	0.015 (0.036)	0.024 (0.036)	0.011 (0.036)	0.013 (0.036)
Aged 50-60	0.041 (0.034)	0.031 (0.034)	0.032 (0.034)	0.04 (0.034)	0.031 (0.034)	0.029 (0.034)
Partner - working (ref. category: single)	-0.060* (0.036)	-0.056 (0.035)	-0.054 (0.035)	-0.061* (0.036)	-0.057 (0.035)	-0.060* (0.035)
Partner - not working	-0.062 (0.041)	-0.079* (0.041)	-0.075* (0.041)	-0.062 (0.041)	-0.078* (0.041)	-0.077* (0.041)
Year 12 (ref. category: Year 10 or less)	-0.001 (0.037)	0.013 (0.036)	0.009 (0.036)	-0.001 (0.037)	0.013 (0.036)	0.006 (0.036)
Apprenticeship/TAFE/any trade	-0.028 (0.033)	-0.014 (0.032)	-0.017 (0.032)	-0.028 (0.033)	-0.013 (0.032)	-0.016 (0.032)
University	-0.067* (0.039)	-0.02 (0.043)	-0.026 (0.043)	-0.066* (0.039)	-0.017 (0.043)	-0.018 (0.042)
ESC (ref. category: Australian born non-indigenous)	-0.027 (0.047)	-0.038 (0.046)	-0.038 (0.046)	-0.028 (0.047)	-0.037 (0.046)	-0.039 (0.046)
NESC	-0.076 (0.049)	-0.073 (0.048)	-0.074 (0.048)	-0.076 (0.049)	-0.072 (0.048)	-0.067 (0.048)
ABTSI	0.066 (0.066)	0.081 (0.065)	0.086 (0.065)	0.07 (0.065)	0.083 (0.065)	0.083 (0.065)
Number of dependent children	0.004 (0.014)	0.003 (0.014)	0.001 (0.014)	0.004 (0.014)	0.003 (0.014)	0.003 (0.014)
Dummy - major financial/economic changes	0.025 (0.030)	0.023 (0.029)	0.023 (0.029)	0.026 (0.030)	0.024 (0.029)	0.022 (0.029)
Dummy - major personal life events	-0.005 (0.047)	-0.012 (0.046)	-0.006 (0.046)	-0.008 (0.046)	-0.013 (0.046)	-0.007 (0.046)
Inner regional (ref. category: major city)	-0.012 (0.031)	-0.009 (0.030)	-0.008 (0.030)	-0.012 (0.031)	-0.008 (0.030)	-0.005 (0.030)
All outer regional	0.003 (0.036)	0.005 (0.037)	0.006 (0.036)	0.002 (0.036)	0.005 (0.037)	0.005 (0.036)

VIC	-0.02 (0.035)	-0.013 (0.035)	-0.017 (0.035)	-0.021 (0.035)	-0.014 (0.035)	-0.014 (0.035)
QLD	-0.001 (0.036)	0.004 (0.036)	-0.001 (0.036)	0.000 (0.036)	0.005 (0.036)	0.007 (0.036)
SA	0.041 (0.052)	0.049 (0.051)	0.048 (0.051)	0.042 (0.052)	0.05 (0.051)	0.047 (0.051)
WANT	-0.07 (0.051)	-0.055 (0.051)	-0.064 (0.050)	-0.069 (0.050)	-0.051 (0.050)	-0.053 (0.050)
TAS	-0.032 (0.069)	0.006 (0.067)	0.011 (0.067)	-0.032 (0.069)	0.003 (0.067)	0.009 (0.067)
Single health condition (ref. category: no chronic condition)	0.066* (0.034)	0.074** (0.033)	0.081** (0.033)	0.066** (0.034)	0.073** (0.033)	0.075** (0.033)
Multiple health condition	0.033 (0.046)	0.042 (0.046)	0.051 (0.046)	0.034 (0.046)	0.042 (0.046)	0.045 (0.046)
2 income spells in past 5 years (ref. category: one spell)	0.021 (0.034)	0.018 (0.034)	0.023 (0.034)	0.022 (0.034)	0.018 (0.034)	0.019 (0.034)
3/4 income spells in past 5 years	0.034 (0.035)	0.019 (0.034)	0.024 (0.034)	0.033 (0.035)	0.019 (0.034)	0.021 (0.034)
5 or more income spells in past 5 years	0.132*** (0.047)	0.137*** (0.046)	0.140*** (0.046)	0.131*** (0.047)	0.138*** (0.046)	0.133*** (0.046)
Proportion of time on benefits in past 5 years	0.002*** (0.001)	0.002*** (0.001)	0.002*** (0.001)	0.002*** (0.001)	0.002*** (0.001)	0.002*** (0.001)
Previous benefit type - DSP	0.001 (0.044)	0.008 (0.043)	0.003 (0.043)	0.001 (0.044)	0.01 (0.043)	0.013 (0.043)
Previous benefit type - PPS	-0.206** (0.100)	-0.229** (0.098)	-0.210** (0.097)	-0.207** (0.100)	-0.228** (0.098)	-0.217** (0.096)
Previous benefit type - PPP	-0.048 (0.065)	-0.049 (0.063)	-0.042 (0.063)	-0.047 (0.065)	-0.048 (0.063)	-0.041 (0.063)
Previous benefit type - All others	-0.079 (0.065)	-0.105 (0.064)	-0.098 (0.063)	-0.082 (0.065)	-0.105* (0.064)	-0.094 (0.063)
Low pay - 120% of FMW	0.019 (0.030)	0.001 (0.029)	0.004 (0.029)			
Low pay - 66% of median hourly wage				0.041 (0.038)	0.028 (0.036)	0.025 (0.035)

Full time	0.014 (0.032)	-0.011 (0.035)	-0.007 (0.035)	0.013 (0.032)	-0.012 (0.035)	-0.008 (0.035)
Got job through Jobnet	0.079* (0.042)	0.077* (0.041)	0.079* (0.041)	0.079* (0.042)	0.076* (0.041)	0.082** (0.040)
Tenure - 6-12 months (ref. category: <6 months)	-0.046 (0.034)	-0.038 (0.034)	-0.036 (0.034)	-0.047 (0.034)	-0.038 (0.034)	-0.038 (0.034)
Tenure - 1-2 years	-0.089*** (0.033)	-0.084*** (0.033)	-0.079** (0.033)	-0.090*** (0.033)	-0.085*** (0.033)	-0.086*** (0.033)
Tenure - 2 or more years	-0.100** (0.044)	-0.095** (0.045)	-0.087* (0.046)	-0.102** (0.044)	-0.097** (0.044)	-0.099** (0.044)
Receives paid leave	-0.104*** (0.030)	-0.080*** (0.030)	-0.082*** (0.030)	-0.104*** (0.030)	-0.081*** (0.030)	-0.083*** (0.030)
Dummy - generally flexible working conditions	-0.096*** (0.032)	-0.093*** (0.032)	-0.096*** (0.032)	-0.096*** (0.032)	-0.093*** (0.032)	-0.096*** (0.032)
Agriculture, Forestry & Fishing (ref. category: retail trade)		-0.068 (0.068)	-0.079 (0.069)		-0.068 (0.067)	-0.068 (0.067)
Mining		-0.115 (0.096)	-0.115 (0.096)		-0.113 (0.096)	-0.116 (0.095)
Manufacturing		-0.006 (0.049)	-0.002 (0.049)		-0.005 (0.049)	-0.005 (0.049)
Construction		0.095* (0.049)	0.095* (0.050)		0.095* (0.049)	0.088* (0.049)
Wholesale Trade		-0.059 (0.072)	-0.061 (0.072)		-0.061 (0.072)	-0.07 (0.073)
Accommodation & Food Services		0.037 (0.056)	0.039 (0.057)		0.033 (0.056)	0.036 (0.056)
Transport, Postal & Warehousing		-0.036 (0.054)	-0.029 (0.054)		-0.036 (0.054)	-0.047 (0.054)
Information Media & Telecommunications		-0.100 (0.090)	-0.094 (0.089)		-0.097 (0.090)	-0.101 (0.089)
Financial & Insurance Services		-0.045 (0.154)	-0.017 (0.154)		-0.05 (0.154)	-0.029 (0.155)
Rental, Hiring & Real Estate Services		-0.191 (0.144)	-0.182 (0.144)		-0.186 (0.144)	-0.188 (0.144)

Professional, Scientific & Technical Services		-0.058 (0.076)	-0.059 (0.076)		-0.06 (0.076)	-0.072 (0.077)
Administrative & Support Services		0.074 (0.065)	0.075 (0.065)		0.075 (0.065)	0.067 (0.065)
Public Administration & Safety		-0.229*** (0.085)	-0.228*** (0.085)		-0.231*** (0.085)	-0.244*** (0.087)
Education & Training		-0.045 (0.068)	-0.035 (0.067)		-0.046 (0.068)	-0.049 (0.068)
Health Care & Social Assistance		-0.272*** (0.084)	-0.273*** (0.085)		-0.272*** (0.084)	-0.283*** (0.085)
Arts & Recreation Services		-0.318** (0.141)	-0.317** (0.141)		-0.312** (0.140)	-0.309** (0.139)
All others		0.028 (0.058)	0.04 (0.058)		0.028 (0.057)	0.027 (0.058)
Interaction terms of low pay and employment dummies	no	no	yes	no	no	yes
N	943	943	943	943	943	943
P value of Chi2	0.000	0.000	0.000	0.000	0.000	0.000
Pseudo R-squared	0.123	0.172	0.178	0.124	0.172	0.179
Log likelihood	-441.953	-417.303	-414.008	-441.545	-417.003	-413.371

\*\*\* indicate statistical significance at 1% level, \*\* significant at 5% level, \* significant at 10% level. Standard errors in parentheses.

**Table 27: Marginal effects for men, return to income support within 2 years**

	(1)	(2)	(3)	(4)	(5)	(6)
Aged under 25 (reference category: 35-50)	-0.026 (0.051)	-0.025 (0.051)	-0.022 (0.051)	-0.025 (0.051)	-0.024 (0.051)	-0.018 (0.051)
Aged 25-35	0.024 (0.041)	0.012 (0.041)	0.015 (0.041)	0.023 (0.041)	0.011 (0.041)	0.014 (0.041)
Aged 50-60	0.031 (0.039)	0.02 (0.038)	0.016 (0.038)	0.028 (0.039)	0.018 (0.038)	0.014 (0.038)
Partner - working (ref. category: single)	-0.119*** (0.040)	-0.114*** (0.039)	-0.113*** (0.039)	-0.119*** (0.040)	-0.114*** (0.040)	-0.117*** (0.039)
Partner - not working	0.021 (0.045)	0.016 (0.044)	0.02 (0.044)	0.017 (0.045)	0.014 (0.044)	0.012 (0.044)
Year 12 (ref. category: Year 10 or less)	0.017 (0.042)	0.033 (0.042)	0.031 (0.042)	0.018 (0.042)	0.033 (0.042)	0.025 (0.042)
Apprenticeship/TAFE/any trade	-0.031 (0.037)	-0.013 (0.037)	-0.016 (0.037)	-0.033 (0.037)	-0.013 (0.037)	-0.021 (0.037)
University	-0.068 (0.044)	-0.002 (0.047)	-0.008 (0.047)	-0.075* (0.044)	-0.004 (0.047)	-0.012 (0.047)
ESC (ref. category: Australian born non-indigeneous)	0.025 (0.051)	0.02 (0.050)	0.017 (0.050)	0.019 (0.051)	0.016 (0.050)	0.016 (0.050)
NESC	-0.073 (0.053)	-0.077 (0.052)	-0.078 (0.052)	-0.07 (0.053)	-0.075 (0.052)	-0.069 (0.052)
ABTSI	0.028 (0.078)	0.043 (0.078)	0.053 (0.079)	0.042 (0.078)	0.054 (0.078)	0.067 (0.078)
Number of dependent children	-0.008 (0.015)	-0.011 (0.015)	-0.015 (0.015)	-0.009 (0.015)	-0.011 (0.015)	-0.013 (0.015)
Dummy - major financial/economic changes	0.009 (0.034)	0.008 (0.033)	0.006 (0.033)	0.008 (0.034)	0.007 (0.033)	0.004 (0.033)
Dummy - major personal life events	0.009 (0.052)	-0.003 (0.052)	0.004 (0.051)	0.002 (0.052)	-0.007 (0.052)	-0.001 (0.051)
Inner regional (ref. category: major city)	-0.013 (0.035)	-0.014 (0.034)	-0.016 (0.034)	-0.012 (0.035)	-0.015 (0.034)	-0.014 (0.034)
All outer regional	0.035 (0.041)	0.022 (0.041)	0.019 (0.041)	0.035 (0.041)	0.022 (0.041)	0.02 (0.041)

VIC	0.024 (0.040)	0.029 (0.039)	0.025 (0.039)	0.025 (0.040)	0.029 (0.039)	0.021 (0.040)
QLD	0.033 (0.041)	0.042 (0.041)	0.037 (0.041)	0.031 (0.041)	0.041 (0.041)	0.035 (0.041)
SA	0.085 (0.060)	0.088 (0.059)	0.094 (0.059)	0.081 (0.060)	0.085 (0.059)	0.084 (0.059)
WANT	-0.007 (0.054)	0.02 (0.054)	0.009 (0.054)	-0.015 (0.054)	0.014 (0.054)	0.006 (0.054)
TAS	-0.154* (0.082)	-0.109 (0.080)	-0.12 (0.081)	-0.148* (0.082)	-0.105 (0.081)	-0.111 (0.080)
Single health condition (ref. category: no chronic condition)	0.055 (0.039)	0.057 (0.038)	0.065* (0.038)	0.062 (0.038)	0.062 (0.038)	0.067* (0.038)
Multiple health condition	0.109** (0.052)	0.109** (0.052)	0.118** (0.052)	0.114** (0.052)	0.112** (0.052)	0.118** (0.051)
2 income spells in past 5 years (ref. category: one spell)	0.021 (0.038)	0.014 (0.038)	0.018 (0.038)	0.022 (0.038)	0.014 (0.038)	0.018 (0.038)
3/4 income spells in past 5 years	0.089** (0.039)	0.066* (0.038)	0.068* (0.038)	0.090** (0.039)	0.066* (0.038)	0.067* (0.038)
5 or more income spells in past 5 years	0.194*** (0.054)	0.190*** (0.054)	0.192*** (0.054)	0.195*** (0.055)	0.190*** (0.054)	0.186*** (0.054)
Proportion of time on benefits in past 5 years	0.001* (0.001)	0.001** (0.001)	0.001** (0.001)	0.001** (0.001)	0.001** (0.001)	0.001** (0.001)
Previous benefit type - DSP	0.000 (0.050)	0.011 (0.050)	0.012 (0.050)	-0.003 (0.050)	0.009 (0.050)	0.011 (0.050)
Previous benefit type - PPS	-0.207** (0.099)	-0.204** (0.094)	-0.192** (0.094)	-0.208** (0.098)	-0.206** (0.094)	-0.195** (0.092)
Previous benefit type - PPP	-0.106 (0.073)	-0.104 (0.072)	-0.098 (0.072)	-0.103 (0.073)	-0.102 (0.072)	-0.094 (0.071)
Previous benefit type - All others	-0.115 (0.071)	-0.129* (0.070)	-0.124* (0.070)	-0.118* (0.071)	-0.132* (0.070)	-0.119* (0.070)
Low pay - 120% of FMW	0.077** (0.035)	0.05 (0.035)	0.054 (0.035)			
Low pay - 66% of median hourly wage				0.053 (0.042)	0.033 (0.041)	0.035 (0.040)

Full time	0.013 (0.037)	-0.005 (0.039)	-0.003 (0.039)	0.016 (0.037)	-0.004 (0.039)	0.000 (0.039)
Got job through Jobnet	0.104** (0.046)	0.103** (0.045)	0.111** (0.046)	0.106** (0.046)	0.104** (0.045)	0.113** (0.045)
Tenure - 6-12 months (ref. category: <6 months)	-0.01 (0.042)	0.002 (0.042)	0.005 (0.042)	-0.012 (0.042)	0.001 (0.042)	0.008 (0.043)
Tenure - 1-2 years	-0.090** (0.039)	-0.082** (0.038)	-0.076** (0.038)	-0.091** (0.039)	-0.082** (0.038)	-0.078** (0.038)
Tenure - 2 or more years	-0.151*** (0.055)	-0.135** (0.056)	-0.123** (0.058)	-0.151*** (0.055)	-0.134** (0.056)	-0.126** (0.058)
Receives paid leave	-0.113*** (0.034)	-0.084** (0.034)	-0.083** (0.034)	-0.112*** (0.034)	-0.083** (0.034)	-0.085** (0.034)
Dummy - generally flexible working conditions	-0.075** (0.035)	-0.084** (0.035)	-0.086** (0.035)	-0.073** (0.035)	-0.083** (0.035)	-0.087** (0.035)
Agriculture, Forestry & Fishing (ref. category: retail trade)		-0.004 (0.076)	-0.021 (0.077)		0.003 (0.076)	-0.004 (0.076)
Mining		-0.206* (0.111)	-0.206* (0.111)		-0.213* (0.111)	-0.214* (0.110)
Manufacturing		-0.013 (0.056)	-0.016 (0.057)		-0.014 (0.056)	-0.012 (0.056)
Construction		0.099* (0.058)	0.102* (0.059)		0.095 (0.058)	0.092 (0.058)
Wholesale Trade		-0.034 (0.082)	-0.04 (0.082)		-0.035 (0.082)	-0.042 (0.082)
Accommodation & Food Services		0.086 (0.066)	0.078 (0.067)		0.086 (0.066)	0.087 (0.067)
Transport, Postal & Warehousing		-0.042 (0.061)	-0.033 (0.061)		-0.045 (0.061)	-0.047 (0.061)
Information Media & Telecommunications		-0.186* (0.103)	-0.195* (0.103)		-0.190* (0.103)	-0.191* (0.102)
Financial & Insurance Services		-0.196 (0.179)	-0.177 (0.179)		-0.195 (0.180)	-0.165 (0.180)
Rental, Hiring & Real Estate Services		-0.097 (0.144)	-0.09 (0.144)		-0.101 (0.144)	-0.095 (0.144)



Professional, Scientific & Technical Services		-0.013 (0.084)	-0.017 (0.084)		-0.015 (0.084)	-0.021 (0.084)
Administrative & Support Services		0.077 (0.077)	0.078 (0.078)		0.075 (0.077)	0.076 (0.077)
Public Administration & Safety		-0.275*** (0.086)	-0.276*** (0.086)		-0.283*** (0.086)	-0.289*** (0.086)
Education & Training		-0.108 (0.078)	-0.095 (0.078)		-0.114 (0.078)	-0.105 (0.078)
Health Care & Social Assistance		-0.169** (0.075)	-0.165** (0.075)		-0.175** (0.075)	-0.177** (0.075)
Arts & Recreation Services		-0.265** (0.127)	-0.272** (0.127)		-0.278** (0.127)	-0.279** (0.126)
All others		0.03 (0.067)	0.033 (0.068)		0.029 (0.067)	0.036 (0.067)
Interaction terms of low pay and employment dummies	no	no	yes	no	no	yes
N	943	943	943	943	943	943
P value of Chi2	0.000	0.000	0.000	0.000	0.000	0.000
Pseudo R-squared	0.125	0.162	0.168	0.123	0.161	0.168
Log likelihood	-533.512	-511.002	-507.445	-535.159	-511.728	-507.129

\*\*\* indicate statistical significance at 1% level, \*\* significant at 5% level, \* significant at 10% level. Standard errors in parentheses.

**Table 28: Marginal effects for DSP-exiters, return to income support within 1 and 2 years**

	Within 1 year			Within 2 years		
	(1)	(2)	(3)	(4)	(5)	(6)
Female	-0.06 (0.059)	-0.06 (0.059)	-0.066 (0.059)	-0.141** (0.065)	-0.141** (0.065)	-0.151** (0.064)
Aged under 25 (ref. category: 35-50)	0.179* (0.101)	0.179* (0.101)	0.180* (0.105)	0.061 (0.114)	0.061 (0.114)	0.052 (0.117)
Aged 25-35	0.12 (0.083)	0.12 (0.083)	0.159* (0.085)	0.092 (0.095)	0.092 (0.095)	0.144 (0.095)
Aged 50-60	0.163** (0.073)	0.163** (0.073)	0.156** (0.074)	0.212*** (0.078)	0.212*** (0.078)	0.200*** (0.077)
Partner - working (ref. category: single)	-0.129* (0.066)	-0.129* (0.066)	-0.117* (0.065)	-0.133* (0.073)	-0.133* (0.073)	-0.123* (0.070)
Partner - not working	-0.293*** (0.113)	-0.293*** (0.113)	-0.287** (0.113)	-0.126 (0.100)	-0.126 (0.100)	-0.126 (0.097)
Year 12 (ref. category: Year 10 or less)	-0.123 (0.092)	-0.123 (0.092)	-0.094 (0.091)	-0.052 (0.101)	-0.052 (0.101)	-0.019 (0.100)
Apprenticeship/TAFE/any trade	-0.196*** (0.075)	-0.196*** (0.075)	-0.186** (0.076)	-0.163** (0.079)	-0.163** (0.079)	-0.154** (0.078)
University	-0.183** (0.083)	-0.183** (0.083)	-0.184** (0.082)	-0.131 (0.092)	-0.131 (0.092)	-0.146 (0.089)
ESC (ref. category: Australian born non-indigenous)	-0.201 (0.130)	-0.201 (0.130)	-0.179 (0.128)	-0.106 (0.131)	-0.106 (0.131)	-0.098 (0.125)
NESC	-0.093 (0.115)	-0.093 (0.115)	-0.063 (0.115)	-0.162 (0.123)	-0.162 (0.123)	-0.116 (0.121)
Number of dependent children	0.076** (0.036)	0.076** (0.036)	0.079** (0.035)	0.039 (0.038)	0.039 (0.038)	0.047 (0.037)
Dummy - major financial/economic changes	0.07 (0.062)	0.07 (0.062)	0.062 (0.062)	0.013 (0.068)	0.013 (0.068)	0.016 (0.066)
Dummy - major personal life events	-0.023 (0.088)	-0.023 (0.088)	0.001 (0.090)	-0.003 (0.096)	-0.003 (0.096)	0.032 (0.094)
Inner regional (ref. category: major city)	-0.102 (0.064)	-0.102 (0.064)	-0.075 (0.064)	-0.067 (0.070)	-0.067 (0.070)	-0.027 (0.069)
All outer regional	-0.240**	-0.240**	-0.204**	-0.135	-0.135	-0.095

VIC	(0.093)	(0.093)	(0.094)	(0.097)	(0.097)	(0.096)
	-0.01	-0.01	0.004	0.051	0.051	0.079
	(0.085)	(0.085)	(0.085)	(0.091)	(0.091)	(0.090)
QLD	-0.052	-0.052	-0.072	-0.043	-0.043	-0.048
	(0.086)	(0.086)	(0.090)	(0.097)	(0.097)	(0.098)
SA	0.135	0.135	0.102	0.167	0.167	0.137
	(0.121)	(0.121)	(0.119)	(0.133)	(0.133)	(0.128)
WANT	-0.024	-0.024	-0.055	-0.041	-0.041	-0.071
	(0.090)	(0.090)	(0.092)	(0.098)	(0.098)	(0.098)
TAS	0.209	0.209	0.148	0.098	0.098	0.038
	(0.136)	(0.136)	(0.143)	(0.161)	(0.161)	(0.163)
Single health condition (ref. category: no chronic condition)	0.163**	0.163**	0.164**	0.159*	0.159*	0.163*
	(0.081)	(0.081)	(0.083)	(0.088)	(0.088)	(0.087)
Multiple health condition	0.095	0.095	0.117	0.169*	0.169*	0.194**
	(0.088)	(0.088)	(0.089)	(0.093)	(0.093)	(0.091)
2 income spells in past 5 years (ref. category: one spell)	0.052	0.052	0.059	0.001	0.001	0.007
	(0.068)	(0.068)	(0.069)	(0.075)	(0.075)	(0.073)
3/4 income spells in past 5 years	0.07	0.07	0.059	0.126	0.126	0.105
	(0.076)	(0.076)	(0.075)	(0.080)	(0.080)	(0.079)
5 or more income spells in past 5 years	0.144	0.144	0.185	0.188	0.188	0.250*
	(0.116)	(0.116)	(0.117)	(0.137)	(0.137)	(0.136)
Proportion of time on benefits in past 5 years	0.001	0.001	0.001	0.002	0.002	0.002
	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)
Low pay - 120% of FMW	-0.072	-0.072	-0.047	-0.105	-0.105	-0.082
	(0.064)	(0.064)	(0.065)	(0.071)	(0.071)	(0.067)
Full time	-0.05	-0.05	-0.078	-0.083	-0.083	-0.111
	(0.066)	(0.066)	(0.064)	(0.071)	(0.071)	(0.068)
Tenure - 6-12 months (ref. category: <6 months)	0.015	0.015	-0.026	0.097	0.097	0.047
	(0.082)	(0.082)	(0.079)	(0.100)	(0.100)	(0.096)
Tenure - 1 or more years	-0.107	-0.107	-0.124*	-0.085	-0.085	-0.102
	(0.068)	(0.068)	(0.067)	(0.076)	(0.076)	(0.074)
Receives paid leave	0.035	0.035	0.045	0.067	0.067	0.063
	(0.063)	(0.063)	(0.062)	(0.068)	(0.068)	(0.067)
Dummy - generally flexible working conditions	-0.167**	-0.167**	-0.158*	-0.136	-0.136	-0.122

	(0.084)	(0.084)	(0.084)	(0.085)	(0.085)	(0.083)
Interaction terms of low pay and employment dummies	no	no	yes	no	no	yes
N	202	202	202	202	202	202
P value of Chi2	0.000	0.000	0.000	0.000	0.000	0.000
Pseudo R-squared	0.2	0.2	0.239	0.17	0.17	0.228
Log likelihood	-84.737	-84.737	-80.621	-101.214	-101.214	-94.233

\*\*\* indicate statistical significance at 1% level, \*\* significant at 5% level, \* significant at 10% level. Standard errors in parentheses.

**Table 29: Marginal effects for Parenting Payment exiters, return to income support within 1 year**

	(1)	(2)	(3)	(4)	(5)	(6)
Female	-0.025 (0.040)	-0.025 (0.040)	-0.022 (0.039)	-0.024 (0.040)	-0.024 (0.040)	-0.024 (0.040)
Aged under 25 (ref. category: 35-50)	0.049 (0.056)	0.049 (0.056)	0.056 (0.056)	0.048 (0.056)	0.048 (0.056)	0.043 (0.056)
Aged 25-35	0.038 (0.025)	0.038 (0.025)	0.037 (0.025)	0.038 (0.025)	0.038 (0.025)	0.036 (0.025)
Aged 50-60	0.038 (0.040)	0.038 (0.040)	0.039 (0.041)	0.037 (0.040)	0.037 (0.040)	0.035 (0.040)
Partner - working (ref. category: single)	-0.050* (0.028)	-0.050* (0.028)	-0.050* (0.028)	-0.051* (0.028)	-0.051* (0.028)	-0.048* (0.028)
Partner - not working	-0.039 (0.044)	-0.039 (0.044)	-0.04 (0.044)	-0.038 (0.044)	-0.038 (0.044)	-0.031 (0.044)
Year 12 (ref. category: Year 10 or less)	0.03 (0.034)	0.03 (0.034)	0.034 (0.034)	0.031 (0.034)	0.031 (0.034)	0.033 (0.034)
Apprenticeship/TAFE/any trade	-0.02 (0.029)	-0.02 (0.029)	-0.018 (0.029)	-0.02 (0.029)	-0.02 (0.029)	-0.016 (0.029)
University	0.016 (0.032)	0.016 (0.032)	0.015 (0.032)	0.017 (0.031)	0.017 (0.031)	0.017 (0.031)
ESC (ref. category: Australian born non-indigenous)	-0.038 (0.041)	-0.038 (0.041)	-0.036 (0.041)	-0.038 (0.041)	-0.038 (0.041)	-0.033 (0.041)
NESC	0.014 (0.039)	0.014 (0.039)	0.013 (0.039)	0.012 (0.039)	0.012 (0.039)	0.015 (0.039)
Number of dependent children	-0.02 (0.012)	-0.02 (0.012)	-0.017 (0.012)	-0.02 (0.012)	-0.02 (0.012)	-0.019 (0.012)
Dummy - major financial/economic changes	0.000 (0.023)	0.000 (0.023)	-0.002 (0.023)	0.000 (0.023)	0.000 (0.023)	-0.001 (0.023)
Dummy - major personal life events	-0.007 (0.030)	-0.007 (0.030)	-0.004 (0.030)	-0.008 (0.030)	-0.008 (0.030)	-0.005 (0.030)
Inner regional (ref. category: major city)	0.019 (0.025)	0.019 (0.025)	0.018 (0.025)	0.019 (0.025)	0.019 (0.025)	0.023 (0.025)
All outer regional	-0.002 (0.031)	-0.002 (0.031)	-0.004 (0.031)	-0.003 (0.031)	-0.003 (0.031)	-0.004 (0.031)
VIC	0.016 (0.032)	0.016 (0.032)	0.017 (0.032)	0.015 (0.032)	0.015 (0.032)	0.015 (0.032)
QLD	0.000	0.000	0.000	0.000	0.000	0.001

	(0.029)	(0.029)	(0.029)	(0.029)	(0.029)	(0.029)
SA	0.006	0.006	0.006	0.006	0.006	0.005
	(0.042)	(0.042)	(0.042)	(0.042)	(0.042)	(0.042)
WANT	-0.002	-0.002	-0.002	-0.001	-0.001	0.001
	(0.038)	(0.038)	(0.038)	(0.038)	(0.038)	(0.038)
TAS	-0.041	-0.041	-0.041	-0.04	-0.04	-0.045
	(0.071)	(0.071)	(0.070)	(0.071)	(0.071)	(0.070)
Single health condition (ref. category: no chronic condition)	-0.011	-0.011	-0.016	-0.011	-0.011	-0.019
	(0.033)	(0.033)	(0.033)	(0.033)	(0.033)	(0.033)
Multiple health condition	0.062	0.062	0.054	0.062	0.062	0.052
	(0.051)	(0.051)	(0.051)	(0.051)	(0.051)	(0.050)
2 income spells in past 5 years (ref. category: one spell)	0.032	0.032	0.026	0.032	0.032	0.031
	(0.026)	(0.026)	(0.026)	(0.026)	(0.026)	(0.026)
3/4 income spells in past 5 years	0.091***	0.091***	0.091***	0.091***	0.091***	0.090***
	(0.029)	(0.029)	(0.029)	(0.029)	(0.029)	(0.029)
5 or more income spells in past 5 years	0.114**	0.114**	0.114**	0.114**	0.114**	0.111**
	(0.053)	(0.053)	(0.053)	(0.053)	(0.053)	(0.052)
Proportion of time on benefits in past 5 years	0.000	0.000	0.000	0.000	0.000	0.000
	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
Low pay - 120% of FMW	-0.004	-0.004	-0.011			
	(0.028)	(0.028)	(0.026)			
Low pay - 66% of median hourly wage				0.006	0.006	-0.011
				(0.038)	(0.038)	(0.032)
Full time	-0.036	-0.036	-0.034	-0.035	-0.035	-0.035
	(0.026)	(0.026)	(0.026)	(0.026)	(0.026)	(0.026)
Tenure - 6-12 months (ref. category: <6 months)	0.072*	0.072*	0.076*	0.071*	0.071*	0.109*
	(0.043)	(0.043)	(0.044)	(0.043)	(0.043)	(0.060)
Tenure - 1 or more years	0.004	0.004	0.006	0.003	0.003	0.012
	(0.026)	(0.026)	(0.026)	(0.026)	(0.026)	(0.025)
Receives paid leave	-0.054**	-0.054**	-0.054**	-0.055**	-0.055**	-0.053**
	(0.026)	(0.026)	(0.026)	(0.026)	(0.026)	(0.026)
Dummy - generally flexible working conditions	0.009	0.009	0.008	0.009	0.009	0.008
	(0.028)	(0.028)	(0.028)	(0.028)	(0.028)	(0.029)
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Interaction terms of low pay and employment dummies	no	no	yes	no	no	yes
N	775	775	775	775	775	775
P value of Chi2	0.000	0.000	0.000	0.000	0.000	0.000
Pseudo R-squared	0.092	0.092	0.102	0.092	0.092	0.105

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Log likelihood	-231.699	-231.699	-229.074	-231.699	-231.699	-228.458
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\*\*\* indicate statistical significance at 1% level, \*\* significant at 5% level, \* significant at 10% level. Standard errors in parentheses.

**Table 30: Marginal effects for Parenting Payment exiters, return to income support within 2 years**

	(1)	(2)	(3)	(4)	(5)	(6)
Female	0.002 (0.044)	0.002 (0.044)	0.005 (0.044)	0.002 (0.044)	0.002 (0.044)	0.003 (0.044)
Aged under 25 (ref. category: 35-50)	0.068 (0.072)	0.068 (0.072)	0.072 (0.072)	0.074 (0.071)	0.074 (0.071)	0.076 (0.071)
Aged 25-35	0.048 (0.031)	0.048 (0.031)	0.047 (0.031)	0.049 (0.031)	0.049 (0.031)	0.047 (0.031)
Aged 50-60	0.012 (0.053)	0.012 (0.053)	0.017 (0.053)	0.016 (0.052)	0.016 (0.052)	0.016 (0.053)
Partner - working (ref. category: single)	-0.075** (0.034)	-0.075** (0.034)	-0.073** (0.034)	-0.070** (0.034)	-0.070** (0.034)	-0.067** (0.034)
Partner - not working	-0.068 (0.054)	-0.068 (0.054)	-0.065 (0.054)	-0.066 (0.054)	-0.066 (0.054)	-0.056 (0.055)
Year 12 (ref. category: Year 10 or less)	0.019 (0.041)	0.019 (0.041)	0.02 (0.041)	0.016 (0.041)	0.016 (0.041)	0.016 (0.041)
Apprenticeship/TAFE/any trade	-0.070** (0.035)	-0.070** (0.035)	-0.069** (0.035)	-0.074** (0.034)	-0.074** (0.034)	-0.070** (0.035)
University	-0.029 (0.039)	-0.029 (0.039)	-0.032 (0.038)	-0.037 (0.038)	-0.037 (0.038)	-0.037 (0.038)
ESC (ref. category: Australian born non-indigineous)	-0.023 (0.048)	-0.023 (0.048)	-0.022 (0.048)	-0.023 (0.048)	-0.023 (0.048)	-0.02 (0.048)
NESC	0.058 (0.047)	0.058 (0.047)	0.061 (0.047)	0.063 (0.047)	0.063 (0.047)	0.069 (0.047)
Number of dependent children	-0.025* (0.014)	-0.025* (0.014)	-0.022 (0.014)	-0.025* (0.014)	-0.025* (0.014)	-0.026** (0.014)
Dummy - major financial/economic changes	0.019 (0.028)	0.019 (0.028)	0.018 (0.028)	0.018 (0.028)	0.018 (0.028)	0.019 (0.028)
Dummy - major personal life events	0.027 (0.035)	0.027 (0.035)	0.03 (0.035)	0.028 (0.035)	0.028 (0.035)	0.027 (0.036)
Inner regional (ref. category: major city)	0.035 (0.031)	0.035 (0.031)	0.034 (0.031)	0.036 (0.031)	0.036 (0.031)	0.039 (0.031)
All outer regional	0.079** (0.036)	0.079** (0.036)	0.077** (0.036)	0.083** (0.037)	0.083** (0.037)	0.082** (0.037)



VIC	-0.004 (0.039)	-0.004 (0.039)	-0.004 (0.039)	-0.002 (0.039)	-0.002 (0.039)	-0.002 (0.039)
QLD	0.002 (0.034)	0.002 (0.034)	0.003 (0.034)	0.004 (0.034)	0.004 (0.034)	0.005 (0.034)
SA	-0.05 (0.055)	-0.05 (0.055)	-0.047 (0.056)	-0.053 (0.055)	-0.053 (0.055)	-0.052 (0.055)
WANT	-0.011 (0.046)	-0.011 (0.046)	-0.011 (0.046)	-0.015 (0.046)	-0.015 (0.046)	-0.012 (0.046)
TAS	-0.057 (0.087)	-0.057 (0.087)	-0.059 (0.086)	-0.062 (0.087)	-0.062 (0.087)	-0.066 (0.086)
Single health condition (ref. category: no chronic condition)	0.032 (0.039)	0.032 (0.039)	0.029 (0.039)	0.031 (0.039)	0.031 (0.039)	0.027 (0.039)
Multiple health condition	0.057 (0.066)	0.057 (0.066)	0.05 (0.066)	0.055 (0.066)	0.055 (0.066)	0.048 (0.066)
2 income spells in past 5 years (ref. category: one spell)	0.04 (0.032)	0.04 (0.032)	0.037 (0.032)	0.04 (0.032)	0.04 (0.032)	0.041 (0.032)
3/4 income spells in past 5 years	0.138*** (0.035)	0.138*** (0.035)	0.138*** (0.035)	0.137*** (0.035)	0.137*** (0.035)	0.134*** (0.035)
5 or more income spells in past 5 years	0.258*** (0.066)	0.258*** (0.066)	0.257*** (0.066)	0.255*** (0.066)	0.255*** (0.066)	0.251*** (0.066)
Proportion of time on benefits in past 5 years	0.000 (0.001)	0.000 (0.001)	0.000 (0.001)	0.000 (0.001)	0.000 (0.001)	0.000 (0.001)
Low pay - 120% of FMW	0.044 (0.036)	0.044 (0.036)	0.037 (0.035)			
Low pay - 66% of median hourly wage				0.014 (0.045)	0.014 (0.045)	0.003 (0.044)
Full time	-0.024 (0.031)	-0.024 (0.031)	-0.023 (0.031)	-0.025 (0.031)	-0.025 (0.031)	-0.025 (0.032)
Tenure - 6-12 months (ref. category: <6 months)	0.048 (0.047)	0.048 (0.047)	0.053 (0.047)	0.05 (0.047)	0.05 (0.047)	0.049 (0.047)
Tenure - 1 or more years	0.019 (0.031)	0.019 (0.031)	0.022 (0.031)	0.021 (0.031)	0.021 (0.031)	0.022 (0.031)
Receives paid leave	-0.074** (0.032)	-0.074** (0.032)	-0.073** (0.032)	-0.071** (0.032)	-0.071** (0.032)	-0.068** (0.032)

Dummy - generally flexible working conditions	0.022 (0.034)	0.022 (0.034)	0.021 (0.034)	0.021 (0.034)	0.021 (0.034)	0.019 (0.035)
Interaction terms of low pay and employment dummies	no	no	yes	no	no	yes
N	775	775	775	775	775	775
P value of Chi2	0.000	0.000	0.000	0.000	0.000	0.000
Pseudo R-squared	0.104	0.104	0.108	0.102	0.102	0.106
Log likelihood	-319.771	-319.771	-318.263	-320.525	-320.525	-318.906

\*\*\* indicate statistical significance at 1% level, \*\* significant at 5% level, \* significant at 10% level. Standard errors in parentheses.

**Table 31: Marginal effects for NSA/YAO exiters, women, return to income support within 1 year**

	(1)	(2)	(3)	(4)	(5)	(6)
Aged under 25 (ref. category: 35-50)	0.02 (0.054)	0.014 (0.055)	0.01 (0.054)	0.029 (0.054)	0.022 (0.055)	0.02 (0.055)
Aged 25-35	0.076 (0.047)	0.059 (0.047)	0.065 (0.047)	0.079* (0.046)	0.061 (0.047)	0.069 (0.047)
Aged 50-60	0.042 (0.043)	0.038 (0.042)	0.036 (0.042)	0.043 (0.043)	0.038 (0.042)	0.041 (0.042)
Partner - working (ref. category: single)	-0.092** (0.036)	-0.093** (0.037)	-0.090** (0.036)	-0.090** (0.036)	-0.091** (0.037)	-0.085** (0.036)
Partner - not working	0.039 (0.066)	0.038 (0.065)	0.025 (0.065)	0.037 (0.066)	0.039 (0.065)	0.027 (0.065)
Year 12 (ref. category: Year 10 or less)	-0.079 (0.050)	-0.068 (0.050)	-0.062 (0.050)	-0.082 (0.050)	-0.071 (0.050)	-0.071 (0.050)
Apprenticeship/TAFE/any trade	-0.02 (0.041)	-0.013 (0.041)	-0.01 (0.041)	-0.025 (0.041)	-0.017 (0.041)	-0.019 (0.041)
University	-0.084* (0.046)	-0.083* (0.050)	-0.077 (0.049)	-0.095** (0.045)	-0.092* (0.049)	-0.091* (0.049)
ESC (ref. category: Australian born non-indigenous)	0.012 (0.055)	0.019 (0.055)	0.016 (0.054)	0.01 (0.055)	0.018 (0.055)	0.019 (0.054)
NESC	0.03 (0.055)	0.027 (0.056)	0.026 (0.056)	0.033 (0.055)	0.03 (0.056)	0.036 (0.055)
ABTSI	-0.043 (0.087)	-0.034 (0.086)	-0.043 (0.086)	-0.05 (0.087)	-0.041 (0.086)	-0.036 (0.085)
Number of dependent children	-0.003 (0.015)	-0.006 (0.016)	-0.006 (0.015)	-0.003 (0.015)	-0.006 (0.016)	-0.004 (0.016)
Dummy - major financial/economic changes	0.072** (0.032)	0.076** (0.032)	0.077** (0.032)	0.073** (0.032)	0.076** (0.032)	0.079** (0.032)
Dummy - major personal life events	0.129*** (0.044)	0.121*** (0.044)	0.127*** (0.044)	0.125*** (0.044)	0.117*** (0.044)	0.124*** (0.044)
Inner regional (ref. category: major city)	-0.007 (0.036)	-0.011 (0.036)	-0.018 (0.036)	-0.004 (0.036)	-0.008 (0.036)	-0.006 (0.036)
All outer regional	-0.013 (0.046)	-0.015 (0.047)	-0.021 (0.046)	-0.012 (0.046)	-0.015 (0.047)	-0.011 (0.047)

VIC (ref. category: NSW)	0.026 (0.045)	0.023 (0.045)	0.025 (0.044)	0.028 (0.045)	0.025 (0.045)	0.022 (0.045)
QLD	0.022 (0.043)	0.021 (0.043)	0.018 (0.043)	0.022 (0.043)	0.02 (0.043)	0.02 (0.043)
SA	-0.024 (0.067)	-0.02 (0.067)	-0.035 (0.068)	-0.025 (0.067)	-0.022 (0.067)	-0.023 (0.067)
WANT	0.007 (0.055)	-0.006 (0.056)	-0.007 (0.055)	0.007 (0.055)	-0.007 (0.056)	-0.005 (0.055)
TAS	0.001 (0.078)	0.013 (0.077)	0.000 (0.076)	0.005 (0.078)	0.017 (0.077)	0.021 (0.076)
Single health condition (ref. category: no chronic condition)	-0.031 (0.045)	-0.024 (0.045)	-0.019 (0.045)	-0.028 (0.045)	-0.022 (0.045)	-0.024 (0.045)
Multiple health condition	-0.058 (0.060)	-0.071 (0.061)	-0.057 (0.060)	-0.057 (0.060)	-0.07 (0.061)	-0.046 (0.061)
2 income spells in past 5 years (ref. category: one spell)	0.032 (0.046)	0.03 (0.046)	0.028 (0.046)	0.029 (0.046)	0.027 (0.046)	0.022 (0.046)
3/4 income spells in past 5 years	0.061 (0.046)	0.061 (0.046)	0.057 (0.046)	0.056 (0.046)	0.055 (0.046)	0.048 (0.046)
5 or more income spells in past 5 years	0.127** (0.058)	0.113* (0.059)	0.116** (0.058)	0.116** (0.058)	0.102* (0.059)	0.105* (0.058)
Proportion of time on benefits in past 5 years	0.000 (0.001)	0.000 (0.001)	0.000 (0.001)	0.000 (0.001)	0.000 (0.001)	0.000 (0.001)
Low pay - 120% of FMW	0.033 (0.036)	0.034 (0.036)	0.029 (0.034)			
Low pay - 66% of median hourly wage				-0.012 (0.043)	-0.012 (0.043)	-0.026 (0.040)
Full time	0.063* (0.034)	0.052 (0.035)	0.054 (0.034)	0.067** (0.034)	0.057 (0.035)	0.063* (0.035)
Got job through Jobnet	-0.031 (0.044)	-0.022 (0.045)	-0.023 (0.046)	-0.031 (0.044)	-0.022 (0.045)	-0.024 (0.045)
Tenure - 6-12 months (ref. category: <6 months)	-0.037 (0.042)	-0.041 (0.041)	-0.04 (0.041)	-0.039 (0.042)	-0.043 (0.041)	-0.039 (0.041)
Tenure - 1 or more years	-0.096** (0.042)	-0.098** (0.042)	-0.099** (0.042)	-0.099** (0.042)	-0.101** (0.042)	-0.095** (0.042)

Receives paid leave	-0.096**	-0.093**	-0.090**	-0.092**	-0.088**	-0.091**
	(0.037)	(0.038)	(0.038)	(0.037)	(0.038)	(0.038)
Dummy - generally flexible working conditions	-0.080**	-0.080*	-0.084**	-0.080**	-0.081*	-0.084**
	(0.041)	(0.042)	(0.042)	(0.041)	(0.042)	(0.041)
Agriculture, Forestry & Fishing (ref. category: retail trade)		-0.151	-0.124		-0.155	-0.154
		(0.118)	(0.115)		(0.119)	(0.120)
Mining		0.077	0.035		0.074	0.043
		(0.175)	(0.175)		(0.176)	(0.175)
Manufacturing		0.121	0.12		0.117	0.107
		(0.083)	(0.083)		(0.083)	(0.083)
Construction		0.136	0.141		0.124	0.127
		(0.106)	(0.105)		(0.106)	(0.104)
Wholesale Trade		-0.059	-0.083		-0.061	-0.104
		(0.105)	(0.103)		(0.105)	(0.105)
Accommodation & Food Services		0.061	0.043		0.059	0.03
		(0.054)	(0.053)		(0.054)	(0.055)
Transport, Postal & Warehousing		-0.06	-0.072		-0.062	-0.056
		(0.120)	(0.122)		(0.121)	(0.121)
Information Media & Telecommunications		0.051	0.023		0.051	0.017
		(0.101)	(0.102)		(0.101)	(0.103)
Professional, Scientific & Technical Services		0.035	0.019		0.028	0.021
		(0.079)	(0.078)		(0.078)	(0.078)
Administrative & Support Services		0.024	0.017		0.017	0.015
		(0.084)	(0.083)		(0.084)	(0.084)
Public Administration & Safety		-0.005	0.015		-0.017	-0.013
		(0.102)	(0.102)		(0.101)	(0.101)
Education & Training		0.038	0.031		0.034	0.025
		(0.061)	(0.061)		(0.061)	(0.060)
Health Care & Social Assistance		-0.063	-0.066		-0.068	-0.075
		(0.053)	(0.053)		(0.053)	(0.053)
All others		0.004	0.003		-0.006	-0.005
		(0.062)	(0.061)		(0.061)	(0.061)
Interaction terms of low pay and employment dummies	no	no	yes	no	no	yes
N	616	616	616	616	616	616

P value of Chi2	0.000	0.000	0.000	0.000	0.000	0.000
Pseudo R-squared	0.113	0.136	0.155	0.112	0.134	0.149
Log likelihood	-269.297	-262.589	-256.549	-269.688	-263.012	-258.435

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\*\*\* indicate statistical significance at 1% level, \*\* significant at 5% level, \* significant at 10% level. Standard errors in parentheses.

**Table 32: Marginal effects for NSA/YAO exiters, women, return to income support within 2 years**

	(1)	(2)	(3)	(4)	(5)	(6)
Aged under 25 (ref. category: 35-50)	0.008 (0.061)	-0.003 (0.063)	-0.011 (0.063)	0.025 (0.061)	0.013 (0.063)	0.013 (0.064)
Aged 25-35	0.073 (0.054)	0.062 (0.054)	0.069 (0.054)	0.077 (0.054)	0.064 (0.054)	0.069 (0.055)
Aged 50-60	0.006 (0.049)	0.006 (0.049)	0.001 (0.049)	0.005 (0.049)	0.005 (0.049)	0.01 (0.049)
Partner - working (ref. category: single)	-0.118*** (0.040)	-0.114*** (0.040)	-0.112*** (0.040)	-0.113*** (0.040)	-0.109*** (0.041)	-0.106*** (0.041)
Partner - not working	-0.046 (0.078)	-0.057 (0.078)	-0.062 (0.078)	-0.048 (0.078)	-0.056 (0.078)	-0.055 (0.078)
Year 12 (ref. category: Year 10 or less)	-0.113** (0.057)	-0.100* (0.057)	-0.09 (0.057)	-0.119** (0.057)	-0.105* (0.057)	-0.105* (0.057)
Apprenticeship/TAFE/any trade	-0.035 (0.047)	-0.031 (0.048)	-0.031 (0.048)	-0.046 (0.047)	-0.04 (0.048)	-0.045 (0.048)
University	-0.081 (0.052)	-0.087 (0.057)	-0.076 (0.056)	-0.101** (0.051)	-0.104* (0.056)	-0.103* (0.056)
ESC (ref. category: Australian born non-indigenous)	0.034 (0.061)	0.036 (0.061)	0.041 (0.061)	0.03 (0.061)	0.032 (0.061)	0.035 (0.061)
NESC	0.085 (0.062)	0.078 (0.063)	0.085 (0.063)	0.091 (0.061)	0.084 (0.063)	0.095 (0.063)
ABTSI	-0.048 (0.097)	-0.042 (0.098)	-0.045 (0.097)	-0.06 (0.097)	-0.054 (0.097)	-0.05 (0.097)
Number of dependent children	-0.009 (0.018)	-0.01 (0.018)	-0.01 (0.018)	-0.008 (0.018)	-0.009 (0.018)	-0.008 (0.018)
Dummy - major financial/economic changes	0.078** (0.037)	0.083** (0.038)	0.081** (0.038)	0.079** (0.038)	0.084** (0.038)	0.082** (0.038)
Dummy - major personal life events	0.151*** (0.053)	0.147*** (0.053)	0.154*** (0.053)	0.147*** (0.053)	0.143*** (0.053)	0.150*** (0.053)
Inner regional (ref. category: major city)	-0.007 (0.041)	-0.016 (0.042)	-0.016 (0.042)	-0.003 (0.041)	-0.012 (0.042)	-0.006 (0.042)
All outer regional	0.03 (0.052)	0.024 (0.054)	0.025 (0.053)	0.03 (0.052)	0.024 (0.054)	0.026 (0.054)

VIC (ref. category: NSW)	-0.021 (0.051)	-0.026 (0.051)	-0.024 (0.051)	-0.016 (0.051)	-0.022 (0.051)	-0.017 (0.051)
QLD	0.001 (0.049)	-0.004 (0.049)	-0.006 (0.049)	0.003 (0.049)	-0.002 (0.049)	0.004 (0.049)
SA	-0.005 (0.072)	0.004 (0.073)	0.003 (0.073)	-0.009 (0.073)	-0.002 (0.073)	0.007 (0.073)
WANT	-0.049 (0.063)	-0.048 (0.065)	-0.041 (0.064)	-0.049 (0.063)	-0.048 (0.065)	-0.04 (0.064)
TAS	-0.1 (0.094)	-0.097 (0.094)	-0.107 (0.094)	-0.094 (0.094)	-0.091 (0.094)	-0.09 (0.094)
Single health condition (ref. category: no chronic condition)	0.009 (0.051)	0.012 (0.051)	0.017 (0.051)	0.013 (0.051)	0.016 (0.051)	0.016 (0.051)
Multiple health condition	-0.017 (0.067)	-0.024 (0.068)	-0.008 (0.067)	-0.011 (0.067)	-0.017 (0.068)	-0.003 (0.069)
2 income spells in past 5 years (ref. category: one spell)	0.091* (0.051)	0.100* (0.052)	0.102** (0.052)	0.083 (0.051)	0.091* (0.052)	0.095* (0.052)
3/4 income spells in past 5 years	0.122** (0.052)	0.132** (0.052)	0.127** (0.052)	0.108** (0.051)	0.117** (0.052)	0.114** (0.052)
5 or more income spells in past 5 years	0.212*** (0.068)	0.214*** (0.068)	0.216*** (0.068)	0.188*** (0.068)	0.191*** (0.069)	0.189*** (0.069)
Proportion of time on benefits in past 5 years	0.000 (0.001)	0.000 (0.001)	0.000 (0.001)	0.001 (0.001)	0.000 (0.001)	0.000 (0.001)
Low pay - 120% of FMW	0.045 (0.041)	0.046 (0.041)	0.043 (0.041)			
Low pay - 66% of median hourly wage				-0.053 (0.048)	-0.051 (0.048)	-0.061 (0.046)
Full time	0.071* (0.039)	0.056 (0.040)	0.053 (0.040)	0.080** (0.039)	0.066 (0.040)	0.066* (0.040)
Got job through Jobnet	0.045 (0.055)	0.063 (0.056)	0.053 (0.056)	0.047 (0.055)	0.064 (0.056)	0.06 (0.056)
Tenure - 6-12 months (ref. category: <6 months)	-0.115** (0.046)	-0.118*** (0.046)	-0.124*** (0.045)	-0.119*** (0.046)	-0.120*** (0.045)	-0.123*** (0.045)
Tenure - 1 or more years	-0.135*** (0.048)	-0.137*** (0.049)	-0.141*** (0.048)	-0.140*** (0.048)	-0.141*** (0.048)	-0.145*** (0.049)



Receives paid leave	-0.131*** (0.041)	-0.120*** (0.042)	-0.116*** (0.042)	-0.128*** (0.041)	-0.115*** (0.042)	-0.118*** (0.042)
Dummy - generally flexible working conditions	-0.05 (0.044)	-0.054 (0.046)	-0.053 (0.046)	-0.05 (0.044)	-0.055 (0.046)	-0.055 (0.046)
Agriculture, Forestry & Fishing (ref. category: retail trade)		0.018 (0.117)	0.034 (0.116)		0.013 (0.117)	0.028 (0.118)
Mining		-0.041 (0.223)	-0.071 (0.222)		-0.045 (0.225)	-0.05 (0.222)
Manufacturing		0.161 (0.102)	0.162 (0.103)		0.153 (0.102)	0.157 (0.103)
Construction		0.079 (0.129)	0.084 (0.128)		0.057 (0.130)	0.06 (0.129)
Wholesale Trade		-0.094 (0.118)	-0.097 (0.117)		-0.092 (0.118)	-0.109 (0.119)
Accommodation & Food Services		0.068 (0.064)	0.055 (0.064)		0.063 (0.064)	0.054 (0.065)
Transport, Postal & Warehousing		-0.075 (0.134)	-0.063 (0.133)		-0.074 (0.133)	-0.047 (0.132)
Information Media & Telecommunications		0.092 (0.119)	0.061 (0.119)		0.099 (0.118)	0.084 (0.119)
Professional, Scientific & Technical Services		0.112 (0.090)	0.095 (0.090)		0.099 (0.090)	0.098 (0.089)
Administrative & Support Services		0.004 (0.101)	0.007 (0.100)		-0.007 (0.101)	-0.002 (0.101)
Public Administration & Safety		-0.047 (0.123)	-0.016 (0.121)		-0.065 (0.122)	-0.057 (0.121)
Education & Training		0.025 (0.072)	0.027 (0.072)		0.018 (0.072)	0.018 (0.072)
Health Care & Social Assistance		-0.025 (0.059)	-0.025 (0.059)		-0.034 (0.058)	-0.039 (0.059)
All others		0.016 (0.072)	0.026 (0.072)		0.003 (0.072)	0.008 (0.072)
Interaction terms of low pay and employment dummies	no	no	yes	no	no	yes
N	616	616	616	616	616	616

P value of Chi2	0.000	0.000	0.000	0.000	0.000	0.000
Pseudo R-squared	0.115	0.126	0.137	0.114	0.126	0.132
Log likelihood	-333.342	-328.959	-324.776	-333.368	-329.061	-326.759

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\*\*\* indicate statistical significance at 1% level, \*\* significant at 5% level, \* significant at 10% level. Standard errors in parentheses.

**Table 33: Marginal effects for NSA/YAO exiters, men, return to income support within 1 year**

	(1)	(2)	(3)	(4)	(5)	(6)
Aged under 25 (ref. category: 35-50)	-0.026 (0.052)	-0.029 (0.053)	-0.031 (0.053)	-0.028 (0.053)	-0.031 (0.053)	-0.04 (0.053)
Aged 25-35	0.024 (0.042)	0.003 (0.043)	0.007 (0.042)	0.021 (0.042)	0.001 (0.043)	0.001 (0.042)
Aged 50-60	0.018 (0.041)	-0.001 (0.040)	-0.001 (0.040)	0.016 (0.041)	-0.002 (0.040)	-0.011 (0.040)
Partner - working (ref. category: single)	-0.094** (0.045)	-0.085* (0.044)	-0.088** (0.043)	-0.094** (0.045)	-0.085* (0.044)	-0.098** (0.044)
Partner - not working	-0.052 (0.049)	-0.071 (0.049)	-0.061 (0.048)	-0.052 (0.049)	-0.071 (0.049)	-0.068 (0.048)
Year 12 (ref. category: Year 10 or less)	0.019 (0.043)	0.032 (0.043)	0.023 (0.043)	0.019 (0.043)	0.032 (0.043)	0.025 (0.043)
Apprenticeship/TAFE/any trade	0.015 (0.039)	0.041 (0.039)	0.038 (0.038)	0.013 (0.039)	0.04 (0.039)	0.039 (0.038)
University	-0.031 (0.047)	0.013 (0.052)	0.008 (0.051)	-0.034 (0.047)	0.013 (0.052)	0.012 (0.051)
ESC (ref. category: Australian born non-indigineous)	0.03 (0.056)	0.023 (0.055)	0.019 (0.054)	0.028 (0.056)	0.022 (0.055)	0.02 (0.054)
NESC	-0.045 (0.056)	-0.038 (0.056)	-0.039 (0.055)	-0.044 (0.056)	-0.038 (0.056)	-0.027 (0.055)
ABTSI	0.099 (0.073)	0.102 (0.072)	0.111 (0.071)	0.105 (0.073)	0.107 (0.072)	0.118* (0.071)
Number of dependent children	-0.005 (0.017)	-0.009 (0.017)	-0.013 (0.017)	-0.006 (0.017)	-0.01 (0.017)	-0.011 (0.017)
Dummy - major financial/economic changes	0.046 (0.036)	0.044 (0.035)	0.042 (0.035)	0.047 (0.036)	0.044 (0.035)	0.038 (0.035)
Dummy - major personal life events	-0.100 (0.062)	-0.09 (0.061)	-0.072 (0.060)	-0.105* (0.062)	-0.093 (0.061)	-0.081 (0.061)
Inner regional (ref. category: major city)	0.031 (0.037)	0.029 (0.036)	0.029 (0.036)	0.031 (0.037)	0.029 (0.036)	0.033 (0.036)
All outer regional	0.039 (0.043)	0.039 (0.043)	0.041 (0.043)	0.038 (0.043)	0.038 (0.043)	0.038 (0.043)

VIC (ref. category: NSW)	-0.051 (0.042)	-0.052 (0.042)	-0.058 (0.042)	-0.053 (0.042)	-0.053 (0.042)	-0.055 (0.042)
QLD	-0.004 (0.042)	-0.003 (0.042)	-0.009 (0.042)	-0.004 (0.042)	-0.003 (0.042)	0.000 (0.042)
SA	0.013 (0.063)	0.033 (0.062)	0.038 (0.062)	0.012 (0.063)	0.032 (0.062)	0.036 (0.062)
WANT	-0.047 (0.062)	-0.045 (0.062)	-0.059 (0.061)	-0.049 (0.062)	-0.047 (0.061)	-0.049 (0.061)
TAS	-0.077 (0.083)	-0.027 (0.081)	-0.032 (0.081)	-0.076 (0.083)	-0.026 (0.081)	-0.033 (0.081)
Single health condition (ref. category: no chronic condition)	0.046 (0.041)	0.049 (0.040)	0.055 (0.040)	0.049 (0.040)	0.051 (0.040)	0.049 (0.039)
Multiple health condition	0.015 (0.061)	0.032 (0.061)	0.045 (0.060)	0.018 (0.061)	0.033 (0.061)	0.034 (0.061)
2 income spells in past 5 years (ref. category: one spell)	0.023 (0.042)	0.007 (0.041)	0.015 (0.041)	0.022 (0.042)	0.007 (0.041)	0.011 (0.041)
3/4 income spells in past 5 years	0.017 (0.042)	-0.003 (0.041)	0.008 (0.041)	0.016 (0.042)	-0.003 (0.041)	0.005 (0.041)
5 or more income spells in past 5 years	0.117** (0.055)	0.102* (0.055)	0.108** (0.054)	0.114** (0.055)	0.100* (0.055)	0.105* (0.054)
Proportion of time on benefits in past 5 years	0.002*** (0.001)	0.002*** (0.001)	0.002*** (0.001)	0.002*** (0.001)	0.002*** (0.001)	0.002*** (0.001)
Low pay - 120% of FMW	0.042 (0.036)	0.025 (0.035)	0.026 (0.034)			
Low pay - 66% of median hourly wage				0.045 (0.044)	0.028 (0.043)	0.015 (0.038)
Full time	0.028 (0.038)	0.005 (0.041)	0.009 (0.040)	0.028 (0.038)	0.004 (0.041)	0.013 (0.040)
Got job through Jobnet	0.084* (0.047)	0.088* (0.046)	0.094** (0.046)	0.083* (0.047)	0.087* (0.046)	0.100** (0.045)
Tenure - 6-12 months (ref. category: <6 months)	-0.054 (0.040)	-0.047 (0.040)	-0.044 (0.040)	-0.056 (0.040)	-0.048 (0.040)	-0.055 (0.039)
Tenure - 1 or more years	-0.093** (0.040)	-0.086** (0.039)	-0.076* (0.039)	-0.095** (0.041)	-0.088** (0.039)	-0.087** (0.039)

Receives paid leave	-0.139*** (0.036)	-0.116*** (0.036)	-0.118*** (0.035)	-0.139*** (0.036)	-0.115*** (0.036)	-0.112*** (0.036)
Dummy - generally flexible working conditions	-0.105*** (0.038)	-0.102*** (0.038)	-0.098*** (0.037)	-0.104*** (0.038)	-0.102*** (0.038)	-0.105*** (0.038)
Agriculture, Forestry & Fishing (ref. category: retail trade)		-0.033 (0.074)	-0.059 (0.074)		-0.031 (0.073)	-0.038 (0.072)
Mining		-0.088 (0.106)	-0.088 (0.105)		-0.09 (0.105)	-0.094 (0.103)
Manufacturing		-0.007 (0.053)	-0.003 (0.053)		-0.008 (0.053)	-0.004 (0.053)
Construction		0.124** (0.054)	0.126** (0.054)		0.121** (0.053)	0.116** (0.053)
Wholesale Trade		-0.047 (0.084)	-0.049 (0.084)		-0.048 (0.084)	-0.079 (0.085)
Accommodation & Food Services		-0.008 (0.064)	-0.012 (0.064)		-0.01 (0.065)	-0.008 (0.065)
Transport, Postal & Warehousing		-0.044 (0.062)	-0.041 (0.061)		-0.046 (0.062)	-0.063 (0.061)
Information Media & Telecommunications		-0.186 (0.118)	-0.181 (0.116)		-0.187 (0.118)	-0.193* (0.115)
Professional, Scientific & Technical Services		-0.039 (0.088)	-0.048 (0.087)		-0.041 (0.088)	-0.069 (0.087)
Administrative & Support Services		0.083 (0.071)	0.082 (0.070)		0.081 (0.071)	0.066 (0.070)
Public Administration & Safety		-0.197** (0.096)	-0.195** (0.095)		-0.201** (0.096)	-0.205** (0.096)
Education & Training		-0.002 (0.077)	0.006 (0.076)		-0.006 (0.077)	-0.014 (0.076)
Health Care & Social Assistance		-0.273*** (0.101)	-0.276*** (0.101)		-0.277*** (0.101)	-0.300*** (0.102)
All others		-0.328*** (0.120)	-0.328*** (0.121)		-0.331*** (0.120)	-0.336*** (0.120)
Interaction terms of low pay and employment dummies	no	no	yes	no	no	yes
N	695	695	695	695	695	695

P value of Chi2	0.000	0.000	0.000	0.000	0.000	0.000
Pseudo R-squared	0.133	0.187	0.2	0.133	0.187	0.206
Log likelihood	-335.114	-314.289	-309.197	-335.274	-314.325	-307.06

\*\*\* indicate statistical significance at 1% level, \*\* significant at 5% level, \* significant at 10% level. Standard errors in parentheses.

**Table 34: Marginal effects for NSA/YAO exiters, men, return to income support within 2 years**

	(1)	(2)	(3)	(4)	(5)	(6)
Aged under 25 (ref. category: 35-50)	-0.039 (0.059)	-0.04 (0.059)	-0.04 (0.059)	-0.038 (0.059)	-0.038 (0.059)	-0.034 (0.059)
Aged 25-35	0.029 (0.048)	-0.001 (0.048)	0.000 (0.048)	0.024 (0.048)	-0.006 (0.048)	-0.002 (0.048)
Aged 50-60	-0.023 (0.046)	-0.047 (0.045)	-0.049 (0.044)	-0.026 (0.046)	-0.05 (0.045)	-0.057 (0.044)
Partner - working (ref. category: single)	-0.156*** (0.049)	-0.141*** (0.048)	-0.143*** (0.048)	-0.155*** (0.049)	-0.139*** (0.048)	-0.153*** (0.048)
Partner - not working	0.031 (0.053)	0.025 (0.052)	0.035 (0.052)	0.029 (0.053)	0.025 (0.052)	0.026 (0.052)
Year 12 (ref. category: Year 10 or less)	0.021 (0.050)	0.039 (0.049)	0.033 (0.049)	0.022 (0.050)	0.041 (0.049)	0.028 (0.049)
Apprenticeship/TAFE/any trade	0.025 (0.044)	0.057 (0.044)	0.05 (0.044)	0.02 (0.044)	0.054 (0.044)	0.043 (0.044)
University	-0.025 (0.052)	0.055 (0.056)	0.05 (0.056)	-0.036 (0.052)	0.048 (0.056)	0.035 (0.056)
ESC (ref. category: Australian born non-indigineous)	0.078 (0.060)	0.077 (0.059)	0.071 (0.059)	0.07 (0.060)	0.07 (0.059)	0.073 (0.059)
NESC	-0.041 (0.060)	-0.042 (0.059)	-0.042 (0.059)	-0.039 (0.060)	-0.042 (0.059)	-0.034 (0.059)
ABTSI	0.009 (0.089)	0.011 (0.088)	0.024 (0.088)	0.024 (0.089)	0.024 (0.088)	0.044 (0.087)
Number of dependent children	-0.017 (0.018)	-0.024 (0.018)	-0.029 (0.018)	-0.019 (0.018)	-0.025 (0.018)	-0.028 (0.018)
Dummy - major financial/economic changes	0.014 (0.041)	0.013 (0.040)	0.012 (0.040)	0.014 (0.041)	0.013 (0.040)	0.006 (0.040)
Dummy - major personal life events	-0.06 (0.067)	-0.063 (0.066)	-0.05 (0.066)	-0.071 (0.068)	-0.07 (0.066)	-0.059 (0.066)
Inner regional (ref. category: major city)	0.034 (0.041)	0.034 (0.040)	0.03 (0.040)	0.034 (0.041)	0.033 (0.041)	0.032 (0.040)
All outer regional	0.097** (0.049)	0.084* (0.049)	0.078 (0.048)	0.098** (0.049)	0.083* (0.049)	0.078 (0.048)

VIC (ref. category: NSW)	0.018 (0.047)	0.01 (0.047)	0.002 (0.047)	0.016 (0.047)	0.007 (0.047)	0.000 (0.047)
QLD	0.023 (0.049)	0.026 (0.048)	0.02 (0.048)	0.02 (0.049)	0.022 (0.048)	0.02 (0.048)
SA	0.079 (0.072)	0.095 (0.071)	0.103 (0.070)	0.075 (0.073)	0.091 (0.071)	0.099 (0.071)
WANT	0.02 (0.066)	0.026 (0.066)	0.007 (0.066)	0.009 (0.067)	0.016 (0.066)	0.002 (0.065)
TAS	-0.195** (0.098)	-0.146 (0.095)	-0.164* (0.096)	-0.188* (0.098)	-0.138 (0.096)	-0.153 (0.095)
Single health condition (ref. category: no chronic condition)	0.059 (0.046)	0.062 (0.045)	0.071 (0.045)	0.071 (0.046)	0.071 (0.045)	0.074* (0.045)
Multiple health condition	0.122* (0.067)	0.134** (0.067)	0.143** (0.066)	0.128* (0.067)	0.139** (0.066)	0.148** (0.066)
2 income spells in past 5 years (ref. category: one spell)	0.04 (0.046)	0.02 (0.046)	0.025 (0.046)	0.042 (0.047)	0.022 (0.046)	0.032 (0.045)
3/4 income spells in past 5 years	0.064 (0.047)	0.034 (0.046)	0.045 (0.046)	0.065 (0.047)	0.035 (0.046)	0.046 (0.046)
5 or more income spells in past 5 years	0.199*** (0.065)	0.181*** (0.064)	0.187*** (0.063)	0.196*** (0.065)	0.180*** (0.064)	0.181*** (0.063)
Proportion of time on benefits in past 5 years	0.001* (0.001)	0.002** (0.001)	0.002** (0.001)	0.001** (0.001)	0.002*** (0.001)	0.002** (0.001)
Low pay - 120% of FMW	0.106** (0.041)	0.079* (0.041)	0.077* (0.040)			
Low pay - 66% of median hourly wage				0.071 (0.049)	0.044 (0.048)	0.03 (0.045)
Full time	0.049 (0.043)	0.035 (0.045)	0.037 (0.045)	0.052 (0.043)	0.036 (0.046)	0.039 (0.045)
Got job through Jobnet	0.140*** (0.051)	0.147*** (0.050)	0.158*** (0.051)	0.140*** (0.052)	0.148*** (0.050)	0.165*** (0.050)
Tenure - 6-12 months (ref. category: <6 months)	-0.012 (0.050)	0.003 (0.050)	0.003 (0.050)	-0.017 (0.050)	0.000 (0.050)	-0.002 (0.050)
Tenure - 1 or more years	-0.095** (0.047)	-0.078* (0.045)	-0.069 (0.045)	-0.097** (0.047)	-0.079* (0.045)	-0.073 (0.045)



Receives paid leave	-0.151*** (0.040)	-0.122*** (0.040)	-0.121*** (0.040)	-0.149*** (0.040)	-0.119*** (0.040)	-0.114*** (0.040)
Dummy - generally flexible working conditions	-0.100** (0.041)	-0.109*** (0.040)	-0.104*** (0.040)	-0.098** (0.041)	-0.108*** (0.041)	-0.114*** (0.040)
Agriculture, Forestry & Fishing (ref. category: retail trade)		-0.025 (0.084)	-0.053 (0.085)		-0.014 (0.084)	-0.023 (0.083)
Mining		-0.179 (0.121)	-0.176 (0.121)		-0.19 (0.121)	-0.194 (0.119)
Manufacturing		-0.026 (0.061)	-0.024 (0.061)		-0.03 (0.061)	-0.026 (0.061)
Construction		0.128** (0.063)	0.137** (0.064)		0.122* (0.063)	0.117* (0.063)
Wholesale Trade		-0.024 (0.095)	-0.024 (0.095)		-0.025 (0.096)	-0.047 (0.096)
Accommodation & Food Services		0.047 (0.074)	0.044 (0.074)		0.051 (0.074)	0.053 (0.075)
Transport, Postal & Warehousing		-0.055 (0.068)	-0.048 (0.068)		-0.057 (0.068)	-0.069 (0.068)
Information Media & Telecommunications		-0.366*** (0.141)	-0.373*** (0.141)		-0.376*** (0.143)	-0.376*** (0.141)
Professional, Scientific & Technical Services		-0.057 (0.099)	-0.072 (0.099)		-0.06 (0.099)	-0.084 (0.099)
Administrative & Support Services		0.09 (0.085)	0.087 (0.084)		0.086 (0.085)	0.075 (0.084)
Public Administration & Safety		-0.286*** (0.102)	-0.281*** (0.101)		-0.298*** (0.102)	-0.297*** (0.101)
Education & Training		-0.093 (0.088)	-0.082 (0.087)		-0.103 (0.088)	-0.097 (0.087)
Health Care & Social Assistance		-0.169** (0.086)	-0.160* (0.085)		-0.177** (0.086)	-0.183** (0.086)
All others		-0.269*** (0.100)	-0.268*** (0.100)		-0.282*** (0.101)	-0.281*** (0.100)
Interaction terms of low pay and employment dummies	no	no	yes	no	no	yes
N	695	695	695	695	695	695

P value of Chi2	0.000	0.000	0.000	0.000	0.000	0.000
Pseudo R-squared	0.123	0.168	0.177	0.118	0.165	0.179
Log likelihood	-404.06	-383.459	-379.201	-406.378	-384.973	-378.284

\*\*\* indicate statistical significance at 1% level, \*\* significant at 5% level, \* significant at 10% level. Standard errors in parentheses.

**Table 35: Marginal effects for women and men, results for wave 1 and wave 5 of the LPS**

	Men						Women					
	Return within 1 year			Return within 2 years			Return within 1 year			Return within 2 years		
	Wave 1	Wave 5	Pooled	Wave 1	Wave 5	Pooled	Wave 1	Wave 5	Pooled	Wave 1	Wave 5	Pooled
Aged under 25	0.097*	-0.026	0.027	0.063	-0.018	0.017	0.023	-0.028	-0.013	0.132**	-0.045	0.023
	(0.051)	(0.044)	(0.033)	(0.057)	(0.049)	(0.037)	(0.051)	(0.035)	(0.028)	(0.055)	(0.041)	(0.032)
Aged 25-35	0.103**	0.024	0.052*	0.171***	0.02	0.077**	0.068*	0.044*	0.050**	0.120***	0.051*	0.069***
	(0.049)	(0.036)	(0.029)	(0.053)	(0.040)	(0.032)	(0.039)	(0.025)	(0.021)	(0.044)	(0.029)	(0.024)
Aged 50-60	0.032	0.04	0.042	0.022	0.039	0.035	0.007	0.01	0.012	0.096*	-0.013	0.019
	(0.054)	(0.035)	(0.029)	(0.059)	(0.039)	(0.032)	(0.048)	(0.028)	(0.024)	(0.054)	(0.033)	(0.028)
Partner - working	-0.101*	-0.066*	-0.079**	-0.097	-0.122***	-0.122***	-0.085**	-0.085***	-0.082***	-0.098**	-0.115***	-0.104***
	(0.061)	(0.037)	(0.032)	(0.064)	(0.041)	(0.035)	(0.039)	(0.022)	(0.020)	(0.043)	(0.026)	(0.023)
Partner - not working	0.029	-0.068	-0.042	0.001	-0.003	-0.01	-0.002	-0.046	-0.034	0.006	-0.103**	-0.066*
	(0.057)	(0.043)	(0.034)	(0.063)	(0.047)	(0.038)	(0.058)	(0.041)	(0.033)	(0.064)	(0.049)	(0.038)
Year 12	-0.057	-0.02	-0.03	-0.044	-0.007	-0.025	0.06	-0.017	0.011	0.041	-0.03	-0.009
	(0.045)	(0.036)	(0.028)	(0.051)	(0.041)	(0.032)	(0.041)	(0.030)	(0.024)	(0.046)	(0.035)	(0.028)
Apprenticeship/TAFE/any trade	-0.096**	-0.043	-0.054**	-0.084*	-0.054	-0.061**	0.004	-0.019	-0.006	-0.015	-0.039	-0.029
	(0.045)	(0.032)	(0.026)	(0.049)	(0.036)	(0.029)	(0.038)	(0.025)	(0.021)	(0.044)	(0.029)	(0.024)
University	-0.176***	-0.082**	-0.118***	-0.202***	-0.081*	-0.121***	-0.104**	-0.021	-0.042*	-0.112**	-0.04	-0.061**
	(0.060)	(0.040)	(0.033)	(0.063)	(0.044)	(0.036)	(0.046)	(0.027)	(0.024)	(0.050)	(0.032)	(0.027)
ESC	0.126**	-0.051	-0.001	0.024	0.036	0.017	-0.014	-0.006	-0.012	-0.025	0.016	0.001
	(0.057)	(0.048)	(0.037)	(0.065)	(0.050)	(0.040)	(0.062)	(0.034)	(0.031)	(0.068)	(0.038)	(0.034)
NESC	-0.003	-0.052	-0.034	-0.062	-0.033	-0.037	0.035	0.039	0.036	0.037	0.062	0.05
	(0.064)	(0.047)	(0.038)	(0.071)	(0.051)	(0.041)	(0.049)	(0.032)	(0.027)	(0.055)	(0.038)	(0.031)
ABTSI	0.038	0.073	0.075	0.074	0.085	0.084	0.197***	0.047	0.103**	0.190**	0.053	0.115**
	(0.085)	(0.065)	(0.051)	(0.093)	(0.077)	(0.059)	(0.075)	(0.055)	(0.043)	(0.089)	(0.065)	(0.052)
1 child	0.03	0.035	0.049	0.021	-0.003	0.015	0.03	-0.016	-0.007	0.034	-0.011	0.004
	(0.063)	(0.046)	(0.037)	(0.069)	(0.051)	(0.041)	(0.050)	(0.029)	(0.025)	(0.056)	(0.034)	(0.029)
2 children	0.039	-0.04	0.005	0.041	-0.046	-0.002	-0.007	-0.004	-0.013	-0.065	-0.016	-0.03
	(0.072)	(0.048)	(0.040)	(0.079)	(0.052)	(0.043)	(0.057)	(0.030)	(0.027)	(0.065)	(0.036)	(0.032)
3+ children	0.035	-0.016	0.002	-0.005	-0.015	-0.011	0.116*	-0.035	0.01	0.068	-0.067	-0.015
	(0.073)	(0.054)	(0.044)	(0.082)	(0.059)	(0.048)	(0.060)	(0.036)	(0.031)	(0.069)	(0.042)	(0.036)
Dummy major life events	-0.024	0.018	-0.002	0.02	0.002	0	0.016	0.060***	0.042***	0.034	0.070***	0.054***
	(0.035)	(0.028)	(0.022)	(0.039)	(0.032)	(0.024)	(0.030)	(0.019)	(0.016)	(0.034)	(0.022)	(0.019)

Inner regional	-0.013 (0.040)	-0.009 (0.030)	-0.011 (0.024)	-0.031 (0.044)	-0.026 (0.034)	-0.026 (0.027)	0.017 (0.034)	0.01 (0.022)	0.015 (0.019)	0.019 (0.038)	0.014 (0.026)	0.014 (0.022)
All outer regional	0.019 (0.054)	0.03 (0.036)	0.033 (0.030)	0.003 (0.059)	0.032 (0.040)	0.034 (0.033)	0.008 (0.042)	-0.005 (0.028)	0.008 (0.023)	0.011 (0.047)	0.064** (0.032)	0.047* (0.026)
VIC	0.07 (0.047)	-0.03 (0.035)	0.007 (0.028)	0.116** (0.052)	0.011 (0.039)	0.052* (0.031)	0.039 (0.043)	0.034 (0.028)	0.039* (0.024)	-0.006 (0.048)	0.019 (0.032)	0.018 (0.027)
QLD	-0.046 (0.047)	0.004 (0.035)	-0.018 (0.028)	-0.041 (0.052)	0.02 (0.040)	-0.013 (0.032)	0.007 (0.041)	0.028 (0.026)	0.026 (0.022)	-0.008 (0.045)	0.026 (0.030)	0.023 (0.025)
SA	-0.015 (0.075)	0.043 (0.051)	0.028 (0.042)	0.059 (0.081)	0.087 (0.057)	0.072 (0.047)	0.104* (0.057)	0.031 (0.038)	0.063** (0.032)	0.087 (0.065)	0.017 (0.045)	0.046 (0.037)
WANT	-0.066 (0.064)	-0.051 (0.049)	-0.068* (0.039)	-0.018 (0.068)	0.013 (0.052)	-0.011 (0.042)	0.108** (0.047)	0.022 (0.033)	0.054** (0.027)	0.092* (0.054)	-0.019 (0.039)	0.021 (0.032)
TAS	-0.064 (0.080)	-0.046 (0.069)	-0.056 (0.053)	-0.039 (0.088)	-0.175** (0.081)	-0.121** (0.060)	-0.004 (0.078)	0.046 (0.048)	0.04 (0.042)	0.057 (0.085)	-0.005 (0.058)	0.029 (0.048)
Single health condition	0.069 (0.046)	0.046 (0.034)	0.067** (0.027)	0.095* (0.051)	0.053 (0.038)	0.082*** (0.030)	0.051 (0.045)	-0.016 (0.027)	0.003 (0.024)	0.075 (0.051)	0.022 (0.031)	0.036 (0.027)
Multiple health condition	0.033 (0.084)	0.036 (0.047)	0.047 (0.041)	0.039 (0.092)	0.126** (0.052)	0.126*** (0.045)	0.052 (0.068)	-0.017 (0.037)	-0.003 (0.033)	0.180** (0.075)	0.028 (0.043)	0.069* (0.037)
IS spells in p5yrs-2	-0.024 (0.048)	0.009 (0.034)	0.012 (0.028)	0.01 (0.052)	0.015 (0.038)	0.026 (0.030)	0.015 (0.040)	0.039 (0.025)	0.031 (0.022)	0.009 (0.044)	0.062** (0.029)	0.043* (0.024)
IS spells in p5yrs-3/4	0.103** (0.048)	0.026 (0.035)	0.058** (0.028)	0.164*** (0.052)	0.104*** (0.038)	0.131*** (0.031)	0.054 (0.042)	0.088*** (0.027)	0.077*** (0.023)	0.045 (0.047)	0.116*** (0.031)	0.093*** (0.026)
IS spells in p5yrs-5+	0.198*** (0.062)	0.155*** (0.046)	0.181*** (0.037)	0.261*** (0.071)	0.244*** (0.053)	0.260*** (0.042)	-0.003 (0.061)	0.139*** (0.038)	0.095*** (0.032)	0.036 (0.068)	0.222*** (0.045)	0.158*** (0.038)
Dummy if propben5yrs>=20 & <40	0.047 (0.060)	0.123*** (0.041)	0.106*** (0.034)	-0.003 (0.065)	0.054 (0.044)	0.038 (0.037)	0.097* (0.056)	-0.002 (0.032)	0.039 (0.028)	0.131** (0.061)	-0.018 (0.038)	0.039 (0.032)
Dummy if propben5yrs>=40 & <60	0.079 (0.061)	0.074* (0.041)	0.072** (0.034)	-0.017 (0.068)	0.015 (0.044)	0.003 (0.037)	0.158*** (0.054)	-0.015 (0.030)	0.039 (0.026)	0.198*** (0.059)	0.019 (0.034)	0.072** (0.030)
Dummy if propben5yrs>=60 & <80	0.123** (0.057)	0.090** (0.040)	0.105*** (0.033)	0.032 (0.064)	0.061 (0.043)	0.055 (0.036)	0.083 (0.056)	-0.02 (0.029)	0.016 (0.027)	0.137** (0.060)	-0.005 (0.034)	0.041 (0.030)
Dummy if propben5yrs>=80 & <100	0.127** (0.053)	0.172*** (0.050)	0.128*** (0.035)	0.113** (0.057)	0.219*** (0.057)	0.143*** (0.038)	0.148*** (0.046)	0.052 (0.038)	0.086*** (0.027)	0.176*** (0.050)	0.091** (0.046)	0.108*** (0.031)
Last benefit type-DSP	0.06 (0.057)	0.016 (0.048)	0.016 (0.037)	0.054 (0.064)	-0.029 (0.054)	-0.012 (0.041)	0.065 (0.065)	0.018 (0.048)	0.036 (0.037)	0.001 (0.075)	-0.071 (0.059)	-0.032 (0.044)

Last benefit type-PPS	-0.029 (0.133)	-0.197** (0.101)	-0.151* (0.080)	-0.238 (0.159)	-0.191* (0.100)	-0.211** (0.085)	-0.134** (0.056)	-0.02 (0.031)	-0.057** (0.027)	-0.09 (0.064)	-0.05 (0.036)	-0.071** (0.031)
Last benefit type-PPP	-0.012 (0.099)	-0.007 (0.062)	-0.005 (0.053)	-0.144 (0.114)	-0.078 (0.071)	-0.099* (0.060)	-0.085 (0.056)	-0.023 (0.032)	-0.041 (0.028)	-0.023 (0.065)	-0.017 (0.037)	-0.031 (0.032)
Last benefit type-Other	-0.028 (0.077)	-0.06 (0.067)	-0.059 (0.050)	-0.107 (0.083)	-0.088 (0.073)	-0.102* (0.054)	-0.187** (0.084)	-0.04 (0.054)	-0.094** (0.045)	-0.128 (0.080)	-0.094 (0.064)	-0.108** (0.049)
Low pay - 120p of FMW	0.022 (0.036)	0.045 (0.031)	0.028 (0.023)	0.035 (0.040)	0.092*** (0.034)	0.058** (0.026)	0.052 (0.034)	0.031 (0.023)	0.035* (0.019)	0.058 (0.038)	0.047* (0.027)	0.049** (0.022)
Full time	-0.009 (0.043)	-0.007 (0.032)	-0.004 (0.025)	0.011 (0.047)	-0.015 (0.037)	0 (0.028)	-0.037 (0.034)	-0.016 (0.022)	-0.024 (0.018)	-0.013 (0.039)	0.012 (0.025)	-0.004 (0.021)
Got job through Jobnet	0.077 (0.050)	0.06 (0.040)	0.058* (0.031)	0.101* (0.055)	0.078* (0.044)	0.080** (0.034)	-0.021 (0.051)	0.008 (0.035)	-0.012 (0.028)	-0.064 (0.053)	0.052 (0.042)	0.003 (0.033)
Tenure - 6-12 months	-0.116*** (0.036)	-0.036 (0.034)	-0.067*** (0.024)	-0.065 (0.043)	0.016 (0.042)	-0.014 (0.029)	0.047 (0.039)	0 (0.029)	0.025 (0.024)	0.065 (0.042)	-0.064** (0.031)	0.001 (0.026)
Tenure - 1-2 years	-0.064 (0.066)	-0.082** (0.034)	-0.074*** (0.025)	0.059 (0.091)	-0.05 (0.038)	-0.031 (0.029)	-0.058 (0.046)	-0.053** (0.025)	-0.043** (0.021)	-0.027 (0.053)	-0.077*** (0.029)	-0.042* (0.024)
Tenure - 2+ years	-0.078 (0.056)	-0.092** (0.045)	-0.085** (0.035)	-0.055 (0.066)	-0.111** (0.057)	-0.079* (0.044)	-0.01 (0.044)	-0.080*** (0.026)	-0.052** (0.023)	-0.057 (0.049)	-0.115*** (0.032)	-0.084*** (0.028)
Job - any paid leave	-0.068* (0.037)	-0.093*** (0.030)	-0.083*** (0.023)	-0.059 (0.042)	-0.089*** (0.033)	-0.075*** (0.025)	-0.065* (0.034)	-0.061*** (0.022)	-0.063*** (0.019)	-0.071* (0.037)	-0.085*** (0.026)	-0.078*** (0.021)
Flexibility - start hours	0.01 (0.038)	0.024 (0.028)	0.013 (0.023)	0.067 (0.043)	0.002 (0.032)	0.016 (0.025)	0.043 (0.032)	-0.01 (0.022)	0.008 (0.018)	0.063* (0.036)	-0.024 (0.026)	0.003 (0.021)
Flexibility - work	-0.011 (0.042)	-0.092*** (0.035)	-0.066** (0.027)	-0.007 (0.049)	-0.074** (0.037)	-0.054* (0.030)	-0.147*** (0.048)	-0.04 (0.031)	-0.064** (0.026)	-0.133*** (0.050)	-0.02 (0.034)	-0.056* (0.029)
Flexibility - days worked	-0.031 (0.044)	-0.007 (0.032)	-0.019 (0.026)	0 (0.049)	0.03 (0.036)	0.022 (0.029)	0.005 (0.035)	-0.009 (0.023)	-0.007 (0.019)	-0.028 (0.039)	0.019 (0.027)	0 (0.022)
Flexibility - can swap shifts	0.007 (0.039)	-0.042 (0.030)	-0.023 (0.024)	-0.021 (0.043)	-0.033 (0.033)	-0.025 (0.026)	-0.039 (0.036)	0.004 (0.024)	-0.011 (0.020)	-0.02 (0.040)	0.003 (0.028)	-0.003 (0.023)
N	581	987	1568	581	987	1568	731	1409	2140	731	1409	2140
P value of Chi2	0	0	0	0	0	0	0	0	0	0	0	0
Pseudo R-squared	0.18	0.141	0.124	0.152	0.146	0.123	0.163	0.117	0.107	0.15	0.121	0.106
Log likelihood	-272.112	-462.26	-762.807	-323.263	-549.415	-899.258	-321.678	-540.381	-895.052	-386.067	-692.577	-1.10E+03
Degrees of freedom	56	56	56	56	56	56	56	56	56	56	56	56

\*\*\* indicate statistical significance at 1% level, \*\* significant at 5% level, \* significant at 10% level. Standard errors in parentheses.

**Table 36: Results from Cox proportional hazard models - Hazard ratios (men)**

	GFC 1 year						GFC 2 years					
	Low pay 1			Low pay 2			Low pay 1			Low pay 2		
Aged under 25 (reference category: 35-50)	1.328 (0.218)	1.320 (0.216)	1.271 (0.214)	1.341 (0.220)	1.333 (0.219)	1.284 (0.216)	1.324 (0.217)	1.317 (0.216)	1.263 (0.212)	1.335 (0.220)	1.328 (0.218)	1.274 (0.214)
Aged 25-35	1.184 (0.170)	1.177 (0.169)	1.121 (0.165)	1.179 (0.169)	1.171 (0.168)	1.116 (0.164)	1.183 (0.170)	1.176 (0.169)	1.117 (0.165)	1.177 (0.169)	1.171 (0.168)	1.113 (0.164)
Aged 50-60	1.420 (0.214)	1.431 (0.216)	1.407 (0.218)	1.408 (0.212)	1.418 (0.214)	1.400 (0.217)	1.407 (0.212)	1.438 (0.217)	1.416 (0.220)	1.396 (0.211)	1.423 (0.215)	1.406 (0.219)
Partner - working (ref. category: single)	0.619 (0.112)	0.614 (0.111)	0.611 (0.112)	0.620 (0.112)	0.612 (0.110)	0.611 (0.112)	0.620 (0.112)	0.612 (0.110)	0.608 (0.112)	0.620 (0.112)	0.610 (0.110)	0.608 (0.112)
Partner - not working	1.039 (0.173)	1.029 (0.171)	0.981 (0.164)	1.043 (0.173)	1.03 (0.171)	0.985 (0.165)	1.04 (0.173)	1.021 (0.170)	0.972 (0.163)	1.044 (0.173)	1.022 (0.170)	0.976 (0.163)
Year 12 (ref. category: Year 10 or less)	0.828 (0.110)	0.827 (0.110)	0.843 (0.115)	0.832 (0.110)	0.829 (0.110)	0.844 (0.116)	0.822 (0.109)	0.817 (0.109)	0.832 (0.114)	0.826 (0.110)	0.819 (0.109)	0.832 (0.114)
Apprenticeship/TAFE/any trade	0.792 (0.107)	0.794 (0.107)	0.773 (0.108)	0.793 (0.107)	0.793 (0.107)	0.771 (0.107)	0.785 (0.106)	0.785 (0.106)	0.765 (0.107)	0.786 (0.106)	0.785 (0.106)	0.764 (0.106)
University	0.520 (0.096)	0.522 (0.096)	0.559 (0.111)	0.519 (0.096)	0.520 (0.096)	0.561 (0.112)	0.518 (0.096)	0.517 (0.095)	0.556 (0.111)	0.517 (0.095)	0.515 (0.095)	0.559 (0.112)
ESC (ref. category: Australian born non-indigenous)	1.034 (0.209)	1.036 (0.209)	1.014 (0.207)	1.041 (0.210)	1.044 (0.211)	1.021 (0.209)	1.041 (0.210)	1.045 (0.211)	1.023 (0.209)	1.048 (0.212)	1.051 (0.212)	1.03 (0.211)
NESC	1.06 (0.202)	1.063 (0.203)	1.059 (0.206)	1.071 (0.204)	1.077 (0.205)	1.073 (0.208)	1.063 (0.203)	1.067 (0.203)	1.059 (0.206)	1.074 (0.204)	1.081 (0.205)	1.073 (0.208)
ABTSI	0.887 (0.213)	0.88 (0.211)	0.945 (0.228)	0.895 (0.215)	0.893 (0.215)	0.969 (0.234)	0.884 (0.212)	0.875 (0.210)	0.939 (0.226)	0.893 (0.215)	0.89 (0.214)	0.966 (0.233)
Number of dependent children	1.027 (0.058)	1.029 (0.058)	1.042 (0.059)	1.026 (0.058)	1.028 (0.058)	1.041 (0.059)	1.024 (0.058)	1.03 (0.058)	1.043 (0.059)	1.022 (0.058)	1.028 (0.058)	1.042 (0.059)
Dummy - major financial/economic changes	1.079 (0.125)	1.08 (0.125)	1.109 (0.133)	1.078 (0.125)	1.079 (0.125)	1.106 (0.132)	1.075 (0.125)	1.078 (0.125)	1.109 (0.133)	1.074 (0.124)	1.079 (0.125)	1.107 (0.132)
Dummy - major personal life events	1.554 (0.208)	1.552 (0.208)	1.490 (0.207)	1.542 (0.206)	1.537 (0.205)	1.479 (0.204)	1.555 (0.208)	1.552 (0.208)	1.492 (0.207)	1.543 (0.206)	1.535 (0.205)	1.480 (0.205)
Inner regional (ref. category: major city)	0.922 (0.112)	0.92 (0.112)	0.926 (0.115)	0.922 (0.112)	0.923 (0.112)	0.927 (0.115)	0.922 (0.112)	0.914 (0.111)	0.92 (0.114)	0.922 (0.112)	0.917 (0.112)	0.923 (0.115)
All outer regional	0.897	0.904	0.924	0.908	0.913	0.928	0.899	0.909	0.934	0.909	0.916	0.935

VIC	(0.128)	(0.129)	(0.137)	(0.130)	(0.130)	(0.137)	(0.129)	(0.130)	(0.138)	(0.130)	(0.130)	(0.138)
	0.99	0.989	1.041	0.996	0.994	1.043	0.992	0.993	1.05	0.997	0.997	1.051
QLD	(0.140)	(0.140)	(0.153)	(0.141)	(0.141)	(0.153)	(0.141)	(0.141)	(0.155)	(0.142)	(0.142)	(0.155)
	1.341	1.345	1.432	1.334	1.333	1.414	1.342	1.355	1.445	1.335	1.344	1.429
SA	(0.184)	(0.185)	(0.202)	(0.183)	(0.183)	(0.200)	(0.184)	(0.186)	(0.205)	(0.183)	(0.185)	(0.202)
	0.844	0.84	0.89	0.846	0.844	0.892	0.852	0.838	0.894	0.854	0.843	0.898
WANT	(0.181)	(0.180)	(0.197)	(0.182)	(0.181)	(0.197)	(0.183)	(0.180)	(0.198)	(0.183)	(0.181)	(0.199)
	0.907	0.901	0.904	0.904	0.898	0.905	0.913	0.9	0.908	0.91	0.896	0.91
TAS	(0.186)	(0.185)	(0.193)	(0.186)	(0.185)	(0.193)	(0.187)	(0.185)	(0.194)	(0.187)	(0.185)	(0.195)
	1.407	1.412	1.504	1.384	1.387	1.48	1.414	1.423	1.525	1.39	1.397	1.5
	(0.364)	(0.366)	(0.393)	(0.358)	(0.359)	(0.386)	(0.366)	(0.369)	(0.399)	(0.360)	(0.362)	(0.392)
Single health condition (ref. category: no chronic condition)	1.149	1.143	1.158	1.148	1.145	1.159	1.145	1.133	1.148	1.144	1.134	1.148
	(0.156)	(0.156)	(0.161)	(0.156)	(0.156)	(0.161)	(0.156)	(0.154)	(0.160)	(0.155)	(0.154)	(0.159)
Multiple health condition	0.936	0.94	0.96	0.938	0.94	0.963	0.936	0.938	0.959	0.938	0.939	0.963
	(0.171)	(0.172)	(0.179)	(0.171)	(0.172)	(0.180)	(0.171)	(0.172)	(0.179)	(0.171)	(0.172)	(0.180)
2 income spells in past 5 years (ref. category: one spell)	1.454	1.454	1.437	1.462	1.464	1.453	1.457	1.459	1.444	1.465	1.469	1.459
	(0.189)	(0.189)	(0.190)	(0.191)	(0.191)	(0.193)	(0.190)	(0.190)	(0.191)	(0.192)	(0.192)	(0.194)
3/4 income spells in past 5 years	1.682	1.683	1.670	1.676	1.681	1.673	1.687	1.683	1.668	1.682	1.683	1.673
	(0.240)	(0.240)	(0.243)	(0.239)	(0.239)	(0.243)	(0.240)	(0.240)	(0.242)	(0.239)	(0.240)	(0.243)
5 or more income spells in past 5 years	2.314	2.292	2.274	2.332	2.322	2.315	2.315	2.276	2.258	2.334	2.310	2.304
	(0.454)	(0.450)	(0.455)	(0.459)	(0.457)	(0.465)	(0.454)	(0.446)	(0.451)	(0.459)	(0.454)	(0.462)
Proportion of time on benefits in past 5 years	1.312	1.314	1.459	1.324	1.329	1.475	1.303	1.309	1.461	1.315	1.326	1.478
	(0.255)	(0.255)	(0.291)	(0.258)	(0.258)	(0.294)	(0.253)	(0.255)	(0.292)	(0.256)	(0.258)	(0.295)
Previous benefit type - DSP	1.644	1.640	1.767	1.646	1.644	1.769	1.645	1.644	1.774	1.648	1.649	1.776
	(0.275)	(0.275)	(0.303)	(0.275)	(0.275)	(0.303)	(0.275)	(0.277)	(0.305)	(0.275)	(0.277)	(0.305)
Previous benefit type - PPS	0.734	0.731	0.735	0.73	0.728	0.737	0.728	0.733	0.737	0.724	0.73	0.739
	(0.289)	(0.288)	(0.292)	(0.287)	(0.287)	(0.293)	(0.287)	(0.288)	(0.293)	(0.285)	(0.287)	(0.294)
Previous benefit type - PPP	0.526	0.533	0.527	0.531	0.537	0.525	0.531	0.542	0.536	0.535	0.545	0.534
	(0.218)	(0.221)	(0.221)	(0.220)	(0.222)	(0.220)	(0.219)	(0.224)	(0.225)	(0.221)	(0.226)	(0.224)
Previous benefit type - All others	0.922	0.927	0.852	0.918	0.923	0.847	0.919	0.925	0.848	0.914	0.922	0.843
	(0.163)	(0.164)	(0.155)	(0.163)	(0.164)	(0.155)	(0.163)	(0.164)	(0.154)	(0.163)	(0.164)	(0.154)
GFC	1.308	1.004	1.002	1.311	1.039	1.039	1.324	0.961	0.976	1.330	0.989	1.007
	(0.154)	(0.162)	(0.162)	(0.154)	(0.161)	(0.161)	(0.181)	(0.165)	(0.168)	(0.182)	(0.163)	(0.167)

Low pay	1.187	1.072	1.071	1.15	1.023	1.048	1.188	1.064	1.059	1.157	1.002	1.027
	(0.135)	(0.149)	(0.151)	(0.160)	(0.173)	(0.181)	(0.136)	(0.161)	(0.163)	(0.161)	(0.184)	(0.191)
Full time	1.091	1.088	1.124	1.091	1.085	1.118	1.091	1.077	1.115	1.091	1.074	1.108
	(0.137)	(0.137)	(0.151)	(0.137)	(0.136)	(0.149)	(0.138)	(0.136)	(0.150)	(0.137)	(0.135)	(0.149)
Got job through Jobnet	1.250	1.246	1.219	1.272	1.274	1.245	1.251	1.251	1.223	1.274	1.279	1.249
	(0.162)	(0.162)	(0.162)	(0.165)	(0.165)	(0.165)	(0.162)	(0.162)	(0.163)	(0.165)	(0.166)	(0.166)
Tenure - 6-12 months (ref. category: <6 months)	1.119	1.118	1.113	1.111	1.107	1.102	1.124	1.123	1.119	1.116	1.112	1.106
	(0.149)	(0.149)	(0.151)	(0.148)	(0.148)	(0.150)	(0.150)	(0.150)	(0.152)	(0.149)	(0.148)	(0.151)
Tenure - 1-2 years	0.823	0.82	0.81	0.822	0.821	0.807	0.823	0.82	0.813	0.821	0.819	0.809
	(0.145)	(0.145)	(0.146)	(0.145)	(0.145)	(0.146)	(0.145)	(0.145)	(0.147)	(0.145)	(0.145)	(0.146)
Tenure - 2 or more years	1.298	1.306	1.316	1.294	1.302	1.3	1.288	1.306	1.322	1.283	1.3	1.302
	(0.278)	(0.280)	(0.286)	(0.278)	(0.279)	(0.283)	(0.276)	(0.280)	(0.287)	(0.276)	(0.279)	(0.284)
Receives paid leave	0.640	0.553	0.559	0.648	0.558	0.564	0.637	0.477	0.480	0.645	0.481	0.484
	(0.071)	(0.075)	(0.078)	(0.072)	(0.075)	(0.078)	(0.071)	(0.072)	(0.074)	(0.071)	(0.073)	(0.075)
Dummy - flexible working conditions	0.712	0.713	0.708	0.717	0.718	0.711	0.714	0.718	0.715	0.719	0.723	0.719
	(0.085)	(0.085)	(0.087)	(0.085)	(0.085)	(0.087)	(0.085)	(0.085)	(0.088)	(0.086)	(0.086)	(0.088)
<i>GFC interacted with</i>												
Any leave		1.525	1.552		1.541	1.565		1.855	1.907		1.867	1.918
		(0.326)	(0.332)		(0.328)	(0.334)		(0.385)	(0.398)		(0.387)	(0.399)
Low pay		1.351	1.366		1.392	1.405		1.283	1.295		1.354	1.358
		(0.300)	(0.304)		(0.368)	(0.373)		(0.274)	(0.278)		(0.347)	(0.350)
<i>Industry</i>												
Agriculture, Forestry & Fishing (ref. category: retail trade)			0.876			0.894			0.874			0.893
			(0.229)			(0.234)			(0.229)			(0.234)
Mining			1.102			1.108			1.081			1.084
			(0.591)			(0.594)			(0.579)			(0.581)
Manufacturing			1.242			1.222			1.263			1.24
			(0.248)			(0.244)			(0.253)			(0.248)
Construction			1.283			1.259			1.295			1.271
			(0.245)			(0.240)			(0.248)			(0.243)
Wholesale Trade			1.099			1.085			1.125			1.112
			(0.292)			(0.289)			(0.300)			(0.297)
Accommodation & Food Services			1.879			1.869			1.930			1.918



			(0.417)			(0.415)			(0.430)			(0.427)
Transport, Postal & Warehousing			0.851			0.829			0.859			0.835
			(0.192)			(0.187)			(0.194)			(0.189)
Information Media & Telecommunications			1.07			1.026			1.047			1.002
			(0.583)			(0.558)			(0.571)			(0.545)
Financial & Insurance Services			0.249			0.246			0.261			0.259
			(0.253)			(0.250)			(0.266)			(0.264)
Rental, Hiring & Real Estate Services			0.37			0.359			0.367			0.355
			(0.377)			(0.366)			(0.374)			(0.363)
Professional, Scientific & Technical Services			1.03			0.99			1.039			0.995
			(0.330)			(0.318)			(0.333)			(0.320)
Administrative & Support Services			1.301			1.326			1.315			1.33
			(0.361)			(0.367)			(0.365)			(0.368)
Public Administration & Safety			0.729			0.715			0.719			0.705
			(0.227)			(0.223)			(0.224)			(0.219)
Education & Training			1.183			1.143			1.157			1.115
			(0.393)			(0.379)			(0.386)			(0.371)
Health Care & Social Assistance			0.707			0.693			0.703			0.686
			(0.240)			(0.234)			(0.238)			(0.232)
Arts & Recreation Services			1.015			0.996			1.027			1.007
			(0.424)			(0.415)			(0.429)			(0.420)
All others			1.194			1.19			1.211			1.204
			(0.278)			(0.277)			(0.282)			(0.281)
N	1510	1510	1510	1510	1510	1510	1510	1510	1510	1510	1510	1510
Pseudo R-squared	0.025	0.026	0.031	0.024	0.025	0.03	0.024	0.026	0.032	0.024	0.026	0.031

Notes: Standard errors in parentheses. Low pay 1 uses the 120% of the FMW definition, low pay the 66% of the median hourly wage definition.

**Table 37: Results from Cox proportional hazard models - Hazard ratios (women)**

	GFC 1 year						GFC 2 years					
	Low pay 1			Low pay 2			Low pay 1			Low pay 2		
Aged under 25 (reference category: 35-50)	1.114	1.113	1.098	1.113	1.113	1.098	1.115	1.112	1.096	1.114	1.113	1.096
	(0.199)	(0.199)	(0.204)	(0.199)	(0.199)	(0.204)	(0.199)	(0.199)	(0.203)	(0.199)	(0.199)	(0.203)
Aged 25-35	1.334	1.333	1.403	1.334	1.332	1.404	1.334	1.333	1.402	1.334	1.331	1.400
	(0.207)	(0.207)	(0.228)	(0.208)	(0.207)	(0.228)	(0.207)	(0.207)	(0.228)	(0.208)	(0.207)	(0.228)
Aged 50-60	1.106	1.105	1.111	1.107	1.105	1.109	1.107	1.106	1.11	1.108	1.105	1.108
	(0.208)	(0.208)	(0.212)	(0.208)	(0.207)	(0.212)	(0.208)	(0.208)	(0.212)	(0.208)	(0.208)	(0.212)
Partner - working (ref. category: single)	0.691	0.691	0.702	0.690	0.688	0.699	0.690	0.690	0.702	0.690	0.686	0.699
	(0.098)	(0.098)	(0.102)	(0.098)	(0.097)	(0.102)	(0.098)	(0.098)	(0.102)	(0.098)	(0.097)	(0.102)
Partner - not working	0.731	0.732	0.764	0.731	0.728	0.759	0.73	0.731	0.765	0.73	0.726	0.759
	(0.188)	(0.189)	(0.200)	(0.189)	(0.188)	(0.198)	(0.188)	(0.189)	(0.200)	(0.188)	(0.188)	(0.198)
Year 12 (ref. category: Year 10 or less)	0.618	0.616	0.601	0.619	0.620	0.604	0.619	0.616	0.602	0.619	0.621	0.604
	(0.109)	(0.108)	(0.108)	(0.109)	(0.109)	(0.108)	(0.109)	(0.109)	(0.108)	(0.109)	(0.109)	(0.108)
Apprenticeship/TAFE/any trade	0.851	0.848	0.848	0.855	0.857	0.853	0.851	0.849	0.849	0.855	0.858	0.854
	(0.121)	(0.121)	(0.125)	(0.120)	(0.121)	(0.125)	(0.121)	(0.121)	(0.125)	(0.120)	(0.121)	(0.125)
University	0.651	0.649	0.695	0.653	0.653	0.697	0.650	0.649	0.695	0.652	0.653	0.697
	(0.116)	(0.115)	(0.131)	(0.115)	(0.115)	(0.131)	(0.116)	(0.115)	(0.131)	(0.115)	(0.115)	(0.131)
ESC (ref. category: Australian born non-indigenous)	0.949	0.954	1.008	0.949	0.949	1.004	0.949	0.953	1.007	0.95	0.949	1.004
	(0.205)	(0.207)	(0.222)	(0.206)	(0.205)	(0.222)	(0.205)	(0.206)	(0.222)	(0.206)	(0.205)	(0.222)
NESC	1.084	1.083	1.069	1.085	1.086	1.071	1.085	1.084	1.068	1.087	1.087	1.071
	(0.223)	(0.222)	(0.226)	(0.224)	(0.225)	(0.228)	(0.223)	(0.223)	(0.226)	(0.225)	(0.225)	(0.229)
ABTSI	1.392	1.395	1.486	1.396	1.392	1.481	1.393	1.394	1.485	1.396	1.394	1.481
	(0.363)	(0.364)	(0.398)	(0.365)	(0.364)	(0.397)	(0.364)	(0.364)	(0.398)	(0.365)	(0.364)	(0.397)
Number of dependent children	0.948	0.947	0.951	0.948	0.948	0.952	0.948	0.947	0.952	0.948	0.948	0.952
	(0.058)	(0.058)	(0.059)	(0.058)	(0.058)	(0.059)	(0.058)	(0.058)	(0.059)	(0.058)	(0.058)	(0.059)
Dummy - major financial/economic changes	1.297	1.300	1.300	1.298	1.298	1.299	1.297	1.300	1.301	1.298	1.299	1.301
	(0.151)	(0.151)	(0.153)	(0.151)	(0.151)	(0.153)	(0.151)	(0.151)	(0.154)	(0.151)	(0.151)	(0.154)
Dummy - major personal life events	0.759	0.758	0.78	0.758	0.758	0.78	0.759	0.759	0.781	0.759	0.759	0.78
	(0.113)	(0.113)	(0.120)	(0.114)	(0.114)	(0.120)	(0.113)	(0.114)	(0.120)	(0.114)	(0.114)	(0.120)
Inner regional (ref. category: major city)	1.018	1.015	1.002	1.017	1.019	1.007	1.017	1.016	1.004	1.016	1.019	1.008

All outer regional	(0.137)	(0.136)	(0.139)	(0.137)	(0.137)	(0.139)	(0.136)	(0.136)	(0.139)	(0.137)	(0.137)	(0.140)
	1.249	1.253	1.186	1.251	1.251	1.181	1.249	1.254	1.185	1.25	1.251	1.182
	(0.196)	(0.197)	(0.190)	(0.196)	(0.196)	(0.189)	(0.196)	(0.197)	(0.190)	(0.196)	(0.197)	(0.189)
VIC	0.762	0.763	0.751	0.761	0.761	0.752	0.762	0.763	0.752	0.761	0.761	0.752
	(0.135)	(0.135)	(0.135)	(0.135)	(0.135)	(0.135)	(0.135)	(0.135)	(0.135)	(0.135)	(0.135)	(0.135)
QLD	0.842	0.841	0.851	0.841	0.842	0.854	0.843	0.843	0.852	0.842	0.842	0.853
	(0.127)	(0.127)	(0.130)	(0.126)	(0.126)	(0.130)	(0.127)	(0.127)	(0.130)	(0.126)	(0.126)	(0.130)
SA	1.114	1.108	1.092	1.113	1.113	1.099	1.115	1.111	1.093	1.114	1.114	1.097
	(0.250)	(0.249)	(0.249)	(0.250)	(0.250)	(0.250)	(0.250)	(0.250)	(0.249)	(0.250)	(0.250)	(0.250)
WANT	0.948	0.944	0.94	0.947	0.947	0.943	0.949	0.945	0.941	0.948	0.948	0.943
	(0.174)	(0.174)	(0.176)	(0.174)	(0.174)	(0.176)	(0.175)	(0.174)	(0.176)	(0.174)	(0.174)	(0.176)
TAS	1.084	1.091	1.057	1.081	1.08	1.053	1.086	1.092	1.056	1.083	1.08	1.052
	(0.304)	(0.306)	(0.301)	(0.303)	(0.303)	(0.300)	(0.304)	(0.306)	(0.301)	(0.303)	(0.303)	(0.300)
Single health condition (ref. category: no chronic condition)	1.336	1.337	1.342	1.336	1.334	1.339	1.335	1.336	1.341	1.335	1.332	1.337
	(0.198)	(0.198)	(0.201)	(0.198)	(0.197)	(0.201)	(0.197)	(0.198)	(0.201)	(0.198)	(0.197)	(0.201)
Multiple health condition	1.166	1.168	1.091	1.163	1.16	1.085	1.162	1.162	1.088	1.16	1.155	1.083
	(0.255)	(0.255)	(0.243)	(0.254)	(0.254)	(0.242)	(0.255)	(0.255)	(0.244)	(0.254)	(0.253)	(0.243)
2 income spells in past 5 years (ref. category: one spell)	1.06	1.059	1.054	1.061	1.061	1.054	1.06	1.059	1.054	1.061	1.063	1.056
	(0.143)	(0.143)	(0.145)	(0.143)	(0.143)	(0.145)	(0.143)	(0.143)	(0.145)	(0.143)	(0.143)	(0.145)
3/4 income spells in past 5 years	1.489	1.493	1.407	1.488	1.484	1.399	1.488	1.492	1.405	1.488	1.483	1.399
	(0.226)	(0.227)	(0.218)	(0.227)	(0.226)	(0.218)	(0.226)	(0.227)	(0.218)	(0.227)	(0.226)	(0.217)
5 or more income spells in past 5 years	1.539	1.532	1.815	1.532	1.531	1.820	1.539	1.536	1.816	1.532	1.531	1.816
	(0.469)	(0.467)	(0.572)	(0.466)	(0.466)	(0.574)	(0.469)	(0.468)	(0.573)	(0.466)	(0.466)	(0.573)
Proportion of time on benefits in past 5 years	1.895	1.895	2.026	1.890	1.891	2.031	1.898	1.896	2.026	1.892	1.896	2.035
	(0.405)	(0.405)	(0.441)	(0.402)	(0.402)	(0.440)	(0.405)	(0.405)	(0.441)	(0.403)	(0.403)	(0.441)
Previous benefit type - DSP	0.788	0.788	0.841	0.785	0.785	0.843	0.792	0.791	0.838	0.789	0.787	0.839
	(0.230)	(0.230)	(0.250)	(0.230)	(0.230)	(0.251)	(0.232)	(0.232)	(0.250)	(0.232)	(0.231)	(0.251)
Previous benefit type - PPS	0.694	0.695	0.629	0.694	0.693	0.628	0.695	0.695	0.627	0.695	0.693	0.627
	(0.126)	(0.126)	(0.118)	(0.126)	(0.126)	(0.118)	(0.126)	(0.126)	(0.118)	(0.126)	(0.126)	(0.118)
Previous benefit type - PPP	0.945	0.947	0.9	0.943	0.944	0.901	0.947	0.947	0.897	0.944	0.945	0.899
	(0.202)	(0.203)	(0.199)	(0.202)	(0.202)	(0.200)	(0.203)	(0.203)	(0.199)	(0.203)	(0.203)	(0.200)

Previous benefit type - All others	0.904	0.899	0.838	0.902	0.904	0.843	0.905	0.901	0.837	0.904	0.904	0.84
	(0.180)	(0.180)	(0.171)	(0.180)	(0.180)	(0.172)	(0.181)	(0.180)	(0.171)	(0.180)	(0.181)	(0.172)
GFC	0.984	1.087	1.059	0.984	0.968	0.953	1.017	1.089	1.031	1.017	1.012	0.974
	(0.127)	(0.202)	(0.197)	(0.127)	(0.174)	(0.171)	(0.158)	(0.217)	(0.207)	(0.158)	(0.195)	(0.189)
Low pay	0.975	1.051	1.079	0.98	0.917	0.95	0.974	1.034	1.049	0.98	0.896	0.928
	(0.122)	(0.154)	(0.159)	(0.156)	(0.177)	(0.185)	(0.122)	(0.173)	(0.177)	(0.156)	(0.199)	(0.208)
Full time	1.135	1.133	1.087	1.133	1.134	1.09	1.135	1.133	1.087	1.133	1.133	1.09
	(0.148)	(0.148)	(0.149)	(0.148)	(0.148)	(0.149)	(0.148)	(0.148)	(0.149)	(0.148)	(0.148)	(0.149)
Got job through Jobnet	0.676	0.678	0.702	0.675	0.677	0.703	0.676	0.676	0.701	0.675	0.676	0.704
	(0.139)	(0.139)	(0.148)	(0.139)	(0.139)	(0.148)	(0.138)	(0.139)	(0.148)	(0.139)	(0.139)	(0.149)
Tenure - 6-12 months (ref. category: <6 months)	0.966	0.969	0.984	0.966	0.963	0.979	0.966	0.97	0.985	0.966	0.963	0.979
	(0.138)	(0.138)	(0.142)	(0.138)	(0.138)	(0.141)	(0.138)	(0.139)	(0.142)	(0.138)	(0.138)	(0.141)
Tenure - 1-2 years	0.686	0.685	0.723	0.685	0.686	0.724	0.685	0.685	0.725	0.684	0.685	0.725
	(0.123)	(0.123)	(0.132)	(0.123)	(0.123)	(0.132)	(0.123)	(0.123)	(0.133)	(0.123)	(0.123)	(0.133)
Tenure - 2 or more years	0.821	0.823	0.798	0.822	0.822	0.796	0.822	0.825	0.798	0.823	0.824	0.796
	(0.150)	(0.150)	(0.147)	(0.150)	(0.150)	(0.146)	(0.150)	(0.151)	(0.147)	(0.151)	(0.151)	(0.147)
Receives paid leave	0.756	0.768	0.775	0.755	0.763	0.771	0.755	0.779	0.791	0.754	0.774	0.787
	(0.095)	(0.112)	(0.117)	(0.095)	(0.112)	(0.117)	(0.095)	(0.128)	(0.134)	(0.095)	(0.128)	(0.133)
Dummy - flexible working conditions	0.777	0.777	0.749	0.778	0.777	0.747	0.777	0.777	0.750	0.778	0.778	0.749
	(0.113)	(0.113)	(0.111)	(0.113)	(0.113)	(0.111)	(0.113)	(0.113)	(0.111)	(0.113)	(0.113)	(0.111)
<i>GFC interacted with</i>												
Any leave		0.949	0.952		0.965	0.971		0.937	0.929		0.95	0.941
		(0.223)	(0.224)		(0.228)	(0.229)		(0.205)	(0.204)		(0.208)	(0.207)
Low pay		0.784	0.807		1.225	1.211		0.884	0.923		1.198	1.19
		(0.200)	(0.207)		(0.386)	(0.382)		(0.207)	(0.218)		(0.360)	(0.359)
<i>Industry</i>												
Agriculture, Forestry & Fishing (ref. category: retail trade)			0.787			0.779			0.782			0.78
			(0.276)			(0.272)			(0.274)			(0.272)
Mining			0.269			0.271			0.268			0.271
			(0.285)			(0.286)			(0.284)			(0.287)
Manufacturing			1.015			1.008			1.013			1.005

			(0.325)			(0.323)			(0.325)			(0.322)
Construction			3.508			3.528			3.526			3.536
			(1.440)			(1.450)			(1.450)			(1.455)
Wholesale Trade			0.851			0.855			0.852			0.854
			(0.330)			(0.331)			(0.330)			(0.331)
Accommodation & Food Services			1.009			1.008			1.009			1.01
			(0.201)			(0.201)			(0.201)			(0.201)
Transport, Postal & Warehousing			1.323			1.299			1.317			1.303
			(0.479)			(0.470)			(0.477)			(0.472)
Information Media & Telecommunications			1.625			1.632			1.629			1.635
			(0.564)			(0.566)			(0.566)			(0.567)
Financial & Insurance Services			1.104			1.105			1.104			1.107
			(0.358)			(0.357)			(0.358)			(0.357)
Rental, Hiring & Real Estate Services			1.198			1.204			1.201			1.208
			(0.641)			(0.644)			(0.643)			(0.646)
Professional, Scientific & Technical Services			0.636			0.632			0.634			0.631
			(0.219)			(0.218)			(0.218)			(0.217)
Administrative & Support Services			0.875			0.873			0.874			0.871
			(0.229)			(0.229)			(0.229)			(0.228)
Public Administration & Safety			1.15			1.147			1.15			1.144
			(0.401)			(0.399)			(0.401)			(0.398)
Education & Training			0.74			0.738			0.739			0.738
			(0.198)			(0.198)			(0.198)			(0.198)
Health Care & Social Assistance			0.785			0.782			0.784			0.782
			(0.154)			(0.153)			(0.154)			(0.153)
Arts & Recreation Services			0.812			0.811			0.812			0.812
			(0.305)			(0.304)			(0.305)			(0.305)
All others			0.795			0.796			0.793			0.794
			(0.231)			(0.232)			(0.231)			(0.231)
N	1961	1961	1961	1961	1961	1961	1961	1961	1961	1961	1961	1961
Pseudo R-squared	0.024	0.024	0.029	0.024	0.024	0.029	0.024	0.024	0.029	0.024	0.024	0.029

Notes: Standard errors in parentheses. Low pay 1 uses the 120% of the FMW definition, low pay the 66% of the median hourly wage definition.

**Table 38: Results from Cox proportional hazard models - Hazard ratios for NSA/YAO exiters (men)**

	GFC 1 year						GFC 2 years					
	Low pay 1			Low pay 2			Low pay 1			Low pay 2		
Aged under 25 (reference category: 35-50)	1.001 (0.197)	0.993 (0.195)	1.061 (0.216)	1.036 (0.202)	1.029 (0.201)	1.105 (0.223)	1.001 (0.197)	0.989 (0.194)	1.046 (0.213)	1.036 (0.202)	1.024 (0.200)	1.091 (0.220)
Aged 25-35	1.068 (0.169)	1.061 (0.168)	1.066 (0.177)	1.059 (0.168)	1.052 (0.167)	1.063 (0.177)	1.067 (0.169)	1.06 (0.168)	1.055 (0.176)	1.059 (0.168)	1.051 (0.167)	1.054 (0.176)
Aged 50-60	1.278 (0.224)	1.289 (0.226)	1.359 (0.250)	1.259 (0.220)	1.268 (0.222)	1.345 (0.247)	1.269 (0.223)	1.296 (0.227)	1.363 (0.251)	1.249 (0.219)	1.269 (0.222)	1.344 (0.247)
Partner - working (ref. category: single)	0.472 (0.110)	0.470 (0.110)	0.449 (0.107)	0.484 (0.113)	0.480 (0.112)	0.461 (0.109)	0.473 (0.110)	0.470 (0.110)	0.449 (0.107)	0.485 (0.113)	0.479 (0.111)	0.458 (0.109)
Partner - not working	1.119 (0.219)	1.114 (0.218)	1.056 (0.209)	1.133 (0.221)	1.123 (0.219)	1.068 (0.211)	1.122 (0.219)	1.106 (0.217)	1.046 (0.207)	1.135 (0.221)	1.114 (0.217)	1.057 (0.208)
Year 12 (ref. category: Year 10 or less)	0.96 (0.149)	0.961 (0.150)	0.984 (0.159)	0.973 (0.152)	0.973 (0.152)	1.001 (0.163)	0.959 (0.149)	0.955 (0.149)	0.978 (0.158)	0.972 (0.152)	0.967 (0.151)	0.995 (0.162)
Apprenticeship/TAFE/any trade	0.862 (0.139)	0.861 (0.139)	0.878 (0.148)	0.85 (0.136)	0.846 (0.136)	0.859 (0.145)	0.857 (0.138)	0.849 (0.137)	0.867 (0.147)	0.844 (0.135)	0.834 (0.134)	0.847 (0.143)
University	0.548 (0.117)	0.549 (0.117)	0.610 (0.138)	0.549 (0.117)	0.549 (0.117)	0.619 (0.141)	0.548 (0.117)	0.541 (0.116)	0.604 (0.137)	0.549 (0.117)	0.541 (0.115)	0.613 (0.139)
ESC (ref. category: Australian born non-indigenous)	1.171 (0.254)	1.173 (0.254)	1.19 (0.265)	1.159 (0.251)	1.162 (0.252)	1.173 (0.261)	1.178 (0.255)	1.175 (0.255)	1.192 (0.266)	1.166 (0.252)	1.16 (0.251)	1.174 (0.262)
NESC	0.859 (0.186)	0.861 (0.187)	0.898 (0.199)	0.884 (0.191)	0.888 (0.191)	0.92 (0.203)	0.859 (0.186)	0.858 (0.186)	0.891 (0.198)	0.884 (0.191)	0.884 (0.191)	0.913 (0.202)
ABTSI	0.881 (0.254)	0.872 (0.251)	1.003 (0.293)	0.892 (0.258)	0.886 (0.256)	1.037 (0.303)	0.884 (0.255)	0.865 (0.249)	0.995 (0.290)	0.896 (0.259)	0.884 (0.255)	1.036 (0.302)
Number of dependent children	1.026 (0.070)	1.025 (0.069)	1.051 (0.072)	1.025 (0.069)	1.025 (0.069)	1.051 (0.072)	1.022 (0.069)	1.026 (0.069)	1.052 (0.072)	1.021 (0.069)	1.025 (0.069)	1.052 (0.072)
Dummy - major financial/economic changes	1.03 (0.143)	1.029 (0.143)	1.068 (0.155)	1.022 (0.141)	1.022 (0.141)	1.063 (0.154)	1.026 (0.142)	1.021 (0.142)	1.063 (0.154)	1.017 (0.141)	1.014 (0.140)	1.058 (0.153)
Dummy - major personal life events	1.500 (0.238)	1.491 (0.237)	1.528 (0.254)	1.487 (0.236)	1.478 (0.234)	1.507 (0.250)	1.506 (0.239)	1.491 (0.237)	1.538 (0.256)	1.495 (0.237)	1.474 (0.234)	1.516 (0.252)
Inner regional (ref. category: major city)	0.842 (0.125)	0.841 (0.125)	0.818 (0.125)	0.846 (0.125)	0.846 (0.126)	0.826 (0.126)	0.843 (0.125)	0.837 (0.124)	0.814 (0.125)	0.848 (0.126)	0.847 (0.126)	0.826 (0.126)
All outer regional	0.889	0.887	0.855	0.914	0.913	0.872	0.896	0.897	0.87	0.921	0.924	0.885

	(0.152)	(0.152)	(0.154)	(0.156)	(0.156)	(0.157)	(0.153)	(0.153)	(0.157)	(0.157)	(0.157)	(0.159)
VIC	1.016	1.014	1.037	1.031	1.03	1.046	1.016	1.026	1.058	1.032	1.042	1.065
	(0.167)	(0.167)	(0.181)	(0.170)	(0.170)	(0.183)	(0.167)	(0.169)	(0.185)	(0.170)	(0.172)	(0.186)
QLD	1.308	1.319	1.359	1.304	1.313	1.352	1.3	1.332	1.380	1.297	1.325	1.369
	(0.217)	(0.219)	(0.234)	(0.216)	(0.218)	(0.233)	(0.216)	(0.222)	(0.238)	(0.215)	(0.220)	(0.237)
SA	0.838	0.833	0.851	0.843	0.84	0.856	0.843	0.833	0.86	0.848	0.844	0.869
	(0.209)	(0.207)	(0.221)	(0.209)	(0.208)	(0.222)	(0.210)	(0.207)	(0.223)	(0.211)	(0.209)	(0.225)
WANT	0.855	0.849	0.83	0.839	0.836	0.824	0.857	0.859	0.843	0.841	0.846	0.84
	(0.230)	(0.228)	(0.232)	(0.225)	(0.224)	(0.231)	(0.230)	(0.231)	(0.236)	(0.226)	(0.227)	(0.236)
TAS	1.601	1.62	1.845	1.514	1.53	1.751	1.595	1.635	1.885	1.508	1.542	1.784
	(0.475)	(0.481)	(0.560)	(0.447)	(0.452)	(0.529)	(0.474)	(0.486)	(0.573)	(0.445)	(0.456)	(0.539)
Single health condition (ref. category: no chronic condition)	1.192	1.184	1.207	1.188	1.183	1.205	1.186	1.175	1.197	1.182	1.176	1.196
	(0.181)	(0.180)	(0.189)	(0.181)	(0.180)	(0.188)	(0.180)	(0.179)	(0.188)	(0.180)	(0.179)	(0.187)
Multiple health condition	0.788	0.792	0.811	0.787	0.788	0.821	0.791	0.8	0.821	0.79	0.794	0.83
	(0.188)	(0.189)	(0.201)	(0.187)	(0.188)	(0.204)	(0.189)	(0.191)	(0.204)	(0.188)	(0.189)	(0.207)
2 income spells in past 5 years (ref. category: one spell)	1.247	1.24	1.217	1.272	1.266	1.248	1.249	1.237	1.216	1.275	1.264	1.249
	(0.194)	(0.193)	(0.194)	(0.198)	(0.198)	(0.200)	(0.195)	(0.193)	(0.194)	(0.199)	(0.197)	(0.200)
3/4 income spells in past 5 years	1.446	1.434	1.393	1.436	1.424	1.387	1.452	1.423	1.384	1.442	1.417	1.381
	(0.244)	(0.243)	(0.243)	(0.242)	(0.241)	(0.241)	(0.246)	(0.241)	(0.242)	(0.244)	(0.240)	(0.241)
5 or more income spells in past 5 years	2.014	1.991	2.036	2.046	2.031	2.089	2.018	1.960	2.009	2.050	2.010	2.074
	(0.459)	(0.454)	(0.475)	(0.467)	(0.464)	(0.488)	(0.460)	(0.447)	(0.469)	(0.468)	(0.460)	(0.485)
Proportion of time on benefits in past 5 years	1.536	1.539	1.714	1.582	1.585	1.775	1.536	1.545	1.733	1.580	1.597	1.798
	(0.353)	(0.354)	(0.407)	(0.364)	(0.365)	(0.419)	(0.353)	(0.355)	(0.412)	(0.364)	(0.367)	(0.425)
GFC	1.215	0.974	0.974	1.221	0.997	0.998	1.242	0.914	0.914	1.255	0.934	0.941
	(0.168)	(0.181)	(0.182)	(0.168)	(0.178)	(0.179)	(0.201)	(0.183)	(0.185)	(0.203)	(0.181)	(0.184)
Low pay	1.379	1.305	1.305	1.315	1.228	1.296	1.380	1.265	1.256	1.321	1.146	1.204
	(0.186)	(0.211)	(0.215)	(0.217)	(0.245)	(0.264)	(0.186)	(0.225)	(0.227)	(0.218)	(0.251)	(0.268)
Full time	1.338	1.335	1.470	1.336	1.328	1.459	1.340	1.322	1.459	1.338	1.312	1.444
	(0.204)	(0.203)	(0.243)	(0.203)	(0.202)	(0.240)	(0.204)	(0.202)	(0.242)	(0.204)	(0.200)	(0.239)
Got job through Jobnet	1.195	1.193	1.122	1.232	1.234	1.154	1.201	1.205	1.129	1.239	1.25	1.166
	(0.178)	(0.178)	(0.174)	(0.183)	(0.184)	(0.178)	(0.179)	(0.180)	(0.175)	(0.184)	(0.187)	(0.180)
Tenure - 6-12 months (ref. category: <6 months)	1.208	1.205	1.23	1.183	1.178	1.21	1.213	1.206	1.228	1.188	1.177	1.207

	(0.191)	(0.191)	(0.202)	(0.187)	(0.186)	(0.199)	(0.192)	(0.191)	(0.202)	(0.188)	(0.186)	(0.199)
Tenure - 1-2 years	0.985	0.982	0.95	0.97	0.966	0.933	0.983	0.981	0.95	0.967	0.96	0.928
	(0.216)	(0.215)	(0.217)	(0.212)	(0.212)	(0.214)	(0.215)	(0.215)	(0.217)	(0.212)	(0.210)	(0.213)
Tenure - 2 or more years	1.638	1.650	1.528	1.587	1.599	1.461	1.627	1.657	1.55	1.577	1.610	1.483
	(0.423)	(0.425)	(0.410)	(0.409)	(0.412)	(0.391)	(0.420)	(0.427)	(0.415)	(0.407)	(0.414)	(0.397)
Receives paid leave	0.575	0.492	0.489	0.592	0.506	0.502	0.571	0.416	0.410	0.588	0.427	0.421
	(0.078)	(0.081)	(0.084)	(0.079)	(0.082)	(0.085)	(0.077)	(0.078)	(0.079)	(0.079)	(0.079)	(0.081)
Dummy - flexible working conditions	0.668	0.667	0.632	0.670	0.667	0.631	0.668	0.668	0.637	0.670	0.667	0.633
	(0.091)	(0.090)	(0.091)	(0.091)	(0.091)	(0.091)	(0.090)	(0.090)	(0.092)	(0.091)	(0.091)	(0.092)
<i>GFC interacted with</i>												
Any leave		1.562	1.594		1.573	1.596		1.934	2.001		1.949	2.005
		(0.397)	(0.407)		(0.399)	(0.407)		(0.481)	(0.501)		(0.483)	(0.501)
Low pay		1.188	1.181		1.226	1.222		1.223	1.235		1.372	1.38
		(0.314)	(0.313)		(0.405)	(0.405)		(0.309)	(0.313)		(0.432)	(0.436)
<i>Industry</i>												
Agriculture, Forestry & Fishing (ref. category: retail trade)			1.198			1.221			1.184			1.22
			(0.364)			(0.371)			(0.361)			(0.371)
Mining			0.918			0.956			0.898			0.939
			(0.574)			(0.597)			(0.561)			(0.586)
Manufacturing			1.262			1.266			1.278			1.282
			(0.296)			(0.299)			(0.299)			(0.302)
Construction			1.289			1.259			1.312			1.287
			(0.303)			(0.296)			(0.309)			(0.303)
Wholesale Trade			0.919			0.923			0.95			0.953
			(0.283)			(0.285)			(0.293)			(0.295)
Accommodation & Food Services			2.245			2.272			2.314			2.346
			(0.590)			(0.598)			(0.612)			(0.621)
Transport, Postal & Warehousing			0.776			0.759			0.787			0.771
			(0.221)			(0.216)			(0.224)			(0.219)
Information Media & Telecommunications			1.059			0.993			1.052			0.984
			(0.677)			(0.633)			(0.673)			(0.627)
Financial & Insurance Services			0.000			0.000			0.000			0.000
			(0.000)			(0.000)			(0.000)			(0.000)
Rental, Hiring & Real Estate Services			0.592			0.556			0.6			0.571



			(0.616)			(0.579)			(0.624)			(0.594)
Professional, Scientific & Technical Services			1.188			1.138			1.191			1.133
			(0.465)			(0.446)			(0.467)			(0.444)
Administrative & Support Services			1.186			1.238			1.196			1.246
			(0.360)			(0.375)			(0.364)			(0.379)
Public Administration & Safety			0.936			0.924			0.912			0.91
			(0.330)			(0.326)			(0.321)			(0.321)
Education & Training			0.844			0.815			0.828			0.798
			(0.353)			(0.340)			(0.348)			(0.335)
Health Care & Social Assistance			0.76			0.734			0.76			0.735
			(0.290)			(0.279)			(0.290)			(0.280)
Arts & Recreation Services			0.909			0.891			0.931			0.909
			(0.455)			(0.445)			(0.466)			(0.455)
All others			0.993			1.013			1.005			1.028
			(0.287)			(0.295)			(0.291)			(0.301)
N	1092	1092	1092	1092	1092	1092	1092	1092	1092	1092	1092	1092
Pseudo R-squared	0.029	0.03	0.037	0.028	0.029	0.037	0.028	0.031	0.039	0.028	0.03	0.038

Notes: Standard errors in parentheses. Low pay 1 uses the 120% of the FMW definition, low pay the 66% of the median hourly wage definition.

**Table 39: Results from Cox proportional hazard models - Hazard ratios for NSA/YAO exiters (women)**

	GFC 1 year						GFC 2 years					
	Low pay 1			Low pay 2			Low pay 1			Low pay 2		
Aged under 25 (reference category: 35-50)	0.989 (0.234)	0.991 (0.234)	0.981 (0.248)	0.995 (0.235)	0.991 (0.235)	0.98 (0.247)	0.99 (0.234)	0.978 (0.231)	0.962 (0.244)	0.996 (0.236)	0.982 (0.233)	0.966 (0.244)
Aged 25-35	1.488 (0.349)	1.491 (0.351)	1.503 (0.381)	1.504 (0.353)	1.500 (0.353)	1.515 (0.386)	1.493 (0.351)	1.483 (0.348)	1.49 (0.377)	1.509 (0.354)	1.493 (0.351)	1.506 (0.383)
Aged 50-60	1.039 (0.247)	1.04 (0.248)	0.99 (0.248)	1.051 (0.251)	1.045 (0.249)	0.988 (0.248)	1.04 (0.248)	1.033 (0.246)	0.979 (0.246)	1.051 (0.251)	1.041 (0.249)	0.981 (0.247)
Partner - working (ref. category: single)	0.663 (0.127)	0.664 (0.127)	0.662 (0.133)	0.677 (0.129)	0.673 (0.129)	0.674 (0.136)	0.664 (0.127)	0.658 (0.126)	0.659 (0.132)	0.677 (0.130)	0.669 (0.128)	0.672 (0.135)
Partner - not working	0.915 (0.299)	0.916 (0.299)	0.899 (0.304)	0.924 (0.301)	0.912 (0.298)	0.911 (0.306)	0.914 (0.299)	0.914 (0.299)	0.898 (0.304)	0.923 (0.301)	0.913 (0.298)	0.915 (0.308)
Year 12 (ref. category: Year 10 or less)	0.589 (0.143)	0.589 (0.143)	0.595 (0.152)	0.593 (0.144)	0.596 (0.145)	0.599 (0.154)	0.589 (0.143)	0.587 (0.143)	0.593 (0.152)	0.593 (0.144)	0.592 (0.145)	0.595 (0.152)
Apprenticeship/TAFE/any trade	0.775 (0.155)	0.774 (0.155)	0.785 (0.169)	0.757 (0.150)	0.762 (0.151)	0.762 (0.162)	0.775 (0.155)	0.779 (0.156)	0.792 (0.170)	0.757 (0.150)	0.766 (0.152)	0.767 (0.163)
University	0.649 (0.167)	0.649 (0.167)	0.662 (0.185)	0.618 (0.157)	0.620 (0.158)	0.633 (0.175)	0.648 (0.167)	0.645 (0.166)	0.657 (0.183)	0.618 (0.157)	0.616 (0.157)	0.628 (0.173)
ESC (ref. category: Australian born non-indigenous)	1.141 (0.299)	1.142 (0.299)	1.237 (0.337)	1.151 (0.302)	1.146 (0.300)	1.249 (0.340)	1.141 (0.299)	1.143 (0.300)	1.24 (0.338)	1.151 (0.302)	1.149 (0.301)	1.255 (0.342)
NESC	1.309 (0.344)	1.309 (0.344)	1.383 (0.376)	1.354 (0.357)	1.355 (0.358)	1.436 (0.392)	1.304 (0.343)	1.301 (0.342)	1.367 (0.372)	1.349 (0.357)	1.346 (0.356)	1.416 (0.387)
ABTSI	1.053 (0.474)	1.055 (0.475)	1.062 (0.501)	1.049 (0.471)	1.031 (0.463)	1.017 (0.480)	1.054 (0.474)	1.051 (0.473)	1.058 (0.499)	1.05 (0.471)	1.039 (0.467)	1.029 (0.485)
Number of dependent children	0.916 (0.082)	0.916 (0.082)	0.909 (0.083)	0.915 (0.082)	0.914 (0.082)	0.906 (0.082)	0.917 (0.082)	0.916 (0.082)	0.909 (0.083)	0.916 (0.082)	0.915 (0.082)	0.907 (0.082)
Dummy - major financial/economic changes	1.245 (0.203)	1.244 (0.203)	1.213 (0.202)	1.247 (0.203)	1.244 (0.202)	1.212 (0.202)	1.245 (0.203)	1.253 (0.204)	1.223 (0.204)	1.246 (0.202)	1.254 (0.204)	1.223 (0.204)
Dummy - major personal life events	0.772 (0.169)	0.771 (0.169)	0.769 (0.183)	0.764 (0.167)	0.763 (0.167)	0.766 (0.183)	0.772 (0.169)	0.776 (0.170)	0.773 (0.184)	0.764 (0.167)	0.767 (0.168)	0.77 (0.184)
Inner regional (ref. category: major city)	1.219 (0.221)	1.218 (0.221)	1.223 (0.233)	1.232 (0.222)	1.235 (0.223)	1.237 (0.235)	1.219 (0.221)	1.226 (0.223)	1.231 (0.235)	1.232 (0.222)	1.243 (0.225)	1.244 (0.236)
All outer regional	1.449	1.448	1.435	1.438	1.443	1.422	1.448	1.465	1.455	1.437	1.455	1.437

	(0.313)	(0.313)	(0.317)	(0.309)	(0.310)	(0.313)	(0.313)	(0.317)	(0.323)	(0.309)	(0.314)	(0.318)
VIC	0.698	0.698	0.701	0.695	0.695	0.696	0.699	0.7	0.707	0.696	0.698	0.703
	(0.166)	(0.166)	(0.174)	(0.165)	(0.165)	(0.172)	(0.166)	(0.167)	(0.175)	(0.165)	(0.166)	(0.174)
QLD	0.853	0.854	0.857	0.87	0.872	0.872	0.853	0.848	0.853	0.869	0.865	0.869
	(0.179)	(0.179)	(0.186)	(0.182)	(0.182)	(0.189)	(0.179)	(0.178)	(0.185)	(0.182)	(0.181)	(0.188)
SA	1.113	1.114	1.025	1.125	1.13	1.024	1.112	1.102	1.013	1.125	1.118	1.013
	(0.340)	(0.340)	(0.326)	(0.343)	(0.345)	(0.325)	(0.339)	(0.337)	(0.322)	(0.343)	(0.341)	(0.321)
WANT	1.049	1.049	1.124	1.088	1.087	1.152	1.047	1.048	1.13	1.087	1.089	1.16
	(0.265)	(0.265)	(0.295)	(0.275)	(0.275)	(0.302)	(0.265)	(0.266)	(0.297)	(0.275)	(0.276)	(0.305)
TAS	0.999	0.998	0.964	1.019	1.014	0.961	0.998	1.002	0.966	1.019	1.02	0.966
	(0.355)	(0.355)	(0.359)	(0.361)	(0.360)	(0.357)	(0.355)	(0.356)	(0.360)	(0.361)	(0.362)	(0.359)
Single health condition (ref. category: no chronic condition)	1.325	1.327	1.394	1.304	1.307	1.368	1.325	1.311	1.38	1.304	1.29	1.35
	(0.262)	(0.262)	(0.285)	(0.257)	(0.257)	(0.279)	(0.262)	(0.260)	(0.283)	(0.257)	(0.255)	(0.276)
Multiple health condition	0.908	0.909	0.917	0.925	0.924	0.926	0.912	0.905	0.915	0.929	0.918	0.923
	(0.255)	(0.255)	(0.261)	(0.258)	(0.258)	(0.262)	(0.257)	(0.255)	(0.262)	(0.260)	(0.258)	(0.263)
2 income spells in past 5 years (ref. category: one spell)	1.316	1.315	1.34	1.299	1.297	1.322	1.317	1.325	1.356	1.3	1.309	1.338
	(0.253)	(0.253)	(0.270)	(0.250)	(0.250)	(0.267)	(0.253)	(0.256)	(0.274)	(0.250)	(0.253)	(0.271)
3/4 income spells in past 5 years	1.810	1.810	1.782	1.754	1.747	1.712	1.810	1.818	1.798	1.754	1.758	1.732
	(0.371)	(0.371)	(0.380)	(0.360)	(0.358)	(0.368)	(0.371)	(0.372)	(0.384)	(0.360)	(0.361)	(0.373)
5 or more income spells in past 5 years	1.478	1.48	1.726	1.458	1.461	1.718	1.479	1.471	1.718	1.46	1.454	1.71
	(0.516)	(0.516)	(0.654)	(0.509)	(0.510)	(0.650)	(0.516)	(0.513)	(0.650)	(0.509)	(0.507)	(0.646)
Proportion of time on benefits in past 5 years	2.144	2.142	2.145	2.213	2.215	2.247	2.140	2.166	2.171	2.210	2.242	2.271
	(0.634)	(0.633)	(0.654)	(0.655)	(0.656)	(0.689)	(0.633)	(0.641)	(0.663)	(0.655)	(0.664)	(0.696)
GFC	1.042	1.023	1.025	1.043	0.935	0.95	0.99	1.141	1.116	0.994	1.097	1.097
	(0.176)	(0.247)	(0.250)	(0.176)	(0.218)	(0.224)	(0.202)	(0.293)	(0.297)	(0.202)	(0.273)	(0.282)
Low pay	1.076	1.084	1.125	0.848	0.738	0.768	1.077	1.095	1.125	0.848	0.789	0.838
	(0.176)	(0.214)	(0.229)	(0.175)	(0.190)	(0.203)	(0.177)	(0.243)	(0.259)	(0.175)	(0.227)	(0.249)
Full time	1.065	1.065	1.003	1.112	1.113	1.057	1.066	1.065	1.003	1.113	1.112	1.054
	(0.181)	(0.181)	(0.179)	(0.190)	(0.190)	(0.191)	(0.181)	(0.181)	(0.180)	(0.190)	(0.190)	(0.191)
Got job through Jobnet	0.549	0.549	0.546	0.528	0.530	0.529	0.549	0.550	0.553	0.529	0.531	0.536
	(0.138)	(0.138)	(0.145)	(0.135)	(0.135)	(0.142)	(0.138)	(0.138)	(0.147)	(0.135)	(0.135)	(0.144)
Tenure - 6-12 months (ref. category: <6 months)	0.953	0.953	0.983	0.954	0.948	0.97	0.952	0.96	0.988	0.953	0.956	0.978

	(0.187)	(0.187)	(0.198)	(0.186)	(0.185)	(0.194)	(0.186)	(0.188)	(0.200)	(0.186)	(0.187)	(0.197)
Tenure - 1-2 years	0.678	0.677	0.731	0.691	0.691	0.739	0.679	0.683	0.742	0.692	0.696	0.748
	(0.165)	(0.165)	(0.185)	(0.168)	(0.168)	(0.186)	(0.166)	(0.167)	(0.188)	(0.169)	(0.170)	(0.189)
Tenure - 2 or more years	1.06	1.059	1.055	1.044	1.042	1.014	1.057	1.065	1.059	1.041	1.047	1.02
	(0.271)	(0.271)	(0.282)	(0.266)	(0.265)	(0.270)	(0.271)	(0.273)	(0.285)	(0.266)	(0.267)	(0.273)
Receives paid leave	0.673	0.660	0.698	0.665	0.644	0.687	0.674	0.788	0.856	0.666	0.773	0.847
	(0.112)	(0.130)	(0.141)	(0.111)	(0.127)	(0.140)	(0.112)	(0.173)	(0.193)	(0.111)	(0.171)	(0.193)
Dummy - flexible working conditions	0.617	0.617	0.598	0.610	0.608	0.585	0.617	0.619	0.601	0.610	0.612	0.590
	(0.121)	(0.121)	(0.123)	(0.119)	(0.119)	(0.120)	(0.121)	(0.121)	(0.123)	(0.119)	(0.120)	(0.121)
<i>GFC interacted with</i>												
Any leave		1.062	1.024		1.101	1.064		0.73	0.681		0.742	0.692
		(0.325)	(0.316)		(0.340)	(0.332)		(0.213)	(0.202)		(0.218)	(0.207)
Low pay		0.979	1.009		1.462	1.41		0.967	1.012		1.16	1.098
		(0.311)	(0.322)		(0.574)	(0.556)		(0.294)	(0.313)		(0.448)	(0.428)
<i>Industry</i>												
Agriculture, Forestry & Fishing (ref. category: retail trade)			0.986			0.987			0.985			0.989
			(0.422)			(0.422)			(0.421)			(0.423)
Mining			0.394			0.398			0.39			0.395
			(0.452)			(0.458)			(0.448)			(0.455)
Manufacturing			0.914			0.873			0.921			0.883
			(0.375)			(0.359)			(0.378)			(0.364)
Construction			5.678			5.401			6.037			5.808
			(4.676)			(4.468)			(4.988)			(4.808)
Wholesale Trade			0.949			0.928			0.954			0.938
			(0.483)			(0.472)			(0.486)			(0.479)
Accommodation & Food Services			1.049			1.061			1.068			1.076
			(0.277)			(0.281)			(0.283)			(0.285)
Transport, Postal & Warehousing			2.178			1.926			2.317			2.085
			(1.203)			(1.056)			(1.291)			(1.152)
Information Media & Telecommunications			2.364			2.321			2.333			2.290
			(1.106)			(1.086)			(1.093)			(1.073)
Financial & Insurance Services			0.896			0.886			0.908			0.896
			(0.407)			(0.402)			(0.412)			(0.407)
Rental, Hiring & Real Estate Services			1.465			1.433			1.519			1.469

			(1.137)			(1.115)			(1.181)			(1.143)
Professional, Scientific & Technical Services			0.713			0.676			0.731			0.693
			(0.332)			(0.317)			(0.341)			(0.326)
Administrative & Support Services			0.81			0.813			0.797			0.801
			(0.278)			(0.279)			(0.276)			(0.277)
Public Administration & Safety			1.862			1.733			1.896			1.762
			(1.015)			(0.939)			(1.033)			(0.954)
Education & Training			1.142			1.142			1.155			1.153
			(0.380)			(0.380)			(0.384)			(0.383)
Health Care & Social Assistance			0.802			0.78			0.805			0.783
			(0.236)			(0.229)			(0.237)			(0.230)
Arts & Recreation Services			0.598			0.623			0.606			0.629
			(0.390)			(0.405)			(0.396)			(0.410)
All others			0.727			0.725			0.716			0.713
			(0.291)			(0.291)			(0.287)			(0.286)
N	1003	1003	1003	1003	1003	1003	1003	1003	1003	1003	1003	1003
Pseudo R-squared	0.031	0.031	0.038	0.031	0.031	0.039	0.031	0.031	0.039	0.031	0.032	0.039

Notes: Standard errors in parentheses. Low pay 1 uses the 120% of the FMW definition, low pay the 66% of the median hourly wage definition.

**Table 40: Results from Cox proportional hazard models - Hazard ratios for Parenting Payment (PPs/PPp) exiters (women)**

	GFC 1 year				GFC 2 years			
	Low pay 1		Low pay 2		Low pay 1		Low pay 2	
Aged under 25 (reference category: 35-50)	1.977 (0.831)	1.979 (0.834)	1.916 (0.804)	1.894 (0.796)	1.989 (0.838)	2.048 (0.865)	1.921 (0.807)	1.944 (0.817)
Aged 25-35	1.546 (0.360)	1.528 (0.356)	1.570 (0.364)	1.553 (0.361)	1.563 (0.365)	1.569 (0.366)	1.590 (0.370)	1.597 (0.372)
Aged 50-60	0.864 (0.525)	0.822 (0.501)	0.815 (0.493)	0.793 (0.481)	0.858 (0.522)	0.838 (0.510)	0.81 (0.490)	0.797 (0.483)
Partner - working (ref. category: single)	0.765 (0.202)	0.763 (0.202)	0.745 (0.197)	0.747 (0.197)	0.751 (0.198)	0.746 (0.197)	0.731 (0.193)	0.727 (0.192)
Partner - not working	0.825 (0.368)	0.83 (0.371)	0.84 (0.375)	0.857 (0.383)	0.786 (0.352)	0.765 (0.343)	0.802 (0.360)	0.79 (0.354)
Year 12 (ref. category: Year 10 or less)	0.633 (0.212)	0.621 (0.208)	0.65 (0.220)	0.65 (0.220)	0.635 (0.213)	0.623 (0.209)	0.652 (0.221)	0.65 (0.221)
Apprenticeship/TAFE/any trade	1.142 (0.318)	1.131 (0.314)	1.21 (0.335)	1.21 (0.334)	1.134 (0.316)	1.133 (0.316)	1.207 (0.334)	1.211 (0.335)
University	0.705 (0.224)	0.695 (0.221)	0.731 (0.231)	0.731 (0.231)	0.688 (0.219)	0.68 (0.217)	0.717 (0.227)	0.716 (0.227)
ESC (ref. category: Australian born non-indigineous)	0.778 (0.336)	0.78 (0.336)	0.784 (0.339)	0.786 (0.341)	0.779 (0.336)	0.782 (0.337)	0.785 (0.340)	0.786 (0.340)
NESC	1.197 (0.398)	1.218 (0.405)	1.147 (0.383)	1.151 (0.385)	1.187 (0.394)	1.179 (0.392)	1.136 (0.379)	1.123 (0.375)
ABTSI	1.916 (0.763)	1.935 (0.771)	1.975 (0.793)	1.984 (0.798)	1.941 (0.773)	1.943 (0.772)	2.003 (0.805)	1.983 (0.795)
Number of dependent children	0.947 (0.113)	0.946 (0.113)	0.955 (0.115)	0.954 (0.114)	0.952 (0.113)	0.95 (0.113)	0.961 (0.115)	0.96 (0.115)
Dummy - major financial/economic changes	1.347 (0.302)	1.342 (0.301)	1.356 (0.303)	1.355 (0.303)	1.347 (0.302)	1.351 (0.303)	1.356 (0.304)	1.352 (0.303)
Dummy - major personal life events	1.1 (0.262)	1.117 (0.266)	1.115 (0.267)	1.128 (0.270)	1.096 (0.260)	1.082 (0.258)	1.112 (0.266)	1.097 (0.263)
Inner regional (ref. category: major city)	0.663	0.657	0.644	0.645	0.650	0.642	0.631	0.625

	(0.172)	(0.171)	(0.166)	(0.167)	(0.169)	(0.167)	(0.163)	(0.162)
All outer regional	0.853	0.852	0.823	0.831	0.837	0.845	0.806	0.811
	(0.260)	(0.259)	(0.250)	(0.252)	(0.254)	(0.257)	(0.245)	(0.247)
VIC	0.615	0.598	0.599	0.588	0.622	0.613	0.606	0.602
	(0.228)	(0.221)	(0.222)	(0.218)	(0.230)	(0.228)	(0.225)	(0.224)
QLD	0.542	0.535	0.538	0.536	0.551	0.544	0.546	0.543
	(0.146)	(0.144)	(0.145)	(0.144)	(0.148)	(0.147)	(0.148)	(0.147)
SA	0.370	0.368	0.374	0.376	0.381	0.378	0.386	0.385
	(0.202)	(0.201)	(0.205)	(0.206)	(0.209)	(0.208)	(0.211)	(0.211)
WANT	0.671	0.655	0.682	0.673	0.676	0.671	0.688	0.688
	(0.246)	(0.239)	(0.251)	(0.247)	(0.247)	(0.245)	(0.252)	(0.253)
TAS	0.87	0.906	0.87	0.888	0.896	0.874	0.896	0.876
	(0.565)	(0.590)	(0.564)	(0.576)	(0.584)	(0.571)	(0.582)	(0.569)
Single health condition (ref. category: no chronic condition)	2.265	2.293	2.200	2.204	2.227	2.273	2.161	2.194
	(0.639)	(0.649)	(0.629)	(0.630)	(0.624)	(0.639)	(0.614)	(0.625)
Multiple health condition	0.192	0.19	0.187	0.185	0.193	0.195	0.187	0.191
	(0.203)	(0.201)	(0.197)	(0.195)	(0.203)	(0.205)	(0.197)	(0.201)
2 income spells in past 5 years (ref. category: one spell)	0.965	0.982	0.972	0.978	0.964	0.964	0.97	0.963
	(0.230)	(0.234)	(0.232)	(0.234)	(0.229)	(0.230)	(0.231)	(0.230)
3/4 income spells in past 5 years	1.112	1.115	1.107	1.108	1.104	1.13	1.096	1.115
	(0.344)	(0.346)	(0.342)	(0.343)	(0.341)	(0.351)	(0.338)	(0.345)
5 or more income spells in past 5 years	1.561	1.535	1.49	1.453	1.603	1.759	1.521	1.676
	(1.787)	(1.763)	(1.696)	(1.660)	(1.837)	(2.010)	(1.732)	(1.907)
Proportion of time on benefits in past 5 years	1.693	1.709	1.644	1.657	1.673	1.69	1.621	1.631
	(0.631)	(0.638)	(0.613)	(0.618)	(0.627)	(0.634)	(0.607)	(0.611)
GFC	0.825	1.222	0.822	1.096	1.185	1.123	1.171	1.051
	(0.193)	(0.395)	(0.192)	(0.343)	(0.332)	(0.398)	(0.328)	(0.362)
Low pay	0.818	1.075	1.103	1.415	0.805	1.019	1.105	1.318
	(0.226)	(0.332)	(0.396)	(0.556)	(0.223)	(0.400)	(0.396)	(0.663)
Full time	0.879	0.869	0.871	0.866	0.88	0.875	0.872	0.873
	(0.225)	(0.223)	(0.223)	(0.223)	(0.226)	(0.225)	(0.224)	(0.224)
Got job through Jobnet	2.778	2.794	2.773	2.762	2.734	2.751	2.735	2.709

	(1.325)	(1.335)	(1.330)	(1.328)	(1.305)	(1.312)	(1.312)	(1.298)
Tenure - 6-12 months (ref. category: <6 months)	0.845	0.858	0.836	0.851	0.859	0.854	0.849	0.848
	(0.228)	(0.232)	(0.225)	(0.230)	(0.231)	(0.230)	(0.229)	(0.229)
Tenure - 1-2 years	0.537	0.537	0.503	0.499	0.530	0.535	0.495	0.496
	(0.186)	(0.186)	(0.173)	(0.171)	(0.184)	(0.185)	(0.170)	(0.171)
Tenure - 2 or more years	0.598	0.599	0.583	0.588	0.6	0.591	0.585	0.577
	(0.192)	(0.193)	(0.187)	(0.189)	(0.193)	(0.191)	(0.188)	(0.186)
Receives paid leave	0.647	0.748	0.643	0.732	0.653	0.568	0.647	0.556
	(0.179)	(0.228)	(0.177)	(0.222)	(0.181)	(0.201)	(0.178)	(0.195)
Dummy - generally flexible working conditions	1.087	1.099	1.065	1.077	1.081	1.071	1.058	1.052
	(0.315)	(0.319)	(0.309)	(0.313)	(0.313)	(0.310)	(0.306)	(0.304)
<i>GFC interacted with</i>								
Receives paid leave		0.637		0.656		1.327		1.339
		(0.281)		(0.289)		(0.544)		(0.548)
Low pay		0.38		0.394		0.66		0.734
		(0.233)		-0.323		(0.337)		(0.477)
N	765	765	765	765	765	765	765	765
Pseudo R-squared	0.047	0.051	0.047	0.049	0.047	0.048	0.046	0.047

Notes: Standard errors in parentheses. Low pay 1 uses the 120% of the FMW definition, low pay the 66% of the median hourly wage definition.



**Table 41: Results from Cox proportional hazard models with quarterly dummies - Hazard ratios**

	Men				Women			
	Lowpay 1		Lowpay 2		Lowpay 1		Lowpay 2	
Aged under 25 (reference category: 35-50)	1.245 (0.202)	1.24 (0.203)	1.269 (0.208)	1.259 (0.208)	1.012 (0.170)	1.024 (0.172)	1.014 (0.170)	1.026 (0.172)
Aged 25-35	1.144 (0.158)	1.14 (0.158)	1.143 (0.158)	1.137 (0.158)	1.313* (0.194)	1.312* (0.193)	1.313* (0.194)	1.311* (0.193)
Aged 50-60	1.344** (0.194)	1.318* (0.192)	1.336** (0.193)	1.308* (0.191)	0.972 (0.175)	0.982 (0.178)	0.971 (0.175)	0.981 (0.178)
Partner - working (ref. category: single)	0.630*** (0.113)	0.640** (0.115)	0.631*** (0.113)	0.641** (0.115)	0.685*** (0.093)	0.675*** (0.092)	0.686*** (0.093)	0.676*** (0.092)
Partner - not working	0.967 (0.143)	0.97 (0.146)	0.968 (0.144)	0.97 (0.146)	0.717 (0.176)	0.701 (0.175)	0.717 (0.176)	0.701 (0.174)
Year 12 (ref. category: Year 10 or less)	0.798* (0.103)	0.789* (0.102)	0.800* (0.104)	0.790* (0.103)	0.619*** (0.102)	0.619*** (0.102)	0.618*** (0.102)	0.618*** (0.102)
Apprenticeship/TAFE/any trade	0.775** (0.100)	0.768** (0.100)	0.775** (0.100)	0.769** (0.100)	0.797* (0.109)	0.801 (0.110)	0.792* (0.107)	0.796* (0.108)
University	0.520*** (0.087)	0.512*** (0.085)	0.519*** (0.087)	0.511*** (0.085)	0.685** (0.113)	0.683** (0.113)	0.681** (0.113)	0.679** (0.113)
ESC (ref. category: Australian born non-indigineous)	0.966 (0.187)	0.961 (0.188)	0.968 (0.188)	0.964 (0.189)	1.021 (0.199)	1.016 (0.200)	1.02 (0.199)	1.016 (0.200)
NESC	1.14 (0.205)	1.126 (0.205)	1.151 (0.206)	1.137 (0.206)	1.222 (0.212)	1.245 (0.218)	1.222 (0.214)	1.246 (0.221)
ABTSI	0.926 (0.230)	0.914 (0.229)	0.933 (0.232)	0.923 (0.231)	1.412 (0.325)	1.427 (0.329)	1.408 (0.325)	1.424 (0.329)
Number of dependent children	1.008 (0.054)	0.998 (0.055)	1.008 (0.054)	0.997 (0.055)	0.946 (0.054)	0.943 (0.054)	0.945 (0.054)	0.942 (0.054)
Dummy - major financial/economic changes	1.11 (0.123)	1.096 (0.122)	1.111 (0.124)	1.097 (0.123)	1.264** (0.138)	1.260** (0.138)	1.263** (0.137)	1.259** (0.137)
Dummy - major personal life events	1.380*** (0.171)	1.386*** (0.173)	1.362** (0.169)	1.369** (0.171)	0.802 (0.112)	0.807 (0.112)	0.803 (0.112)	0.808 (0.112)
Inner regional (ref. category: major city)	1.023 (0.117)	1.032 (0.118)	1.025 (0.117)	1.034 (0.118)	1.013 (0.132)	1.013 (0.132)	1.015 (0.132)	1.015 (0.133)

All outer regional	1.04 (0.149)	1.04 (0.149)	1.059 (0.151)	1.056 (0.151)	1.292* (0.192)	1.296* (0.193)	1.292* (0.192)	1.296* (0.194)
VIC	1.055 (0.142)	1.049 (0.141)	1.068 (0.143)	1.061 (0.142)	0.774 (0.124)	0.771 (0.124)	0.774 (0.124)	0.771 (0.124)
QLD	1.215 (0.163)	1.216 (0.163)	1.213 (0.163)	1.213 (0.163)	0.814 (0.114)	0.825 (0.117)	0.817 (0.114)	0.827 (0.117)
SA	0.96 (0.195)	0.966 (0.198)	0.973 (0.197)	0.977 (0.200)	1.026 (0.226)	1.046 (0.234)	1.026 (0.227)	1.047 (0.234)
WANT	0.997 (0.173)	1.009 (0.177)	0.999 (0.174)	1.01 (0.178)	0.859 (0.159)	0.867 (0.161)	0.861 (0.160)	0.868 (0.162)
TAS	1.258 (0.345)	1.273 (0.349)	1.241 (0.341)	1.257 (0.346)	1.008 (0.274)	1.026 (0.285)	1.012 (0.275)	1.03 (0.286)
Single health condition (ref. category: no chronic condition)	1.139 (0.144)	1.143 (0.145)	1.139 (0.144)	1.142 (0.145)	1.299* (0.174)	1.294* (0.174)	1.299* (0.174)	1.293* (0.174)
Multiple health condition	0.948 (0.173)	0.951 (0.175)	0.946 (0.174)	0.948 (0.176)	1.155 (0.237)	1.119 (0.237)	1.159 (0.237)	1.123 (0.237)
2 income spells in past 5 years (ref. category: one spell)	1.475*** (0.189)	1.478*** (0.189)	1.478*** (0.190)	1.483*** (0.191)	1.11 (0.144)	1.104 (0.143)	1.109 (0.143)	1.102 (0.143)
3/4 income spells in past 5 years	1.803*** (0.243)	1.793*** (0.242)	1.790*** (0.242)	1.782*** (0.241)	1.567*** (0.229)	1.560*** (0.229)	1.567*** (0.229)	1.559*** (0.229)
5 or more income spells in past 5 years	2.411*** (0.452)	2.396*** (0.451)	2.418*** (0.452)	2.407*** (0.452)	1.729* (0.507)	1.701* (0.485)	1.743* (0.501)	1.713* (0.480)
Proportion of time on benefits in past 5 years	1.703*** (0.306)	1.668*** (0.301)	1.737*** (0.312)	1.696*** (0.307)	1.976*** (0.398)	2.027*** (0.413)	1.988*** (0.400)	2.040*** (0.414)
Previous benefit type - DSP	1.674*** (0.272)	1.690*** (0.276)	1.680*** (0.273)	1.697*** (0.278)	0.767 (0.238)	0.811 (0.255)	0.771 (0.239)	0.815 (0.256)
Previous benefit type - PPS	0.726 (0.286)	0.732 (0.304)	0.72 (0.282)	0.726 (0.301)	0.689** (0.120)	0.703** (0.123)	0.688** (0.120)	0.702** (0.123)
Previous benefit type - PPP	0.616 (0.245)	0.649 (0.261)	0.629 (0.251)	0.662 (0.266)	0.897 (0.187)	0.922 (0.194)	0.899 (0.188)	0.924 (0.194)
Previous benefit type - All others	0.902 (0.151)	0.892 (0.149)	0.901 (0.150)	0.889 (0.148)	0.932 (0.183)	0.944 (0.189)	0.935 (0.184)	0.948 (0.189)

Low pay	1.209*	1.208*	1.121	1.136	1.04	1.037	1.017	1.012
	(0.127)	(0.127)	(0.141)	(0.143)	(0.119)	(0.120)	(0.152)	(0.153)
Full time	0.969	0.968	0.969	0.968	1.103	1.099	1.107	1.104
	(0.116)	(0.117)	(0.116)	(0.117)	(0.136)	(0.135)	(0.136)	(0.135)
Got job through Jobnet	1.272**	1.277**	1.290**	1.297**	0.878	0.866	0.88	0.867
	(0.140)	(0.142)	(0.142)	(0.144)	(0.164)	(0.162)	(0.165)	(0.164)
Tenure - 6-12 months (ref. category: <6 months)	0.943	0.953	0.932	0.943	1	1.002	1	1.002
	(0.114)	(0.116)	(0.113)	(0.115)	(0.136)	(0.137)	(0.136)	(0.136)
Tenure - 1-2 years	0.714**	0.715**	0.713**	0.715**	0.669**	0.656**	0.670**	0.658**
	(0.117)	(0.118)	(0.117)	(0.118)	(0.122)	(0.121)	(0.122)	(0.121)
Tenure - 2 or more years	1.117	1.108	1.12	1.11	0.876	0.886	0.876	0.886
	(0.238)	(0.244)	(0.238)	(0.243)	(0.143)	(0.145)	(0.143)	(0.145)
Receives paid leave	0.691***	0.687***	0.704***	0.699***	0.760**	0.755**	0.761**	0.757**
	(0.072)	(0.071)	(0.072)	(0.072)	(0.093)	(0.093)	(0.094)	(0.093)
Dummy - generally flexible working conditions	0.707***	0.712***	0.711***	0.716***	0.763**	0.754**	0.762**	0.753**
	(0.080)	(0.081)	(0.081)	(0.082)	(0.104)	(0.103)	(0.104)	(0.103)
2006-2007 Q1		0.908		0.883		1.105		1.103
		(0.390)		(0.381)		(0.518)		(0.518)
2007 Q2		0.894		0.875		0.711		0.71
		(0.392)		(0.385)		(0.354)		(0.353)
2007 Q3		0.576		0.563		0.647		0.646
		(0.253)		(0.248)		(0.304)		(0.304)
2007 Q4		0.994		0.973		0.65		0.649
		(0.397)		(0.390)		(0.292)		(0.292)
2008 Q1		0.965		0.944		1.194		1.193
		(0.382)		(0.375)		(0.494)		(0.494)
2008 Q2		0.914		0.896		0.948		0.948
		(0.357)		(0.351)		(0.394)		(0.394)
2008 Q3		1.067		1.047		1.12		1.12
		(0.405)		(0.399)		(0.454)		(0.454)
2008 Q4		1.163		1.143		0.939		0.939
		(0.438)		(0.431)		(0.377)		(0.377)

2009 Q1	1.604 (0.589)	1.582 (0.581)	1.393 (0.547)	1.393 (0.547)
2009 Q2	1.44 (0.532)	1.425 (0.527)	1.049 (0.402)	1.05 (0.402)
2009 Q3	1.251 (0.463)	1.24 (0.459)	0.62 (0.263)	0.621 (0.263)
2009 Q4	1.123 (0.433)	1.115 (0.430)	1.325 (0.481)	1.325 (0.481)
2010 Q1	1.028 (0.398)	1.023 (0.396)	1.475 (0.507)	1.476 (0.508)
N	6778	6778	8644	8644
Pseudo R-squared	0.023	0.025	0.023	0.027

Notes: Standard errors in parentheses. Low pay 1 uses the 120% of the FMW definition, low pay the 66% of the median hourly wage definition.